

Rising to New Heights



Together We Make Tomorrow Happen

Srei Infrastructure Finance Limited  
Annual Report 2024-25



# Corporate Information Page

(Annual Report 2024-25)

## Board of Directors

|                      |                         |
|----------------------|-------------------------|
| 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         |           |
| Mr. Manoj Kumar (Non Member) | Secretary |

## Corporate Social Responsibility Committee

|                              |             |
|------------------------------|-------------|
| Ms. Anuradha Mitra           | Chairperson |
| Mr. Sunil Srivastav          |             |
| Mr. Avinash Kulkarni         |             |
| Mr. Hardayal Prasad          |             |
| Mr. Manoj Kumar (Non Member) | Secretary   |

## 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  
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  
Selenium Building, Tower-B, Plot No 31 & 32  
Financial District, Nanakramguda, Serilingampally  
Rangareddy, Hyderabad, Telangana - 500 032, India  
E-mail: einward.ris@kfintech.com





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| 40th Annual General Meeting on Thursday, September 25, 2025 at 3:00 P.M. (IST)<br>through Video Conferencing (VC) / Other Audio Visual Means (OAVM) |                                   |          |



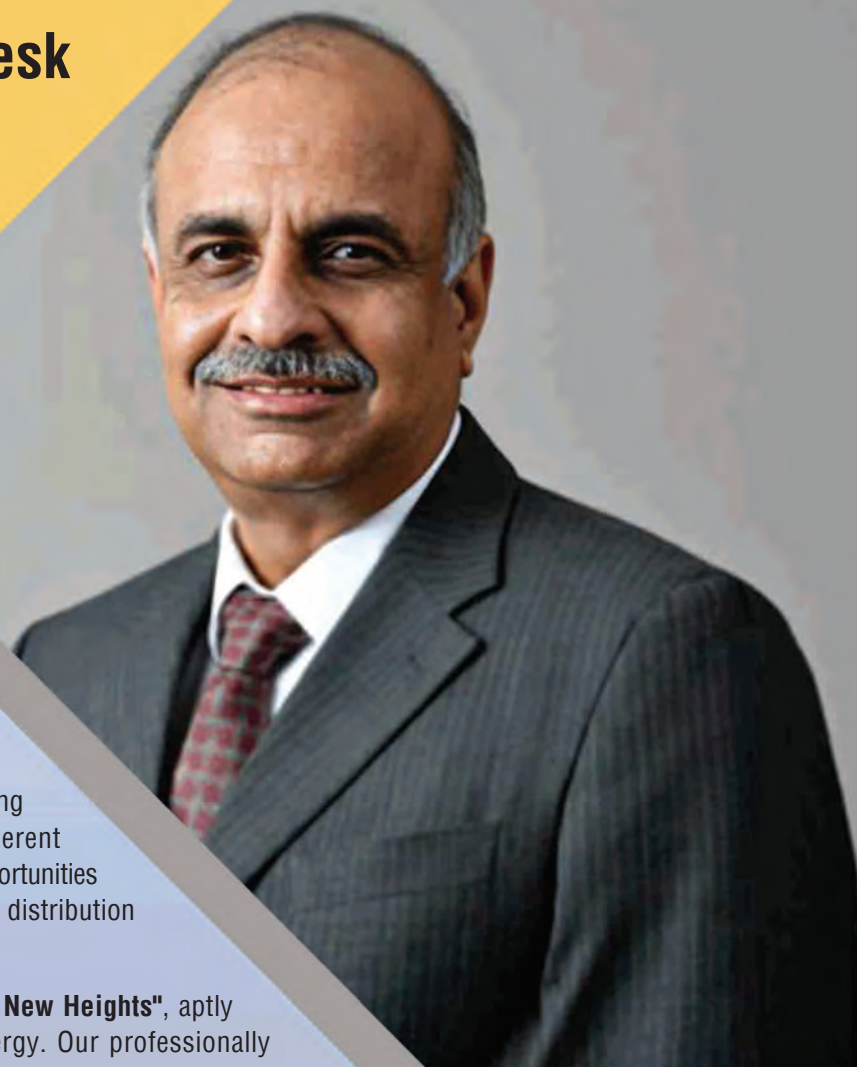


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## CHAIRMAN'S MESSAGE



# Message from the Desk of the Chairman



Dear Valued Stakeholders,

I am happy to share that your Company has successfully launched the infrastructure equipment finance business operations after all necessary regulatory approvals and clearances. This milestone marks the beginning of our journey in creating a robust Finance Company, demonstrating its inherent strengths, while never losing sight of new business opportunities through a spectrum of innovation enable by a hybrid distribution model.

The theme of this year's Annual Report, **"Rising to New Heights"**, aptly captures our collective aspiration and positive energy. Our professionally empowered management team is strategically poised to create an unique position of leadership in the Construction & Mining Equipment (CME) financing space which would not be limited to market share but would earnestly contribute towards creating a niche in product development and delivery. Your Company is always open to outlier approaches and will pragmatically explore new frontiers in allied financial services.

Our new endeavor comes at a time when India's infrastructure and capital goods sectors are gaining momentum. We intend to leverage this tailwind through robust risk management framework and a steadfast focus on customer-centricity. At every step, we remain committed to high standards of compliance, transparency and governance. We have also implemented various initiatives to enhance operational efficiency, reduce costs and improve productivity. You will be happy to note that keeping in mind the evolving digitalization in India, We continue to invest in technology that drive long-term growth and sustainability.

We are also aware that building an institutional legacy is less tactical and more a cultural shift. A culture of 'Customer First' on enabled practices of innovation, agility and accountability would be our go-to ethos. These will be our cornerstones as we work to build scalable models, create value for stakeholders and contribute meaningfully to the India Growth Story.

We are optimistic about the opportunities and prepared for the challenges that lie ahead. Our focus will also be to proactively remain ahead of the CME Finance Business through a process of continuous learning. The Company remains committed to have a significant player in the CME Finance Business in the coming years with sharper vision, stronger systems and a clear sense of purpose.

Thank you for your continued trust and belief in our journey. Together, we are determined to rising to new heights.

**Best Regards,**

**N. Sivaraman**  
Chairman



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## MANAGING DIRECTOR & CEO'S MESSAGE





# Message from the Desk of the Managing Director & CEO



Dear Valued Stakeholders,

It is with great satisfaction that I address you at this pivotal moment in your Company's road-map. I am personally excited to announce that along with my team, we have committed ourselves in creating an institution which in the future would be known for its contribution to the industry transformation and igniting high levels of performance in the face of overwhelming challenges.

The theme of this year's Annual Report, "**Rising to New Heights**", resonates deeply with our vision. It amplifies not just a new business initiative, but sets a tone to imagining how we wish to serve our customers, engage with partners and drive sustainable value across the ecosystem. Rising to new heights signifies our belief to excel in everything we do and not accepting anything but the best. These wouldn't be words alone but the standard operating practices of execution.

Over the past several months, we have tirelessly worked in record time to lay a sound foundation in establishing corporate governance frameworks, defining risk architecture, revamping IT infrastructure and aligning our colleagues and processes to best-in-class benchmarks. These high and stringent standards will ensure unmatched governance and foster a culture of innovation to drive growth, agility and future readiness.

We are now fully geared to excel in the lending operations in the Construction & Mining Equipment (CME) space; an area where we bring strong domain expertise. Simultaneously we are exploring select opportunities across the B2B asset finance space, guided by a prudent and diversified approach to growth.

As we embark on our journey Business excellence, credit quality and operative excellence is our guiding principles. We will continue to invest in people, technology and customer-centric products to build a scalable and resilient portfolio besides investing in strategic initiatives that drive long-term growth so as to create a significant value in the Company.

I am confident that your Company is well-positioned to navigate the complexities of the market and capitalize on emerging opportunities.

On behalf of the entire leadership team, I thank you for your trust and support. The road ahead is arduous but promising, and we are excited to scale newer heights together.

**With Best Wishes,**

**Warm Regards,**

**Hardayal Prasad**  
Managing Director & CEO



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# STATUTORY REPORTS





# Directors' Report

## DEAR MEMBERS,

Your Company has successfully come out of the Corporate Insolvency Resolution Process ('CIRP') subsequent to the approval of the Resolution Plan submitted by National Asset Reconstruction Company Limited ('NARCL') vide order dated August 11, 2023 by the Hon'ble National Company Law Tribunal, Kolkata Bench ('Hon'ble NCLT') under Section 31 of the Insolvency and Bankruptcy Code, 2016 ('Code'). Subsequently the Board of Directors of your Company has been re-constituted on February 26, 2024.

Your Company is presently registered with the Reserve Bank of India (RBI) as a Type II NBFC-ND and has received its revised Certificate of Registration (CoR) under Section 45IA of the Reserve Bank of India Act, 1934 with effect from February 03, 2025 to carry on the business of non-banking financial institution without accepting public deposits.

In accordance with the application of your Company, the RBI has given its consent to your Company to resume its lending business on April 30, 2025 and your Company has resumed its lending business from May, 2025.

Accordingly, your Directors are pleased to present the 40th Annual Report together with the Audited Accounts of your Company for the financial year ended March 31, 2025.

## COMPANY OVERVIEW

Your Company has post completion of CIRP and approval of the Resolution Plan put in place necessary infrastructure and other governance requirements to commence business as per the mandate and order of Hon'ble NCLT and is presently engaged in the business of offering financing solutions in the form of loans, co-lending, leasing, etc in construction & mining equipment ("CME") financing business

consisting of earth-moving equipment, material-handling equipment, road-construction equipment, material-processing equipment and concreting equipment.

Your Company shall initially focus on SME & Retail segments to provide financing solutions in areas including but not limited to equipment used in Infrastructure, Construction & Mining sectors.

Your Company believes that it is aptly suited to restart the CME financing business given the Company's knowledge, skill and insight into the life cycle of the CME, their operating efficiencies, their areas of deployment, associated customer segments, customer historical repayment efficiencies, the Original Equipment Manufacturers ("OEMs") and the geographical nuances associated with the segment. While your Company may consider other business lines in the future to de-risk itself from a single vertical strategy, in the present your Company thinks it's prudent to re-start its lending business and operations with its strengths and develop other competencies as it goes along.

Given the three decades of experience in CME financing, your Company possesses in-house capability to design loan and lease products. Further, your Company believes that its front-line team along with the supervisory personnel possess the skills to conduct this business.

Further, as per the Master Direction - Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023, your Company is categorised as a Middle Layer NBFC.

Your Company has not availed any public funds. The details about your 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 FINANCIAL SUMMARY & STATE OF AFFAIRS

(₹ in Lacs)

| Particulars                                                                       | Consolidated            |                         | Standalone              |                         |
|-----------------------------------------------------------------------------------|-------------------------|-------------------------|-------------------------|-------------------------|
|                                                                                   | As at<br>March 31, 2025 | As at<br>March 31, 2024 | As at<br>March 31, 2025 | As at<br>March 31, 2024 |
| Total Income                                                                      | 89,001                  | 73,961                  | 3,325                   | 1,347                   |
| Total Expenses (including impairment on financial instruments, depreciation etc.) | 1,08,297                | 8,52,765                | 3,289                   | 3,201                   |
| <b>Profit / (Loss) Before Exceptional Items &amp; Tax</b>                         | <b>(19,296)</b>         | <b>(7,78,804)</b>       | <b>36</b>               | <b>(1,854)</b>          |
| <b>Exceptional Items</b>                                                          | <b>-</b>                | <b>-</b>                | <b>10,000</b>           | <b>50,000</b>           |
| <b>Profit / (Loss) Before Tax</b>                                                 | <b>(19,296)</b>         | <b>(7,78,804)</b>       | <b>10,036</b>           | <b>48,146</b>           |
| Current Tax                                                                       | -                       | -                       | -                       | -                       |
| Income Tax in respect of earlier year                                             | 3                       | 19                      | 3                       | 20                      |
| Deferred Tax                                                                      | (87)                    | (88)                    | -                       | -                       |
| <b>Profit / (Loss) After Tax before adjusting Minority Interest</b>               | <b>(19,212)</b>         | <b>(7,78,735)</b>       | <b>10,033</b>           | <b>48,126</b>           |
| Non-Controlling Interest                                                          | -                       | (1)                     | -                       | -                       |
| <b>Profit / (Loss) After Tax after adjusting Minority Interest</b>                | <b>(19,212)</b>         | <b>(7,78,734)</b>       | <b>10,033</b>           | <b>48,126</b>           |
| Surplus brought forward from previous year (Retained Earnings)                    | (10,91,239)             | (27,52,019)             | 82,886                  | (256,374)               |
| Other Comprehensive Income (Net of Tax)                                           | (4)                     | (78)                    | (34)                    | 1                       |
| <b>Profit Available for Appropriation (Retained Earnings)</b>                     | <b>(11,10,455)</b>      | <b>(35,30,831)</b>      | <b>92,885</b>           | <b>(2,08,247)</b>       |
| Transfer (to)/from Statutory Reserve                                              | (2,007)                 | (18,082)                | (2,007)                 | (9,625)                 |
| Transferred (to)/from Reserves                                                    | 462                     | 24,57,674               | 462                     | 3,00,758                |
| Paid up Equity Share Capital                                                      | 100                     | 100                     | 100                     | 100                     |
| Other Equity excluding Revaluation Reserves                                       | (11,12,000)             | (10,91,239)             | 91,341                  | 82,886                  |
| Earnings Per Share (₹)                                                            | (192.12)                | (216.07)                | 100.33                  | 13.35                   |



## OPERATIONAL REVIEW:

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

- Total Income is ₹ 3,325 Lacs as against ₹ 1,347 Lacs in the previous year.
- Profit Before Tax is ₹ 10,036 Lacs as against Profit Before Tax of ₹ 48,146 Lacs in the previous year.
- Net Profit After Tax is Rs. 10,033 Lacs as against Net Profit of ₹ 48,126 Lacs in the previous year.

The Capital to Risk Assets Ratio (CRAR) of your Company stood at 131.26 per cent (entire being Tier I) as on March 31, 2025, well above the regulatory minimum level of 15 per cent prescribed by the Master Direction - Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023.

## CONSOLIDATED

The key highlights of the Group's consolidated performance during the year under review are as follows:

- Total Revenue stood at ₹ 89,001 Lacs as compared to ₹ 73,961 Lacs in the previous financial year;
- Operational Expenses were ₹ 1,08,297 Lacs as against ₹ 8,52,765 Lacs in the previous financial year;
- Operating Loss Before Tax stood at ₹ 19,296 Lacs as compared to ₹ 7,78,804 Lacs in the previous financial year;
- Loss After Tax for year stood at ₹ 19,212 Lacs as against ₹ 7,78,735 Lacs in the previous financial year.

During the financial year under review, the standalone and consolidated financial statements for the year ended March 31, 2025 have been prepared as per the Ind AS and the relevant provisions of the Companies Act, 2013 and applicable rules.

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).

## TRANSFER TO RESERVES

According to the provisions of Section 451C of the RBI Act, 1934, your Company has transferred an amount of ₹ 2,007 Lacs to special reserve during the financial year ended on March 31, 2025.

## CHANGE IN NATURE OF BUSINESS

During the year under review, the Company has converted itself into a Type II NBFC-ND and has been granted a Certificate of Registration ('CoR') as Type II NBFC-ND by the Reserve Bank of India with effect from February 03, 2025 to commence the business of non-banking financial institution without accepting public deposits and has accordingly surrendered the 'Infrastructure Finance Company' ('IFC') certificate of registration.

## SHARE CAPITAL

The paid up Equity Share Capital of the Company is ₹ 1 Crore divided into 1,00,00,000 Equity Share of ₹ 1/- each as on 31st March, 2025.

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

## OPERATIONS

The present management of your Company under the guidance of the

Managing Director & CEO has resumed the lending business of your Company as a non-banking financial institution and had undertaken various efforts to strengthen the policies and processes, functioning of the IT System, legal, internal audit, internal financial controls and 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 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, 2025.

## PUBLIC DEPOSITS

Your Company being a non-deposit taking Non-Banking Finance Company during the year under review, has not accepted any deposits from the public within the meaning of the provisions of the Non-Banking Financial Companies Acceptance of Public Deposits (Reserve Bank) Directions, 2016. Further as on March 31, 2025 your Company does not have any unpaid / unclaimed deposits payable to the depositors.

## MANAGEMENT DISCUSSION AND ANALYSIS REPORT ECONOMIC REVIEW

### Industry structure and developments

#### Global Outlook

The global economy navigated a complex landscape influenced by geopolitical shifts, trade fluctuations and inflationary pressures in financial year 2024-25. Despite persistent challenges, proactive policies and continued investments in key sectors strengthened stability and resilience. Global growth is projected at 3.0 percent for 2025 and 3.1 percent in 2026, an upward revision from the April, 2025 World Economic Outlook. Heightened supply chain vulnerabilities prompted businesses and governments to re-evaluate trade dependencies and implement strategic measures to enhance economic stability.

The need for global cooperation is crucial for safeguarding trade and it is getting operated through a global system of trade rules, helps developing countries improve their capacity to trade, and provides a forum for resolving trade disputes.

Some countries introduced tariffs on global trade in March 2025, followed by retaliatory actions that disrupted international trade, increased inflation, and slowed economic growth. Emerging markets such as China and India are expected to show stronger growth of 3.7% in 2025 and 3.9% in 2026, despite global uncertainties and recent trade tensions. Even so, economies are expected to stay resilient by adopting new technologies and implementing strategic policy measures.

#### Indian Economy

India continued to be one of the fastest-growing major economies driven by robust domestic demand, government spending, and a resilient services sector. The financial system is expected to continue its growth trajectory, supported by strong bank balance sheets and a focus on infrastructure development.

The Indian economic activity continues to maintain the momentum in 2025-26, supported by private consumption and traction in fixed capital formation. The sustained rural economic activity bodes well for rural demand, while continued expansion in services sector is expected to support the revival in urban demand.

The Indian economic outlook for 2025 presents several positive factors, including a strengthening of domestic demand conditions and a surge in business optimism. These factors, coupled with India's consistent economic growth, make it a standout global economy, particularly in the context of slower growth in other major economies.

#### Industry Overview

#### Non-Banking Finance Companies (NBFCs) Industry in India

The NBFC sector plays a crucial role in India's financial system by providing credit to various economic sectors. By complementing the



traditional banking system, they have significantly expanded access to credit, particularly for segments that have historically been underserved or excluded, including those that traditional banks may not adequately serve. At the same time, NBFCs maintain strong partnerships with commercial banks, mutual funds and insurance companies to ensure financial stability and a diversified funding base. NBFCs have been able to design customized financial products tailored to diverse borrower needs through innovative credit delivery models that harness technology and local insights.

This rapid growth is a testament to the sector's relevance and resilience. As NBFCs become more systemically important, the standards of governance, risk management, and customer treatment must rise accordingly. The NBFC sector has faced consecutive challenges since FY2019, beginning with the failure of a large NBFC and subsequent liquidity stress, followed by the COVID-19 pandemic and most recently, monetary policy tightening due to high inflation.

Despite these challenges, NBFCs have maintained adequate provisions for non-performing assets, demonstrating effective loan resolution and asset quality improvement. Additionally, ongoing regulatory recalibration, with a stronger focus from RBI on customer protection, operational compliance and pricing disclosures, are expected to shape the sector's future lending practices.

## Opportunities and Threats

### Opportunities

India has made significant progress from being classified as a fragile economy in 2010 to emerging as a key driver of global growth, even as the rest of the world faces economic uncertainties. Two key factors supporting this growth are the country's demographic dividend and its expanding middle-income population. Currently, around 30% of India's population falls within the middle-income category, contributing approximately 48% of total domestic consumption.

The Union Budget 2025-26 also presents several opportunities for infrastructure businesses, including a significant increase in capital outlay, expansion of the UDAN scheme, and support for states through interest-free loans. It also includes initiatives like the Urban Challenge Fund and the Maritime Development Fund, along with tax incentives and revised regulations to boost infrastructure development. Increased demand for housing and commercial spaces in cities. Additionally, policy reforms focused on infrastructure development, manufacturing expansion and export growth are expected to create more employment opportunities, further increasing the size of the middle-income group and improving living standards.

### Threats

A significant portion of large NBFCs relies on bank borrowings to support credit growth. Any disruption in this funding channel can have a cascading impact, affecting not only NBFC credit expansion but also key sectors such as MSMEs, real estate and low-income households, where NBFCs play a crucial role. Ensuring smooth access to low-cost funding is essential for NBFCs to maintain the last-mile flow of credit across the economy.

## About Srei Infrastructure Finance Limited

### Company Overview

Srei Infrastructure Finance Limited is a leading NBFC that offers a wide range of funding solutions for both individuals and businesses in the form of loans, co-lending, leasing, etc. Your Company currently focuses on SME & Retail segments by providing financing solutions in areas including but not limited to equipment used in Infrastructure, Construction & Mining sectors.

Your Company is registered with the Reserve Bank of India (RBI) as a NBFC-Middle Layer and has resumed business as an asset finance company during the current financial year under the guidance of the Managing Director & CEO.

Your Company also has an Infrastructure Project Advisory division which offers consultancy and other allied value added services from

concept to commissioning in different domains of Infrastructure in Urban and Industrial precincts.

### SREI EQUIPMENT FINANCE LIMITED

Srei Equipment Finance Limited (SEFL), a wholly owned subsidiary of your Company and is registered with the Reserve Bank of India as an asset finance company. In line with the Approved Resolution Plan, SEFL is involved only in the recovery and collection from portfolio and does not carry on any lending business.

The Gross Profit / (Loss) (before depreciation, amortization, impairment, net loss on de-recognition 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 ₹ 24,952 Lacs as against ₹ (51,836) Lacs in the previous year.

Profit / (Loss) before Taxation for the year was ₹ (29,066) Lacs as against ₹ (7,64,729) in the previous year.

Net Profit / (Loss) after Taxation for the year was ₹ (29,066) Lacs as against ₹ (7,64,729) Lacs in the previous year.

### Company Outlook

Your Company is focused on the construction and equipment financing sector. It is focussing on enhancing its business by enhancing pricing strategies, asset quality and operational efficiencies to enhance its business, geographical coverage and customer on-boarding. The primary focus of the Company is to create value by serving the construction and equipment financing industry with specific products and services that meet their unique financing needs. The Company will focus on building trust, loyalty and gaining competitive advantage through improved customer experience building strong relationship across the touchpoints. Your Company is in a very niche and specialised segment and will provide solutions to build greater satisfaction and loyalty. The Company will prioritise strategically to improve the operational efficiency, execution and brand clarity.

Public infrastructure is the backbone of economic development, enhancing connectivity, trade, and overall quality of life. India is the world's fifth-largest economy and has made remarkable progress in infrastructure development over the past decade.

With India's construction equipment market projected to growth at a CAGR of 8-10% through 2025-26, fuelled by government initiatives like the National Infrastructure Pipeline (NIP) and Gati Shakti plan, increased investment in infrastructure projects, including roads, urban development, and mining, will drive demand for construction equipment. The industry is increasingly focusing on sustainable equipment, digital solutions, and workforce development. AI-enabled automation, digital tools, and autonomous machines are expected to augment workforce productivity and improve safety.

Government initiatives like the National Infrastructure Pipeline (NIP), PM Gati Shakti National Master Plan (NMP), Bharatmala Pariyojana and National Infrastructure Project Development Fund, Sagarmala projects and many more ongoing projects focus on enhancing connectivity, improving logistics and promoting economic growth through strategic infra projects.

The Management of your Company is closely monitoring these developments to source new business opportunities and focus solely on construction & mining equipment business to position as the key equipment financing partner. With expanded growth witnessed in India your Company is committed to focusing on innovative financial solutions to generate long term value for the stakeholders through good governance and adhering to policy compliance.

### HUMAN RESOURCES

The year 2024-25, was a year where your Company emerged robustly from the Corporate Insolvency Resolution Process (CIRP) and completed a full year under the new leadership team. Your Company has revamped its HR practices from a traditional HR organization to a new age, tech savvy HR organization and introduced innovative working methodologies



to ensure that the employees are prepared to drive long-term value by offering career growth opportunities, competitive rewards and a strong learning culture.

Professional growth opportunities were strategically enhanced and opportunities were provided to employees to step up and showcase their capabilities. This internal promotion strategy sent a highly positive message throughout the organization, reinforcing your Company's commitment to employee development and recognition.

During the year, Incentive program was introduced and all the HR Policies were revamped to ensure risk management practices and maximize benefits for employees. The idea was to create a robust work culture and ensure people are self-motivated and take pride at their workplace. Policies like flexible working hours, changed leave policy, revised travel policies have been introduced to help employees achieve work-life balance.

A resolute commitment to diversity and inclusion remained a guiding principle of your Company's HR strategy. Your Company remains committed to promoting a dynamic and inclusive work environment by attracting, developing and retaining top talent. The Company prioritises upskilling and leadership development to build a future-ready workforce aligned with evolving business needs.

Your Company emphasises employee well-being, engagement and diversity to create a high-performance workplace. A strong focus on agility and resilience enables the Company to nurture a workforce capable of contributing to sustained organisational growth. As of March 31, 2025, the Company had 163 employees on its payroll.

## RISK MANAGEMENT

The risk policies and procedures of your Company are framed based on extant directives provided from time to time by the Reserve Bank of India (RBI) applicable for Middle Layer NBFC, other regulatory authorities and continuously bench marked with industries best practices.

The Risk Management Policy of your Company outlines a framework which envisages coverage of risks that the Company is likely to be exposed to, commensurate with its size & scale of operations, including but not limited to Credit Risk, Market Risk, Operational Risk, IT Risk & Outsourcing Risk.

The Policy also provides broad elaboration on other risks which may be applicable viz. Reputation Risk, Compliance Risk, Human Resource Risk etc. Policy also covers aspects relating to Risk Appetite Framework (RAF), Internal Capital Adequacy Assessment Process (ICAAP) & Business Continuity.

Your Company has put in place Standard Operating Procedures (SOP), based on which, Operational Risk would be reviewed through Risk Control Self-Assessment (RCSA) framework. RCSA would be prepared by process owners & reviewed by Risk. RCSA calendar would be put in place to ensure that all SOPs are reviewed on periodic basis.

As per approved Credit policy, your Company would assess credit risk based on client's character, capacity & collateral which would be evaluated through analysis of business operations, financials, projected cash-flows, bank statement, work order, GST return, credit score obtained from Credit Bureaus, etc. Going forward, credit risk would be monitored through periodic portfolio quality reviews and risk categorization of assets & geographies being financed. Your Company would put in place system for detection of Early Warning Signal (EWS) & framework on Expected Credit Loss (ECL) for determination of provisioning.

In order to cover market risk, your Company has put in place policies on Asset Liability Management (ALM) and Investment in line with regulatory guidelines. As per Outsourcing Policy, outsourcing arrangements would be placed to Risk Management Committee (RMC) for consideration, of which material outsourcing would require approval from Board.

Information Technology is crucial to your Company's operations. Your Company manages multiple IT risks that influences its performance & capacity to fulfil the expectations of its various stakeholders.

Your Company has put in place Board-approved IT & IT Outsourcing and Information Security & Cyber Security policies aligned with regulatory guidelines. An IT & IS governance framework has been put in place comprising IT Strategy Committee and its 2 sub-committees - IT Steering Committee & Information Security Committee.

In order to achieve enhanced performance, scalability & cost efficiency, your Company during the year has migrated its Data Centre (DC) from AWS (Amazon Web Services) Cloud to Oracle Cloud Infrastructure (OCI). Geographically separated and identical DC & Disaster Recovery (DR) sites have been set up as per regulatory requirements.

In line with the Policy on BCP & DR put in place by your Company, IT DR Drills were conducted to check the efficiency of DR strategy.

Information & Cyber Security risks arise 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's Security Operations Centre (SOC) continues to monitor and improve its security posture while preventing, detecting, analysing and responding to cyber security incidents. Your Company has not yet experienced any material losses relating to cyber-attacks. Your Company has implemented endpoint, email & web security solutions to detect & prevent security threats at various levels.

Periodic trainings are conducted by your Company to increase user awareness about the various facets of information & cyber security. Your Company has also implemented Phishing Simulation solution to assess employee awareness & strengthen them against social engineering attacks.

## 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. The framework includes risk assessment, control activities and monitoring mechanisms, with oversight from the Board of Directors through the Audit Committee. Regular internal audits and risk-based reviews help identify control weaknesses and enable timely corrective actions.

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.

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.

Further, in accordance with the regulatory guidelines, your Company's Internal Financial Controls 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.

## ESOP TRUST

The Approved Resolution Plan had envisaged creation of SIFL ESOP Trust and issuance of Equity Shares to SIFL ESOP Trust. The ESOP Welfare Trust has been established for the benefit of the employees of your Company.



Equity shares of 10,00,000 (Ten Lacs) 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.

Your Company is currently in the process of formulating and implementing the ESOP Scheme in accordance with the Approved Resolution Plan dated August 11, 2023.

#### SCHEME OF AMALGAMATION

During the year under review, the Board of Directors of your Company have at their meeting held on February 11, 2025 approved a Scheme of Amalgamation in accordance with the provisions of Section 233 of the Companies Act, 2013 read with Rule 25 of the Companies (Compromises, Arrangements & Amalgamations) Rules, 2016, as amended, under fast track route for amalgamation of Srei Asset Leasing Limited ('Transferor Company 1'), Srei Capital Markets Limited ('Transferor Company 2'), Srei Mutual Fund Asset Management Private Limited ('Transferor Company 3') And Srei Mutual Fund Trust Private Limited ('Transferor Company 4') (hereinafter collectively referred to as "Transferor Companies"), wholly-owned subsidiary companies of your Company with your Company ('Scheme') with effect from the Appointed Date i.e. April 01, 2024. The consideration for the transfer and vesting of the Transferor Companies into and with your Company would be at Nil consideration as all the Transferor Companies are wholly owned subsidiary of your Company.

On the Scheme becoming effective the Transferor Companies shall be dissolved without winding up in accordance with Section 233 of the Companies Act, 2013.

Your Company has filed necessary forms with the Registrar of Companies, West Bengal Kolkata, Official Liquidator, Ministry of Corporate Affairs and persons affected by the proposed Scheme inviting objections or suggestions, if any to the proposed Scheme.

#### INFORMATION TECHNOLOGY

Information Technology plays a pivotal role in your Company's operations. Over the past year, the primary focus has been on maintaining & optimizing the existing IT infrastructure.

Your Company's key priority has been to maintain the stability & reliability of its IT environment. Routine maintenance have been consistently undertaken to keep the systems running.

Data security & adherence to regulatory requirements have remained a top priority. Your Company has put in place Board-approved IT & IT Outsourcing and Information & Cyber Security policies aligned with regulatory guidelines. An IT & IS governance framework has been put in place comprising IT Strategy Committee and its 2 sub-committees – IT Steering Committee & Information Security Committee.

Your Company has recently migrated its Data Centre (DC) from AWS (Amazon Web Services) Cloud to Oracle Cloud Infrastructure (OCI) for enhanced performance, scalability & cost efficiency. Geographically separate and identical DC & Disaster Recovery (DR) sites have been set up as per regulatory requirements.

Your Company is also in the process of implementing new end-to-end lending solution which comprises LOS (Loan Origination System), LMS (Loan Management System) & LCS (Loan Collections System).

Your Company's Security Operations Centre (C-SOC) continues to monitor & improve its security posture while preventing, detecting, analyzing & responding to cyber security incidents. Your Company runs regular awareness programs to strengthen its information security posture & conducts phishing simulation campaigns to assess employee awareness.

#### CORPORATE SOCIAL RESPONSIBILITY (CSR)

Your Company's Corporate Social Responsibility Policy, in consonance with Section 135 of the Companies Act, 2013 read with The Companies (Corporate Social Responsibility Policy) Rules, 2014 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/storage/app/media/sfil\\_corporate\\_policies\\_new/Corporate%20Social%20Responsibility%20Policy.pdf](https://www.srei.com/storage/app/media/sfil_corporate_policies_new/Corporate%20Social%20Responsibility%20Policy.pdf)

Your Company perceives Corporate Social Responsibility (CSR) as an opportunity to contribute towards uplifting the society at large, empowering individuals, making them self-reliant. The CSR philosophy of your Company is embedded in its commitment to all stakeholders namely, consumers, environment and the society at large.

The total amount available for CSR spending, being 2 (two) per cent of the average net profits of your Company made during the 3 (three) immediately preceding financial years, being negative, your Company is not liable to spend any amount on CSR during the year under review.

The annual report on Corporate Social Responsibility as required under Sections 134 and 135 of the Companies Act, 2013 read with Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 is provided in the Annexure forming part of this Report. For other details regarding CSR Committee, please refer to the Report on Corporate Governance, which is a part of this Annual Report.

#### SREI WEBSITE

The official website of your Company [www.srei.com](http://www.srei.com) has been designed with user convenience in mind. The website incorporates an intuitive and highly customizable content management system, allowing for effortless updates.

With a modern, customer-centric design, the website caters to the needs of prospective customers, investors and employees. It serves as a comprehensive resource hub, providing regulatory disclosures, financial results, corporate policies, product details and updates on the Company's business activities and services.

#### HOLDING COMPANY

The Company does not have any Holding Company as on March 31, 2025.

#### SUBSIDIARY COMPANIES / JOINT VENTURES / ASSOCIATE COMPANIES

##### 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](mailto: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](http://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 31.03.2025 (₹ in Lacs) | Profit After Tax (PAT) for the financial year ended 31.03.2025 (₹ in Lacs) | % Contribution on Turnover / Total Income for the financial year ended 31.03.2025 | % Contribution on PAT for the financial year ended 31.03.2025 |
|---------------------------------------------------|-----------------------------------------------------------------------------|----------------------------------------------------------------------------|-----------------------------------------------------------------------------------|---------------------------------------------------------------|
| Srei Capital Markets Limited                      | 5.58                                                                        | (29.04)                                                                    | 0.01                                                                              | 0.00                                                          |
| Srei Asset Leasing Limited                        | 8.78                                                                        | 7.71                                                                       | 0.01                                                                              | 0.00                                                          |
| Bengal Srei Infrastructure Development Limited    | 0.48                                                                        | (0.95)                                                                     | 0.00                                                                              | 0.00                                                          |
| Controlla Electrotech Private Limited             | 338.27                                                                      | 43.38                                                                      | 0.36                                                                              | 0.00                                                          |
| Srei Mutual Fund Trust Private Limited            | 0.40                                                                        | (0.13)                                                                     | 0.00                                                                              | 0.00                                                          |
| Srei Mutual Fund Asset Management Private Limited | 1.60                                                                        | (3.23)                                                                     | 0.00                                                                              | 0.00                                                          |
| Srei Insurance Broking Private Limited            | 177.49                                                                      | (244.65)                                                                   | 0.19                                                                              | 0.00                                                          |
| Srei Equipment Finance Limited (SEFL)             | 88,976                                                                      | (29,066)                                                                   | 95.84                                                                             | 0.00                                                          |

\*The Company has not received the Board approved audited 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 after the financial year ended March 31, 2022 and accordingly the financial statement of these three Companies has been consolidated considering the financial statement as at March 31, 2022.

#### Joint Venture and Associate Company:

As on March 31, 2025, the Company did not have any joint ventures and associate company in terms of provisions of Section 134(3)(q) of the Companies Act, 2013 read with Rule 8(5)(iv) of the Companies (Accounts) Rules, 2014 and hence disclosure is not required.

#### SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR 2025

During the year under review the following material changes affecting the financial position of your Company had taken place:

- Categorisation of your Company as Type II NBFC-ND; and
- Sub-division of Shares;

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.

#### MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR OF THE COMPANY TO WHICH THE FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT

There have been no material changes and commitments, affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the financial statements relate and the date of the report other than as follows:

- Resumption of lending business of the Company in May, 2025.

#### DIRECTORS AND KEY MANAGERIAL PERSONNEL

##### 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 maximum time gap between any two consecutive meetings did not exceed 120 (one hundred twenty) days.

There were 9 Meetings of the Board held on April 05, 2024, June 05,

2024, July 26, 2024, August 07, 2024, September 27, 2024, November 4, 2024, November 7, 2024, December 18, 2024 and February 11, 2025.

#### DIRECTORS

Based on recommendation of the Nomination and Remuneration Committee, the Board of Directors of your Company has appointed Mr. Hardayal Prasad (DIN: 08024303) as a Managing Director of your Company with effect from April 15, 2024.

During the year under review, Mr. Sunil Srivastav (DIN: 00237561) and Ms. Anuradha Mitra (DIN: 00123320) were appointed as an 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.

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 expertise and core skills of the present Board Members as reviewed by the Nomination and Remuneration Committee and the Board, the Board of Directors of your Company are of the opinion that the Independent Directors of your Company possess the requisite competencies 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.



In accordance with the provisions of Section 152 of the Companies Act, 2013 (Act) and the relevant Rules and your Company's Articles of Association, Mr. Hardayal Prasad (DIN: 08024303) retires by rotation at the ensuing AGM and being eligible, offers himself for re-appointment.

#### 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.

#### 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 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.

4 (Four) meetings of the Audit Committee of your Company were held during the financial year 2024-25 on June 05, 2024, August 07, 2024, November 04, 2024 and February 11, 2025.

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

#### NOMINATION AND REMUNERATION POLICY

Your Company has a Board approved 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 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 is available on your Company's website at - <https://www.srei.com/storage/app/media/2025/August/Nomination%20and%20Remuneration%20Policy.pdf>

#### WHISTLE BLOWER POLICY (VIGIL MECHANISM)

Your Company has established a Vigil Mechanism which includes a codified Whistle Blower Policy in terms of Section 177 of the Companies Act, 2013 and Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014, in order to encourage and support Directors and Employees of your Company to report instances of illegal activities, unethical behavior, actual or suspected, fraud or violation of your Company's Code of Conduct and Business Ethics and any issue of concerns impacting and compromising with the interest of your Company and its stakeholders in any way.

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 is available on Srei Website [www.srei.com](http://www.srei.com)

#### 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 so 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 ('POSH Act'). The Policy is meant to sensitize the employees about their fundamental right to have safe and healthy environment at workplace. As per the Policy, any employee may report his/her complaint to the Internal Complaint Committee constituted for this purpose. The said Policy is available on Srei Website [www.srei.com](http://www.srei.com)

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

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.

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, 2025.

#### 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 <https://www.srei.com/srei-annual-return>.

#### 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 2024-25. Members may refer to the notes to the financial statements for details of related party transactions.

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.

The details of related party transactions entered into by the Company



are provided in Form AOC-2, which forms part of the Financial Statements. The same is not repeated here for the sake of brevity.

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 and 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 is available on your Company's website at <https://www.srei.com/storage/app/media/latest-updates/Related%20Party%20Transaction%20Policy.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 required to be disclosed as per Section 134(3)(m) of the Companies Act, 2013 read with 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, your Company did not have any transactions involving foreign exchange earnings or expenditure, (Previous Year - Nil).

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

In accordance with the provisions of Sections 124 and 125 of the Companies Act 2013 and Investor Education and Protection Fund (Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF Rules"), dividends which remain unpaid or unclaimed for a period of seven years from the date of transfer to the Unpaid Dividend Account shall be transferred by the Company to the Investor Education and Protection Fund ("IEPF").

During the year 2024-25, the Company had transferred the amount of Rs. 5,21,411 to IEPF Authority corresponding to unclaimed and unpaid dividends of Investors in companies, for the year 2016-17.

Please note that the Company was not required to transfer the shares pertaining to the financial year 2016-17, 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.

### **STATUTORY AUDITORS AND AUDITORS REPORT**

As per the provisions of Section 139 of the Companies Act, 2013, at the 39th AGM held on September 26, 2024, 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 2 (Two) years from the conclusion of 39th AGM till the conclusion of the 41st AGM of your Company.

The Board of Directors of your Company, at its meeting held on May 02, 2025 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, 2025, 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 Statutory Auditors' Report does not contain any qualification, reservation or adverse remark other than Qualified Opinion Report on the Audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2025. The notes to accounts to the Statutory Auditors' Report are self-explanatory and do not call for any further comments.

### **CORPORATE POLICIES**

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

### **CORPORATE GOVERNANCE**

Your Company believes in sound corporate governance and takes necessary actions at appropriate times for enhancing and meeting stakeholders' expectations while continuing to comply with the mandatory provisions of Corporate Governance.

A separate Report on Corporate Governance forms part of the Annual Report.

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

During the financial year 2024-25, no significant and material orders has been passed by regulators or courts or tribunals impacting the going concern status and Company's operations in future.

### **RE-STATEMENT OF ACCOUNTS OF SUBSIDIARY**

Srei Infrastructure Finance Limited has not received Board approved audited 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 March 31, 2023, year ended March 31, 2024 and year ended March 31, 2025 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, March 31, 2024 and March 31, 2025. Accordingly, the consolidated financial statements for the year ended March 31, 2025 are not comparable with the consolidated financial statements for the year ended March 31, 2022. We are unable to comment on the possible impact of the same on the consolidated financial statements for the year ended March 31, 2025 or any other consequences arising out of such non-compliance on the consolidated financial statements.

### **ASSET LIABILITY MANAGEMENT ('ALM')**

The Company had Nil borrowings as on March 31, 2025. The Company has a Asset Liability Management Committee and meetings are held as and when required and it continuously monitors asset-liability mismatches to ensure that there are no imbalances on either side of the balance sheet. The ALM position of the Company is based on the maturity buckets as per the guidelines issued by the Reserve Bank of India from time to time.



## COMPLIANCE WITH THE SECRETARIAL STANDARDS

Your Company is in compliance with all applicable provisions of the Secretarial Standards issued by the Institute of Company Secretaries of India.

## SECRETARIAL AUDIT REPORT

The provisions with regard to Secretarial Audit Report are not applicable to your Company.

## MAINTENANCE OF COST RECORDS

Your Company is not required to maintain cost records as specified by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013 during the financial year ended on March 31, 2025.

## 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](http://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:

- (i) in the preparation of the annual accounts for the financial year ended March 31, 2025, 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 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, 2025 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.

## REGULATORY COMPLIANCES

The Company continues to comply with all the applicable regulations,

guidelines, etc. prescribed by the Reserve Bank of India from time to time. The Company always strives to operate in compliance with applicable RBI guidelines and regulations and employs its best efforts towards achieving the same.

## GENERAL DISCLOSURES

Your Board states that no disclosure or reporting is required in respect of the following items during the year under review:

- No sweat equity shares and shares with differential rights as to dividend, voting or otherwise were issued;
- No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future;
- 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 and Board's Report;
- There was no change in the nature of business;
- The Auditors of the Company have not reported any fraud as specified under Section 143(12) of the Companies Act, 2013;
- Neither any application was made, nor any proceeding is pending under the Insolvency and Bankruptcy Code, 2016 against the Company;
- The Company has not made any one-time settlement for loans taken from the Banks or Financial Institutions, and hence the details of difference between amount of the valuation done at the time of one time settlement and the valuation done while taking loan from the Banks or Financial Institutions along with the reasons thereof is not applicable.

## 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 Director

Place: Mumbai  
Date: August 06, 2025

Sd/-  
Mr. N. Sivaraman  
Chairman  
(DIN: 00001747)



# Annual Report on Corporate Social Responsibility (CSR) Activities for Financial Year 2024-25

## 1. Brief outline on CSR Policy of the Company:

During the year under review, the Company has a Corporate Social Responsibility Policy, in consonance with Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014. The Corporate Social Responsibility Policy of the Company inter-alia outlines the Company's approach to CSR, CSR Thrust Areas, Role of CSR Committee and CSR Reporting Mechanism. The said Policy is available at the website of the Company at -

[https://www.srei.com/storage/app/media/sifl\\_corporate\\_policies\\_new/Corporate%20Social%20Responsibility%20Policy.pdf](https://www.srei.com/storage/app/media/sifl_corporate_policies_new/Corporate%20Social%20Responsibility%20Policy.pdf)

## 2. Composition of CSR Committee:

| Name of Director     | Designation / Nature of Directorship | Number of meetings of CSR Committee held during the year | Number of meetings of CSR Committee attended during the year |
|----------------------|--------------------------------------|----------------------------------------------------------|--------------------------------------------------------------|
| Ms. Anuradha Mitra   | Independent Director, Chairperson    | -                                                        | NA                                                           |
| Mr. Sunil Srivastav  | Independent Director, Member         | -                                                        | NA                                                           |
| Mr. Avinash Kulkarni | Nominee Director, Member             | -                                                        | NA                                                           |
| Mr. Hardayal Prasad  | Managing Director & CEO, Member      | -                                                        | NA                                                           |

## 3. Provide the web-link(s) where Composition of CSR Committee, CSR Policy and CSR Projects approved by the Board are disclosed on the website of the Company:

### Composition of CSR Committee:

[https://www.srei.com/storage/app/media/sifl\\_corporate\\_policies\\_new/Corporate%20Social%20Responsibility%20Policy.pdf](https://www.srei.com/storage/app/media/sifl_corporate_policies_new/Corporate%20Social%20Responsibility%20Policy.pdf)

### CSR Policy:

[https://www.srei.com/storage/app/media/sifl\\_corporate\\_policies\\_new/Corporate%20Social%20Responsibility%20Policy.pdf](https://www.srei.com/storage/app/media/sifl_corporate_policies_new/Corporate%20Social%20Responsibility%20Policy.pdf)

### CSR Projects:

Not Applicable

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

Not Applicable

## 5. (a) Average Net Profit of the Company as per sub-section (5) of Section 135:

Rs. (1,161) Lacs

## (b) Two percent of average Net Profit of the Company as per sub-section (5) of Section 135:

Not Applicable

## (c) Surplus arising out of the CSR Projects or programmes or activities of the previous financial years:

Nil

## (d) Amount required to be set-off for the financial year, if any:

Nil

## (e) Total CSR obligation for the financial year [(b)+(c)-(d)]:

Nil

## 6. (a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project):

Nil

## (b) Amount spent in Administrative Overheads:

Not Applicable



**(c) Amount spent on Impact Assessment, if applicable:**

Not Applicable

**(d) Total amount spent for the financial year [(a)+(b)+(c)]:**

Nil

**(e) CSR amount spent or unspent for the financial year:**

| Total Amount Spent for the financial year (in ₹) | Amount Unspent (in ₹)                                                                 |                  |                                                                                                                     |        |                  |
|--------------------------------------------------|---------------------------------------------------------------------------------------|------------------|---------------------------------------------------------------------------------------------------------------------|--------|------------------|
|                                                  | Total Amount transferred to Unspent CSR Account as per sub-section (6) of Section 135 |                  | Amount transferred to any fund specified under Schedule VII as per second proviso to sub-section (5) of Section 135 |        |                  |
|                                                  | Amount                                                                                | Date of Transfer | Name of the Fund                                                                                                    | Amount | Date of Transfer |
| Nil                                              | Nil                                                                                   | Not Applicable   | Not Applicable                                                                                                      | Nil    | Not Applicable   |

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

| Sl. No. | Particular                                                                                                        | Amount (in ` Lacs) |
|---------|-------------------------------------------------------------------------------------------------------------------|--------------------|
| (1)     | (2)                                                                                                               | (3)                |
| (i)     | Two percent of average Net Profit of the Company as per sub-section (5) of Section 135 of The Companies Act, 2013 | (1,161)            |
| (ii)    | Total amount spent for the financial year                                                                         | Nil                |
| (iii)   | Excess amount spent for the financial year [(ii)-(i)]                                                             | Nil                |
| (iv)    | Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any       | Nil                |
| (v)     | Amount available for set off in succeeding financial years [(iii)-(iv)]                                           | Nil                |

**7. Details of Unspent Corporate Social Responsibility amount for the preceding three financial years:**

| 1     | 2                         | 3                                                                                          | 4                                                                                      | 5                                              | 6                                                                                                                            |                  | 7                                                                      | 8                  |
|-------|---------------------------|--------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------|------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------|------------------|------------------------------------------------------------------------|--------------------|
| Sl No | Preceding financial years | Amount transferred to Unspent CSR Account under sub-section (6) of Section 135 (in ₹ Lacs) | Balance Amount in Unspent CSR Account under sub-section (6) of Section 135 (in ₹ Lacs) | Amount Spent in the financial year (in ₹ Lacs) | Amount transferred to a Fund as specified under Schedule VII as per second proviso to sub-section (5) of Section 135, if any |                  | Amount remaining to be spent in succeeding financial years (in ₹ Lacs) | Deficiency, if any |
|       |                           |                                                                                            |                                                                                        |                                                | Amount (in ₹ Lacs)                                                                                                           | Date of Transfer |                                                                        |                    |
| 1.    | 2021-22                   | Nil                                                                                        |                                                                                        |                                                |                                                                                                                              |                  |                                                                        |                    |
| 2.    | 2022-23                   |                                                                                            |                                                                                        |                                                |                                                                                                                              |                  |                                                                        |                    |
| 3.    | 2023-24                   |                                                                                            |                                                                                        |                                                |                                                                                                                              |                  |                                                                        |                    |

**8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the financial year:**

No

**9. Specify the reason(s), if the Company has failed to spend two per cent of the average net profit as per sub-section (5) of Section 135:**

Not Applicable

**Hardayal Prasad**  
Managing Director & CEO

**Anuradha Mitra**  
Chairperson – CSR Committee

**Place: Mumbai**  
**Date: August 06, 2025**



# Report On Corporate Governance

Corporate Governance plays a very imperative role in assisting the differentiation between a good organisation and an extra-ordinary organisation because legal compliance is mandatory and stipulated whereas sound corporate governance is rare skillset combined with multi-disciplinary practices, efficient business functions, codes of ethics and legal compliance. An organisation's strengths grow from pillar to pillar owing to effective control and management ultimately leading to sustainable increased value and growth.

At Srei Infrastructure Finance Limited, our philosophy on Corporate Governance is aimed at assisting the Management in conducting business efficiently and meeting its obligations to Stakeholders. This philosophy is guided by a strong emphasis on transparency, accountability and integrity. The Company's Corporate Governance practices and processes combined with its Code of Conduct for Board of Directors and Senior Executives and compliance initiatives undertaken ensures that the interests of all Stakeholders are addressed in a transparent manner which would ultimately lead to sustainable increased value and growth for the organisation. At Srei, our trait continues to be transparency, compliance and governance through consistent efforts and a commitment to the highest levels of corporate conduct. We strongly believe that the Management is the trustee of the shareholders' capital and therefore, prime significance is given to shareholder interests in all our strategies and policies keeping in mind compliance and governance.

The Company is guided by a dynamic and experienced Board. Along with its Committees and the established Corporate Governance Framework, the Board performs the fiduciary responsibilities towards all stakeholders. Our Board of Directors, comprising diverse and seasoned members stand at the forefront of governance and in collaboration with its Committees establishes policies and frameworks governing our business and operations. Your Company is unwavering in its commitment to the highest corporate governance standards with the primary objective being upholding long-term interests of our varied stakeholders through robust policy frameworks and prudent risk management and governance practices.

The Company has adopted a Board approved Corporate Governance Framework, which supports the achievement of its goals and objectives. This Framework encompasses all aspects of operations, management, action plans, internal controls, performance measurement and regulatory disclosures. The Board functions through various committees, each governed by a defined Charter or Terms of Reference ('ToR') which clearly outlines its roles and responsibilities. The Corporate Governance Framework of the Company is available on the Company's website at <https://www.srei.com/sifl-corporate-codes>.

The Company being a Type II NBFC-ND 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 October 19, 2023 and updated from time to time ('RBI Master Directions').

## 1. BOARD OF DIRECTORS

The Board of Directors ('Board') is the core of the Company's Corporate Governance Framework. The Board, as the governing body, provides strategic direction, sets the vision, and oversees and guides Management. The Board is committed to uphold sound principles of corporate governance and plays a crucial role in overseeing how the Management serves the short and long term interests of shareholders and other stakeholders. This is reflected in the Company's Corporate Governance practices, which aim to maintain an effective, informed and independent Board.

The Company seeks to maintain an appropriate balance of skills and experience within both the Organisation and the Board. This approach enables the infusion of new perspectives while preserving continuity and institutional knowledge.

To facilitate effective oversight and decision-making, the Board is supported by several Committees, each entrusted with specific responsibilities in accordance with applicable laws viz. Audit Committee, Nomination and Remuneration Committee, IT Strategy Committee, Corporate Social Responsibility Committee, and Wilful Defaulter Review Committee. These Committees enhance the functioning of the Board by ensuring the efficient flow of information and enabling a focused and timely resolution of diverse matters.

In compliance with the provisions of the Companies Act, 2013 ('Act') and the RBI Master Directions, the Board of the Company has an optimal combination of Executive, Non-Executive and Independent Directors. As on March 31, 2025, the Board's composition aligns with the requirements of the Act, and RBI Master Directions. The Board comprises a diverse group of individuals with varied skills, experiences with the majority of Directors being Independent Directors, including Independent Women Director. The Chairman of the Board is an Independent Director and the Board currently has six Directors of which one is an Executive Director (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 RBI 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.

## 2. Composition of the Board

The details of composition of Board as on March 31, 2025 is given hereunder:

(₹ in Lacs)

| Sl No. | Name of the Director                                                   | Director Since    | No. of Board Meeting for the FY 2024-25 |          | No. of other Directorship | Remuneration                                     |                                 |                               | No. of shares and convertible instruments held in the Company |
|--------|------------------------------------------------------------------------|-------------------|-----------------------------------------|----------|---------------------------|--------------------------------------------------|---------------------------------|-------------------------------|---------------------------------------------------------------|
|        |                                                                        |                   | Held                                    | Attended |                           | Salary and other compensation for the FY 2024-25 | Sitting fees for the FY 2024-25 | Commission for the FY 2024-25 |                                                               |
| 1.     | Mr. N. Sivaraman<br>Chairman & Independent Director<br>(DIN: 00001747) | February 26, 2024 | 9                                       | 9        | 10                        | -                                                | 13,20,000/-                     | -                             | Nil                                                           |
| 2.     | Mr. Sunil Srivastav<br>Independent Director<br>(DIN: 00237561)         | February 26, 2024 | 9                                       | 8        | 7                         | -                                                | 12,20,000/-                     | -                             | Nil                                                           |
| 3.     | Ms. Anuradha Mitra*<br>Independent Director<br>(DIN: 00123320)         | April 5, 2024     | 9                                       | 9        | -                         | -                                                | 14,40,000/-                     | -                             | Nil                                                           |
| 4.     | Mr. P. Santhosh<br>Nominee Director<br>(DIN: 08515964)                 | February 26, 2024 | 9                                       | 9        | 2                         | -                                                | -                               | -                             | Nil                                                           |

(₹ in Lacs)

| SI No. | Name of the Director                                               | Director Since    | No. of Board Meeting for the FY 2024-25 |          | No. of other Directorship | Remuneration                                     |                                 |                               | No. of shares and convertible instruments held in the Company |
|--------|--------------------------------------------------------------------|-------------------|-----------------------------------------|----------|---------------------------|--------------------------------------------------|---------------------------------|-------------------------------|---------------------------------------------------------------|
|        |                                                                    |                   | Held                                    | Attended |                           | Salary and other compensation for the FY 2024-25 | Sitting fees for the FY 2024-25 | Commission for the FY 2024-25 |                                                               |
| 5.     | Mr. Avinash Kulkarni<br>Nominee Director<br>(DIN: 02982164)        | February 26, 2024 | 9                                       | 8        | 2                         | -                                                | -                               | -                             | Nil                                                           |
| 6.     | Mr. Hardayal Prasad*<br>Managing Director & CEO<br>(DIN: 08024303) | April 5, 2024     | 9                                       | 9        | 2                         | 1,42,86,488/-                                    | -                               | -                             | Nil                                                           |

\*Ms. Anuradha Mitra was appointed as an Independent Director w.e.f. April 05, 2024 and Mr. Hardayal Prasad was appointed as a Non-Executive and Non-Independent Director w.e.f. April 05, 2024 and as Managing Director & CEO w.e.f. April 15, 2024.

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

The details of changes in the composition of the Board during the current FY 2024-25 and previous FY 2023-24 are provided below:

| SI. No. | Name of the Director | Capacity                                   | Nature of Change | Effective Date |
|---------|----------------------|--------------------------------------------|------------------|----------------|
| 1.      | Ms. Anuradha Mitra   | Independent Director                       | Appointment      | 05.04.2024     |
| 2.      | Mr. Hardayal Prasad* | Non-Executive and Non Independent Director | Re-appointment   | 26.09.2024     |

\*Mr. Hardayal Prasad was appointed as Non-Executive and Non-Independent Director w.e.f. April 05, 2024 and as Managing Director & CEO w.e.f. April 15, 2024.

### 3. Shareholding of Directors & Key Managerial Personnel (KMPs)

As on March 31, 2025, none of the Directors hold any Equity Shares in the Company.

Mr. Hardayal Prasad, Managing Director & CEO, Mr. Manoj Kumar, Company Secretary & CCO and Mr. Vishnu Gopal Agarwal, Chief Financial Officer (CFO) are the Whole-Time Key Managerial Personnel (KMPs) of the Company in accordance with Section 2(51) of the Companies Act, 2013. As on March 31, 2025, none of the KMPs hold any Equity Shares in the Company.

### 4. Appointment of Directors

The Board has formulated the Nomination and Remuneration Policy for the Directors, Key Managerial Personnel (KMPs) and Senior Managerial Personnel (SMPs) in accordance with the provisions of the Companies Act, 2013 (the "Act") and RBI Master Directions. The said Policy inter alia outlines the framework for appointment and remuneration of the members of the Board of Directors, KMPs and SMPs. The said Policy was last revised on August 06, 2025. The Nomination and Remuneration Policy is available on the Company's website at <https://www.srei.com/sifl-corporate-codes>.

The Board has also approved a policy on Fit and Proper Criteria of Directors in accordance with the RBI Master Directions to set a framework for ascertaining the 'fit and proper' criteria of Directors at the time of appointment and on an on-going basis.

### 5. Committees of the Board and their composition

The Committees constituted by the Board plays a crucial role in strengthening the Corporate Governance framework of the Company. These Committees focus on specific operational and regulatory areas that require in-depth oversight, deliberation and resolution.

The Board Committees are governed by specific terms of reference and provide the Board with recommendations and insights to effectively discharge its fiduciary duties. In alignment with its commitment to the highest standards of corporate governance, your Company has also established a number of internal committees in addition to those composed of Board Members. These internal committees play a pivotal role within your Company's governance framework, overseeing critical areas such as Risk, IT, Information Security, Asset Liability Management and the review of frauds and defaults.

Each Committee has been established with the formal approval of the Board and the terms of reference of these Committees are in line with the requirements of the Act and RBI Master Directions and as approved by the Board.

The minutes of each Committee meeting are placed before the Board at regular intervals. The quorum for all Board Committees is two members or one-third of the total strength, whichever is higher. The Company Secretary acts as the Secretary to all the Committees of the Board.

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

- Audit Committee;
- Nomination and Remuneration Committee;
- IT Strategy Committee of the Board;
- Corporate Social Responsibility Committee; and
- Wilful Defaulter Review Committee;

The Company has also for operational convenience constituted the following Board Committee:

- Credit Committee - I



## A. Audit Committee:

Your Company has an independent Audit Committee, which acts as a link between the Management, the Statutory Auditors, Internal Auditors and the Board. Its composition, quorum, powers, role and scope are in accordance with the provisions of Section 177 of the Act and RBI Master Directions. All the members of the Audit Committee are financially literate and possess expertise in the fields of Finance, Taxation and Risk.

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 composition of the Audit Committee is as follows:

| Sl. No. | Name of Director     | Member of Committee since | Capacity                          | Number of Meetings of the Committee in FY 24-25 |          | No. of shares held in the Company |
|---------|----------------------|---------------------------|-----------------------------------|-------------------------------------------------|----------|-----------------------------------|
|         |                      |                           |                                   | Held                                            | Attended |                                   |
| 1.      | Mr. N. Sivaraman     | February 26, 2024         | Independent Director, Chairperson | 4                                               | 4        | Nil                               |
| 2.      | Mr. Sunil Srivastav  | February 26, 2024         | Independent Director, Member      | 4                                               | 4        | Nil                               |
| 3.      | Ms. Anuradha Mitra   | May 28, 2024              | Independent Director, Member      | 4                                               | 4        | Nil                               |
| 4.      | Mr. Avinash Kulkarni | February 26, 2024         | Nominee Director, Member          | 4                                               | 3        | Nil                               |

The Company Secretary & 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 RBI Master Directions issued by the Reserve Bank of India are as follows:

- Recommendation for appointment, re-appointment and replacement, remuneration and terms of appointment of auditors of the Company and the fixation of audit fee;
- Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- Review and monitor the auditor's independence and performance, and effectiveness of audit process;
- 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;
- 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:
  - 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.
  - Changes, if any, in accounting policies and practices and reasons for the same.
  - Major accounting entries involving estimates based on the exercise of judgement by Management.
  - Significant adjustments made in the financial statements arising out of audit findings.
  - Compliance with listing and other legal requirements relating to financial statements.
  - Disclosure of any related party transactions.
  - Modified opinions in the draft audit report.
- 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;
- Scrutiny of inter-corporate loans and investments;
- Valuation of undertakings or assets of the Company, wherever it is necessary;
- Evaluation of internal financial controls and risk management systems;
- Reviewing, with the Management, performance of Statutory and Internal Auditors, adequacy of the Internal Control Systems;
- 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;
- Discussion with internal auditors of any significant findings and follow up there on;
- 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;
- 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;
- 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;
- 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.

#### B. Nomination and Remuneration Committee:

Your Company has a Nomination and Remuneration Committee (NRC) in compliance with the provisions of the Section 178 of the Act and the RBI Master Directions.

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 composition of the Nomination and Remuneration Committee is as follows:

| Sl. No. | Name of Director     | Member of Committee since | Capacity                          | Number of Meetings of the Committee in FY 24-25 |          | No. of shares held in the Company |
|---------|----------------------|---------------------------|-----------------------------------|-------------------------------------------------|----------|-----------------------------------|
|         |                      |                           |                                   | Held                                            | Attended |                                   |
| 1.      | Mr. Sunil Srivastav  | February 26, 2024         | Independent Director, Chairperson | 3                                               | 3        | Nil                               |
| 2.      | Mr. N. Sivaraman     | February 26, 2024         | Independent Director, Member      | 3                                               | 3        | Nil                               |
| 3.      | Mr. P. Santhosh      | February 26, 2024         | Nominee Director, Member          | 3                                               | 3        | Nil                               |
| 4.      | Mr. Avinash Kulkarni | May 28, 2024              | Nominee Director, Member          | 3                                               | 2        | Nil                               |

The Company Secretary & 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 RBI Master Directions are as follows:

- a. 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;
- d. 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;
  - i. 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;
  - l. 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;
  - p. 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;
  - u. 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.

### C. IT Strategy Committee of the Board:

Your Company has an IT Strategy Committee of the Board in compliance with the provisions of the Master Directions on Information Technology Governance, Risk, Controls and Assurance Practices dated November 07, 2023 issued by the Reserve Bank of India.

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 composition of the IT Strategy Committee of the Board is as follows:

| Sl. No. | Name of Director                   | Member of Committee since | Capacity                          | Number of Meetings of the Committee in FY 24-25 |          | No. of shares held in the Company |
|---------|------------------------------------|---------------------------|-----------------------------------|-------------------------------------------------|----------|-----------------------------------|
|         |                                    |                           |                                   | Held                                            | Attended |                                   |
| 1.      | Ms. Anuradha Mitra                 | May 28, 2024              | Independent Director, Chairperson | 5                                               | 5        | Nil                               |
| 2.      | Mr. P. Santhosh                    | February 26, 2024         | Nominee Director, Member          | 5                                               | 5        | Nil                               |
| 3.      | Mr. Hardayal Prasad                | May 28, 2024              | Managing Director & CEO, Member   | 5                                               | 5        | Nil                               |
| 4.      | Head of IT/CTO                     | February 26, 2024         | Permanent Invitee                 | 5                                               | 5        | Nil                               |
| 5.      | Chief Information Security Officer | February 26, 2024         | Permanent Invitee                 | 5                                               | 5        | Nil                               |

The Company Secretary & 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 the Master Direction on Information Technology Governance, Risk, Controls and Assurance Practices dated November 07, 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.

#### **D. Corporate Social Responsibility Committee:**

Your Company has Corporate Social Responsibility Committee in compliance with the provisions of Section 135 of the Act.

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

| Sl. No. | Name of Director     | Member of Committee since | Capacity                          | Number of Meetings of the Committee in FY 24-25 |          | No. of shares held in the Company |
|---------|----------------------|---------------------------|-----------------------------------|-------------------------------------------------|----------|-----------------------------------|
|         |                      |                           |                                   | Held                                            | Attended |                                   |
| 1.      | Ms. Anuradha Mitra   | May 28, 2024              | Independent Director, Chairperson | -                                               | NA       | Nil                               |
| 2.      | Mr. Sunil Srivastav  | May 28, 2024              | Independent Director, Member      | -                                               | NA       | Nil                               |
| 3.      | Mr. Avinash Kulkarni | May 28, 2024              | Nominee Director, Member          | -                                               | NA       | Nil                               |
| 4.      | Mr. Hardayal Prasad  | May 28, 2024              | Managing Director & CEO, Member   | -                                               | NA       | Nil                               |

The Company Secretary & 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:
  - i. 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:
  - i. 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.



**E. Wilful Defaulter Review Committee:**

Your Company at its Board Meeting held on February 11, 2025 has constituted the Wilful Defaulter Review Committee as per the RBI Master Direction on Treatment of Wilful Defaulters and Large Defaulters dated July 30, 2024, issued by the Reserve Bank of India. The current composition of the Wilful Defaulter Review Committee is as follows:

| Sl. No. | Name of Director    | Member of Committee since | Capacity                             | Number of Meetings of the Committee in FY 24-25 |          | No. of shares held in the Company |
|---------|---------------------|---------------------------|--------------------------------------|-------------------------------------------------|----------|-----------------------------------|
|         |                     |                           |                                      | Held                                            | Attended |                                   |
| 1.      | Mr. Hardayal Prasad | February 11, 2025         | Managing Director & CEO, Chairperson | -                                               | NA       | Nil                               |
| 2.      | Mr. Sunil Srivastav | February 11, 2025         | Independent Director, Member         | -                                               | NA       | Nil                               |
| 3.      | Ms. Anuradha Mitra  | February 11, 2025         | Independent Director, Member         | -                                               | NA       | Nil                               |

The Company Secretary & CCO is the Secretary of the Wilful Defaulter Review Committee.

The scope and terms of reference of the Wilful Defaulter Review Committee in accordance with the requirements of the RBI Master Direction on Treatment of Wilful Defaulters and Large Defaulters dated 30.07.2024 issued by RBI, as amended from time to time inter alia including the following:

- Consideration and reviewing the proposal of the Wilful Defaulter Identification Committee along with the written representation;
- Providing an opportunity for a personal hearing to person responsible;
- In case the opportunity is not availed or personal hearing is not attended, it shall consider the proposal of the Wilful Defaulter Identification Committee after assessing the facts or material on record, including written representation, if any, and take a decision;
- Passing reasoned order which shall be communicated to the Wilful Defaulter.

**F. Credit Committee:**

Your Company at its Board Meeting held on September 27, 2024 has constituted the Credit Committee-I for all credit proposals and allied matters above ₹ 5 Crores. The current composition of the Credit Committee-I is as follows:

| Sl. No. | Name of Director     | Member of Committee since | Capacity                        | Number of Meetings of the Committee in FY 24-25 |          | No. of shares held in the Company |
|---------|----------------------|---------------------------|---------------------------------|-------------------------------------------------|----------|-----------------------------------|
|         |                      |                           |                                 | Held                                            | Attended |                                   |
| 1.      | Mr. N. Sivaraman     | September 27, 2024        | Independent Director, Chairman  | -                                               | NA       | Nil                               |
| 2.      | Mr. P. Santhosh      | September 27, 2024        | Nominee Director, Member        | -                                               | NA       | Nil                               |
| 3.      | Mr. Avinash Kulkarni | September 27, 2024        | Nominee Director, Member        | -                                               | NA       | Nil                               |
| 4.      | Mr. Hardayal Prasad  | September 27, 2024        | Managing Director & CEO, Member | -                                               | NA       | Nil                               |

The Company Secretary & CCO is the Secretary of the Credit Committee-I.

**6. 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 General Body Meeting for the FY 2023-24 and the Current FY till date and details of special resolutions passed there at are given hereunder:

| Sl. No. | Type of Meeting                | Date and Place                                                                                                           | Special Resolutions Passed                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
|---------|--------------------------------|--------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1.      | Extra Ordinary General Meeting | May 07, 2024<br>Corporate Office of the Company at Plot No. Y-10, Block-EP, Sector-V, Salt Lake City, Kolkata - 700 091. | <ul style="list-style-type: none"> <li>Adoption of new set of Articles of Association of the Company;</li> <li>Appointment of Mr. Hardayal Prasad as the Managing Director &amp; CEO of the Company for a period of 3 (Three) years with effect from April 15, 2024 and fixation of his remuneration;</li> <li>Appointment of Mr. Syed Faisal Aquil as the Manager of the Company for the period from November 30, 2023 till April 15, 2024 and fixation of his remuneration.</li> </ul> |
| 2.      | Annual General Meeting         | September 26, 2024<br>Held through Video Conferencing / Other Audio Visual Means                                         | —                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |

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

## 7. Subsidiary Companies' Monitoring Framework

All Subsidiary Companies are managed by their respective Boards having the rights and obligations to manage such companies in the best interest of their stakeholders. The Company monitors the performance of Subsidiary Companies, inter alia, by the following means:

- Financial Statements, in particular investments made by unlisted subsidiary companies, are reviewed quarterly by the Company's Audit Committee;
- A Statement containing significant changes, material transactions/event of the Subsidiary Companies is placed before the Company's Board at periodic intervals.

## 8. Details of non-compliance with the Requirements of The Companies Act, 2013

During the financial year 2024-25, there were no instances of non-compliance(s) with the applicable provisions of the Companies Act, 2013 and the Rules made thereunder including any amendment thereof.

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

- A. The Company has received email(s) dated August 2, 2024, August 6, 2024, August 13, 2024 and October 16, 2024 the Ministry of Corporate Affairs ('MCA') regarding Inspection of the Books of Accounts of the Company. The Company has provided the necessary documents / information as required by MCA.

## 9. Details of Penalties and Strictures

The detail of levy of any penalty by the Reserve Bank and/or any other Regulators on the Company, if applicable has been disclosed in Note No. 29 of Annexure 1 to Notes to Financial Statements (Refer Note No. 47).

The Reserve Bank of India has conducted an Inspection for Supervisory Evaluation (ISE) under Section 45N of the RBI Act, 1934 between July 03, 2025 and July 9, 2025 and has submitted the Inspection and Risk Assessment Report with March 31, 2025 as the reference date. There are no strictures or adverse findings in the said report.

## 10. General Shareholders' Information

|    |                                                     |                                                                                                                                                                                                                                                                                                                                            |
|----|-----------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| A. | Annual General Meeting (AGM): Date, Time and Venue  | Thursday, September 25, 2025 at 3.00 PM (IST)<br>The 40th AGM of the Company will be conducted through Video Conferencing (VC) / Other Audio Visual Means (OAVM). The deemed venue for the 40th AGM shall be the Registered Office of the Company.                                                                                         |
| B. | Dividend Payment Date                               | Not Applicable, since no dividend is recommended for the Financial Year 2024-25                                                                                                                                                                                                                                                            |
| C. | International Security Identification Number (ISIN) | Equity Shares - INE872A01014                                                                                                                                                                                                                                                                                                               |
| D. | Corporate Identification Number (CIN)               | U29219WB1985PLC055352                                                                                                                                                                                                                                                                                                                      |
| E. | Registered Office                                   | 'Vishwakarma'<br>86C, Topsia Road (South), Kolkata - 700 046<br>Tel No: +91 33 6160 7734<br>Website: www.srei.com<br>Email: corporate@srei.com                                                                                                                                                                                             |
| F. | Registrar and Share Transfer Agent's details        | KFin Technologies Limited<br>Selenium Building, Tower-B, Plot No 31 & 32<br>Financial District, Nanakramguda, Serilingampally<br>Rangareddy, Hyderabad, Telangana - 500 032, India<br>Telephone Nos.: 040-6716 1500, 1800-345-4001<br>Facsimile No.: 040-2342 0814<br>Website: https://www.kfintech.com<br>Email: einward.ris@kfintech.com |
| G. | Financial Year                                      | 1st April to 31st March                                                                                                                                                                                                                                                                                                                    |
| H. | Redressal of Grievances                             | Servicing is one of the key ingredients of good Corporate Governance practices to enhance Stakeholders' confidence. Necessary system has been put in place in order to attend with promptness any grievances or queries by the Shareholders.                                                                                               |



|    |                                                                                      |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |                                                                                                                                                                                                                                                                                             |
|----|--------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|    |                                                                                      | <p>Various initiatives undertaken to closely monitor the grievances / correspondences of Equity Shareholders are as follows:</p> <ul style="list-style-type: none"><li>• A designated e-mail ID ‘investor.relations@srei.com’ is available to address the Investor Grievances on a day to day basis;</li><li>• E-mails are sent to those Shareholders whose e-mail IDs are registered with the Company / RTA;</li></ul> <p>As on March 31, 2025, there are no pending investor grievances lying unresolved.</p>                                                                                                                                           |                                                                                                                                                                                                                                                                                             |
| I. | Depositories                                                                         | <b>National Securities Depository Limited</b><br>Trade World, A Wing, 4th & 5th Floor,<br>Kamala Mills Compound<br>Senapati Bapat Marg<br>Lower Parel<br>Mumbai - 400 013<br>Telephone No: 91-22-2499 4200<br>Facsimile Nos.: 91-22-2497 / 2993 / 6351<br>E-mail: info@nsdl.co.in<br>Website: www.nsdl.co.in                                                                                                                                                                                                                                                                                                                                              | <b>Central Depository Services (India) Limited</b><br>25th Floor, Marathon Futurex,<br>N. M. Joshi Marg, Lower Parel (East),<br>Mumbai - 400013<br>Telephone No: 91-22-2302 3333<br>Facsimile Nos.: 91-22-2272 3199 / 2072<br>E-mail: investors@cdslindia.com<br>Website: www.cdslindia.com |
| J. | Registrar and Share Transfer Agents (RTA)                                            | <p>The share transfer and shareholder related activities of the Company are attended and processed by the Registrar and Share Transfer Agents (RTA) of the Company. It is the responsibility of the RTA, inter alia, to register share transfers, coordinate with the depositories and to look after the redressal of shareholders’ and Investors’ complaints.</p> <p>The complaints / queries received from Investors and also the complaints / queries received through MCA are being attended to by the RTA on priority basis.</p> <p>KFin Technologies Limited is the Registrar and Share Transfer Agents (RTA) of the Company for Equity Shares.</p> |                                                                                                                                                                                                                                                                                             |
| K. | Address for Shareholders’ correspondence                                             | <p>The Company Secretary<br/>Srei Infrastructure Finance Limited<br/>‘Vishwakarma’, 86C, Topsia Road (South)<br/>Kolkata – 700 046<br/>Email: secretarial@srei.com, investor.relations@srei.com</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                       |                                                                                                                                                                                                                                                                                             |
| L. | Secretarial Standards issued by The Institute of Company Secretaries of India (ICSI) | <p>The Institute of Company Secretaries of India (ICSI), one of the premier professional bodies in India, has issued Secretarial Standards on Board Meetings and General Meetings. Further, pursuant to Section 118(10) of the Companies Act, 2013, every company shall observe secretarial standards specified by ICSI with respect to Board and General Meetings. The Company confirms that it has duly adhered to the said Secretarial Standards.</p>                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                             |

## Srei Corporate Codes & Policies - FY 2024-25

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 2024-25 in line with regulatory changes 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:

| Sl. 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.                                                                                                                                                                                                                                                                         | <a href="https://www.srei.com/sifl-corporate-codes">https://www.srei.com/sifl-corporate-codes</a> |
| 2.      | Whistle Blower Policy                            | This Policy provides a Vigil Mechanism and an opportunity for Directors, Employees and all Stakeholders 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.                                                                                                                                  | <a href="https://www.srei.com/sifl-corporate-codes">https://www.srei.com/sifl-corporate-codes</a> |
| 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.                                                                                                                                                                                                                                       | <a href="https://www.srei.com/sifl-corporate-codes">https://www.srei.com/sifl-corporate-codes</a> |
| 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.                                                                                                                                                                     | <a href="https://www.srei.com/sifl-corporate-codes">https://www.srei.com/sifl-corporate-codes</a> |
| 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 Senior Management Personnel.                                                                                             | <a href="https://www.srei.com/sifl-corporate-codes">https://www.srei.com/sifl-corporate-codes</a> |
| 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 Reserve Bank of India's (RBI) Master Direction on Information Technology Governance, Risk, Controls and Assurance Practices dated November 07, 2023.                                                                                                                                                                                                                                            | -                                                                                                 |
| 8.      | Information Technology & IT Outsourcing Policy   | This Policy is pursuant to Reserve Bank of India's (RBI) Master Direction on Information Technology Governance, Risk, Controls and Assurance Practices dated November 07, 2023 and Master Direction on Outsourcing of Information Technology Services dated April 10, 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 April 27, 2021.                                                                                                                                                                                                          | <a href="https://www.srei.com/sifl-corporate-codes">https://www.srei.com/sifl-corporate-codes</a> |
| 10.     | Outsourcing Policy                               | This Policy is pursuant to Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023 dated October 19, 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 near normal performance following an incident that has the potential to disrupt the Company's operations.                                                                                                                                                                                                            | -                                                                                                 |



| Sl. 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.     | Information Systems (IS) Audit Policy                        | The major objectives of this Policy are safeguarding of Information System Assets / Resources and IT Processes and verification of data.                                                                                                                                                                                                                                                                                 | -                                                                                                 |
| 14.     | 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.                                                                                                                                                                       | -                                                                                                 |
| 15.     | Policy on Board Diversity                                    | The Policy sets out the approach to diversity on the Board of Directors of the Company and recognizes and embraces the benefits of having a diverse Board appropriate to the requirements of the Company.                                                                                                                                                                                                                | <a href="https://www.srei.com/sifl-corporate-codes">https://www.srei.com/sifl-corporate-codes</a> |
| 16.     | Fair Practices Code & Ombudsman Scheme                       | The Code provides the framework for dealings with the Customers and lays down mechanisms for redressal of Customer Grievances.                                                                                                                                                                                                                                                                                           | <a href="https://www.srei.com/sifl-corporate-codes">https://www.srei.com/sifl-corporate-codes</a> |
| 17.     | 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.                                                                                                                                                                                                                                        | -                                                                                                 |
| 18.     | Code of Conduct for Board of Directors and Senior Executives | The Code provides the framework for promoting ethical conduct in the Company.                                                                                                                                                                                                                                                                                                                                            | <a href="https://www.srei.com/sifl-corporate-codes">https://www.srei.com/sifl-corporate-codes</a> |
| 19.     | 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.                                                                                                                                                                                                                                 | <a href="https://www.srei.com/sifl-corporate-codes">https://www.srei.com/sifl-corporate-codes</a> |
| 20.     | 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.                                                                                                                                                             | <a href="https://www.srei.com/sifl-corporate-codes">https://www.srei.com/sifl-corporate-codes</a> |
| 21.     | Investment Policy                                            | The Policy lays down, inter alia, the guidelines to be followed for investments and divestment by the Company.                                                                                                                                                                                                                                                                                                           | -                                                                                                 |
| 22.     | 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.                                                                                                                                                                                                                                                        | -                                                                                                 |
| 23.     | 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. | <a href="https://www.srei.com/sifl-corporate-codes">https://www.srei.com/sifl-corporate-codes</a> |
| 24.     | ICAAP & Stress Testing Policy                                | This Policy is pursuant to Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023 dated October 19, 2023 and makes a thorough internal assessment of the need for capital, commensurate with the risks in its business. The prime objective of stress tests is to examine impact of stress on Company's Earnings, Profit & Loss Account and Liquidity.       | -                                                                                                 |
| 25.     | Credit Policy                                                | The Policy communicates the strategic goals and objectives of the Company as well as defines the types of loan exposures acceptable to the Company, loan approval authority, loan limits, loan underwriting criteria, and several other guidelines.                                                                                                                                                                      | -                                                                                                 |

| Sl. No. | Name of the Code and Policy                                 | Salient Features                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | Web Link                                                                                          |
|---------|-------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------|
| 26.     | Interest Rate Policy                                        | This Policy is pursuant to the Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023 dated October 19, 2023 to put in place a approved Interest Rate Model taking into account relevant factors such as cost of funds, margin and risk, premium etc and determine the rate of interest to be charged for loans and advances.                                                                                                                      | <a href="https://www.srei.com/sifl-corporate-codes">https://www.srei.com/sifl-corporate-codes</a> |
| 27.     | Collection and Recovery Policy                              | The objective of the Policy is primarily to establish a structured framework and guidelines for the recovery of dues from borrowers.                                                                                                                                                                                                                                                                                                                                                                           | -                                                                                                 |
| 28.     | Policy for Treatment of Wilful Defaulters                   | The Policy is in line with the Master Direction on Treatment of Wilful Defaulters and Large Defaulters dated July 30, 2024 to provide for a non-discriminatory and transparent procedure, having regard to the principles of natural justice, for classifying a Borrower as a Willful Defaulter by the Company and the treatment of Willful Defaulters and Large Defaulters.                                                                                                                                   | -                                                                                                 |
| 29.     | Policy on Reporting to Credit Information Companies         | This Policy outlines the guidelines and procedures followed by the Company for reporting data to Credit Information Companies (CICs) in accordance with the regulations set forth as per the Credit Information Companies (Regulation) Act, 2005, Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023 dated October 19, 2023 and Master Direction – Reserve Bank of India (Credit Information Reporting) Direction 2025 dated January 06, 2025. | -                                                                                                 |
| 30.     | Fraud Risk Management Policy                                | The Policy is in line with the Reserve Bank of India (Fraud Risk Management in NBFCs) Directions dated July 15, 2024 to provide a system for early detection and prevention of fraud, reporting of any fraud that is detected or suspected and fair dealing of matters following the principles of natural justice pertaining to fraud.                                                                                                                                                                        | -                                                                                                 |
| 31.     | ECL Policy & Policy on Impairment of Other Financial Assets | The Policy ensures adherence with RBI Guideline for application of Indian Accounting Standards i.e. assess the appropriateness of ECL computation as well as enable making appropriate provision and reserves and provides an overview on the framework for determination of impairment staging of a loan facility extended by the Company based on its performance vis-a-vis the repayment schedule.                                                                                                          | -                                                                                                 |



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# FINANCIAL STATEMENTS



# 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, 2025, 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, 2025, 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.

#### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Ind AS Financial Statements for the financial year ended 31 March, 2025. We have determined that there are no key audit matters to be communicated in our report.

#### 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 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.

#### Report on Other Legal and Regulatory Requirements

- i. 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:
  - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - b. In our opinion proper books of account as required by law

have been kept by the Company so far as it appears from our examination of those books 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, 2025 and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2025, 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:
  - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements. Refer note no. 29 to Standalone Financial Statement.
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
  - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
  - iv. a) As represented by the management, to the best of its knowledge and belief, as disclosed in the Note No 37 to Standalone 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 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 37 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. Based on our examination which included test checks and as per the information and explanations given to us, the Company has used accounting software for maintaining its books of account for the year ended 31 March, 2025, which have a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the respective software.

Further, during the course of our audit we did not come across any instance of the audit trail feature being tampered with. Additionally, the audit trail has been preserved by the Company as per the statutory requirements for record retention.

**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 : 25068851BMIDRB9313

Place: Kolkata  
Dated: May 2, 2025



## 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, 2025

(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:

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

| Description of property     | Gross carrying value (₹ in Lacs) | Held in the name of                                                                                                   | Whether promoter, director or their relative or employee | Period held since which date | 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, 2025 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, 2025 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. Accordingly, reporting under Clause 3(iv) of the Order is 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.

According to the information and explanations given to us, no 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, 2025, for a period of more than six months from the date they became payable.

- (b) According to the information and explanations given to us, there are no dues of income tax, 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.
- 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) The Company had undergone Corporate Insolvency Resolution Process (CIRP) and all borrowings were extinguished as per the approved resolution plan during the year ended 31st March, 2024. Accordingly, no loan or borrowing remains outstanding as on 31st March, 2025.
- (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 not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under Clause 3(x)(b) of the Order is not applicable.
- xi. (a) 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.

- (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. 45 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. In our opinion and according to information and explanations given by the management the Company has not entered into any non-cash transactions with the directors or persons connected with them covered under Section 192 of the Act. Accordingly, reporting under Clause 3(xv) of the Order is not applicable to the Company.
- xvi. (a) The Company is required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934 and the Company has obtained the required registration.
- (b) The Company has not conducted any non-banking financial or housing 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. The Company has not incurred any cash losses in the financial year and in the immediately preceding financial year.

xviii. There has been no resignation of the statutory auditors during the year and accordingly requirement to report on Clause 3(xviii) of the Order is not applicable to the Company.

xix. On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due

within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

xx. The Company does not fulfil any of the 3 eligibility conditions of Corporate Social Responsibility as mentioned in the Section 135 of The Companies Act, 2013. Since the Company is exempt from Corporate Social Responsibility reporting under Clause 3(xx)(a) and 3(xx)(b) is not applicable.

**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 : 25068851BMIDRB9313

Place: Kolkata  
Dated: May 2, 2025



## 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, 2025 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.

### Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2025, 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 : 25068851BMIDRB9313

Place: Kolkata  
Dated: May 2, 2025

# Balance Sheet

as at 31st March, 2025

(₹ in Lacs)

| Particulars                                                                                 | Note No. | As at March 31, 2025 | As at March 31, 2024 |
|---------------------------------------------------------------------------------------------|----------|----------------------|----------------------|
| <b>ASSETS</b>                                                                               |          |                      |                      |
| <b>(1) Financial Assets</b>                                                                 |          |                      |                      |
| (a) Cash and Cash Equivalents                                                               | 2        | 20,184               | 33,028               |
| (b) Bank Balance other than (a) above                                                       | 3        | 94                   | 90                   |
| (c) Receivables                                                                             |          |                      |                      |
| - Trade Receivables                                                                         | 4        | 235                  | 649                  |
| (d) Investments                                                                             | 5        | 46,714               | 33,918               |
| (e) Other Financial Assets                                                                  | 6        | 22,594               | 20,153               |
| <b>(2) Non-Financial Assets</b>                                                             |          |                      |                      |
| (a) Current Tax Assets (Net)                                                                | 8        | 5,611                | 5,379                |
| (b) Deferred Tax Assets (Net)                                                               | 9        | -                    | -                    |
| (c) Property, Plant and Equipment                                                           | 10       | 7,454                | 8,957                |
| (d) Right-of-use Assets                                                                     | 46       | 344                  | 1                    |
| (e) Intangible Assets                                                                       | 11(a)    | -                    | 1                    |
| (f) Intangible Assets Under Development                                                     | 11(b)    | 632                  | -                    |
| (g) Other Non-Financial Assets                                                              | 7        | 339                  | 136                  |
| <b>(3) Non-Current Asset Held For Sale</b>                                                  | 12       | 1,424                | -                    |
| <b>TOTAL ASSETS</b>                                                                         |          | <b>1,05,625</b>      | <b>1,02,312</b>      |
| <b>LIABILITIES AND EQUITY</b>                                                               |          |                      |                      |
| <b>LIABILITIES</b>                                                                          |          |                      |                      |
| <b>(1) Financial Liabilities</b>                                                            |          |                      |                      |
| (a) Trade Payables                                                                          | 13       |                      |                      |
| (i) Total outstanding dues of micro enterprises and small enterprises                       |          | -                    | 6                    |
| (ii) Total outstanding dues of creditors other than micro enterprises and small enterprises |          | 168                  | 140                  |
| (b) Borrowings (Other than Debt Securities)                                                 | 14       | -                    | -                    |
| (c) Subordinated Liabilities                                                                | 15       | -                    | -                    |
| (d) Lease Liabilities                                                                       | 46       | 331                  | 1                    |
| (e) Other Financial Liabilities                                                             | 16       | 415                  | 268                  |
| <b>(2) Non-Financial Liabilities</b>                                                        |          |                      |                      |
| (a) Provisions                                                                              | 17       | 89                   | 6                    |
| (b) Deferred Tax Liabilities (Net)                                                          | 9        | -                    | -                    |
| (c) Other Non-Financial Liabilities                                                         | 18       | 125                  | 67                   |
| <b>(3) Equity</b>                                                                           |          |                      |                      |
| (a) Equity Share Capital                                                                    | 19       | 100                  | 100                  |
| (b) Other Equity                                                                            | 20       | 1,04,397             | 1,01,724             |
| <b>TOTAL LIABILITIES AND EQUITY</b>                                                         |          | <b>1,05,625</b>      | <b>1,02,312</b>      |

Material Accounting Policies and Notes to Financial Statements.

1 to 53

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: May 2, 2025

## 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, 2025

(₹ in Lacs)

| Particulars                                                                                  | Note No. | As at March 31, 2025 | As at March 31, 2024 |
|----------------------------------------------------------------------------------------------|----------|----------------------|----------------------|
| <b>Revenue from Operations</b>                                                               |          |                      |                      |
| (i) Interest Income                                                                          | 21       | 1,535                | 220                  |
| (ii) Rental Income                                                                           |          | 151                  | 355                  |
| (iii) Fees and Commission Income                                                             |          | 315                  | 769                  |
| (iv) Profit on Investment in Scheme of Mutual Fund                                           | 22       | 58                   | -                    |
| (v) Net gain on fair value changes                                                           | 22       | 992                  | -                    |
| <b>(I) Total Revenue from Operations</b>                                                     |          | <b>3,051</b>         | <b>1,344</b>         |
| (II) Other Income                                                                            | 23       | 275                  | 3                    |
| <b>(III) Total Income (I+II)</b>                                                             |          | <b>3,325</b>         | <b>1,347</b>         |
| <b>Expenses</b>                                                                              |          |                      |                      |
| (i) Finance Costs                                                                            | 24       | 15                   | 3                    |
| (ii) Fees and Commission Expense                                                             |          | 267                  | 425                  |
| (iii) Bad Debt / Impairment on Financial Instruments (Net)                                   | 25       | (224)                | 1,355                |
| (iv) Employee Benefits Expenses                                                              | 26       | 1,748                | 226                  |
| (v) Depreciation, Amortisation and Impairment Expense                                        | 10,11    | 271                  | 234                  |
| (vi) Administrative and Other Expenses                                                       | 27       | 1,212                | 958                  |
| <b>(IV) Total Expenses (IV)</b>                                                              |          | <b>3,289</b>         | <b>3,201</b>         |
| <b>(V) Profit / (Loss) Before Exceptional items and Tax (III-IV)</b>                         |          | <b>36</b>            | <b>(1,854)</b>       |
| (VI) Exceptional items                                                                       | 23.1     | 10,000               | 50,000               |
| <b>(VII) Profit / (Loss) Before Tax (V-VI)</b>                                               |          | <b>10,036</b>        | <b>48,146</b>        |
| (VIII) Tax:                                                                                  |          |                      |                      |
| (a) Current Tax                                                                              |          | -                    | -                    |
| (b) Income Tax in respect of earlier year                                                    |          | 3                    | 20                   |
| (c) Deferred Tax                                                                             |          | -                    | -                    |
| <b>(IX) Profit / (Loss) after Tax (VII-VIII)</b>                                             |          | <b>10,033</b>        | <b>48,126</b>        |
| <b>(X) Other Comprehensive Income / (Expense)</b>                                            |          |                      |                      |
| (i) Items that will not be reclassified to Profit or Loss                                    |          |                      |                      |
| (a) Remeasurement Gains / (Losses) on Defined Benefit Plan                                   |          | (34)                 | 1                    |
| (b) Gains / (Losses) on Equity Instruments through Other Comprehensive Income                |          | (7,326)              | (8,851)              |
| (ii) Tax related to above                                                                    |          | -                    | -                    |
| <b>Total Other Comprehensive Income / (Expense) (X)</b>                                      |          | <b>(7,360)</b>       | <b>(8,850)</b>       |
| <b>(XI) Total Comprehensive Income / (Expense) (IX+X)</b>                                    |          | <b>2,673</b>         | <b>39,276</b>        |
| <b>(XII) Earnings per Equity Share (Face value of ₹ 1/- each)(Previous year ₹ 10/- each)</b> | 28       |                      |                      |
| - Basic and Diluted Earnings per Equity share                                                |          | <b>100.33</b>        | <b>13.35</b>         |

Material Accounting Policies and Notes to Financial Statements.

1 to 53

The Notes referred to above form an integral part of the Statement of Profit and Loss.

This is the Statement of Profit and Loss referred to in our report of even date.

## For 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: May 2, 2025

## 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 Cash Flows

for the year ended 31st March, 2025

| (₹ in Lacs)                                                      |          |                           |                           |
|------------------------------------------------------------------|----------|---------------------------|---------------------------|
| Particulars                                                      | Note No. | Year ended March 31, 2025 | Year ended March 31, 2024 |
| <b>A. Cash Flows from Operating Activities</b>                   |          |                           |                           |
| Profit / (Loss) Before Tax                                       |          | 10,036                    | 48,146                    |
| Adjustments for :                                                |          |                           |                           |
| Liabilities No Longer Required written back                      |          | (1)                       | (2)                       |
| Finance Cost                                                     |          | 15                        | 3                         |
| Finance Income                                                   |          | (2)                       |                           |
| Impairment on Financial Instruments (Net)                        |          | (224)                     | 1,355                     |
| Profit on Investment in Scheme of Mutual Fund                    |          | (58)                      | -                         |
| Net gain on fair value changes                                   |          | (992)                     | -                         |
| Claim For Business Rationalisation Cost                          |          | (10,000)                  | (50,000)                  |
| Depreciation, Amortisation and Impairment                        |          | 271                       | 234                       |
| <b>Operating profit / (loss) before working capital changes</b>  |          | <b>(954)</b>              | <b>(264)</b>              |
| <b>Changes in Working Capital</b>                                |          |                           |                           |
| Adjustments for :                                                |          |                           |                           |
| (Increase) / Decrease in Trade Receivables and Others Assets     |          | 7,769                     | 29,740                    |
| Increase / (Decrease) in Trade Payables and Others Liabilities   |          | 344                       | (340)                     |
| Increase/ (Decrease) in Other Bank Balances                      |          | 4                         | 175                       |
| <b>Cash generated / (used) in operations</b>                     |          | <b>7,163</b>              | <b>29,311</b>             |
| Direct Taxes Refund / (Paid)                                     |          | (233)                     | (67)                      |
| <b>Net Cash (used in) / generated from Operating Activities</b>  |          | <b>6,930</b>              | <b>29,244</b>             |
| <b>B. Cash Flows from Investing Activities]</b>                  |          |                           |                           |
| Purchase of Property, Plant and Equipment, and Intangible Assets |          | (160)                     | (2)                       |
| Intangible Assets Under Development                              |          | (632)                     | -                         |
| Profit on Sale of Right Entitlement                              |          | 139                       | -                         |
| (Increase) / Decrease in Investments (Other than Subsidiaries)   |          | (19,072)                  | -                         |
| <b>Net Cash (used in) / generated from Investing Activities</b>  |          | <b>(19,725)</b>           | <b>(2)</b>                |
| <b>C. Cash Flows from Financing Activities</b>                   |          |                           |                           |
| Increase / (Decrease) in Equity Share Capital                    |          | -                         | 70                        |
| Repayment of Lease                                               |          | (34)                      | -                         |
| Finance Cost on Lease                                            |          | (15)                      | (3)                       |
| <b>Net Cash (used in) / generated from Financing Activities</b>  |          | <b>(49)</b>               | <b>67</b>                 |
| <b>Net Increase / (Decrease) in Cash and Cash Equivalents</b>    |          | <b>(12,845)</b>           | <b>29,309</b>             |
| <b>Cash and Cash Equivalents at the beginning of the year</b>    |          | <b>33,028</b>             | <b>3,719</b>              |
| <b>Cash and Cash Equivalents at the end of the year</b>          |          | <b>20,184</b>             | <b>33,028</b>             |

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

| (₹ in Lacs)                                                             |          |                      |                      |
|-------------------------------------------------------------------------|----------|----------------------|----------------------|
| Particulars                                                             | Note No. | As at March 31, 2025 | As at March 31, 2024 |
| <b>Cash and Cash Equivalents at the end of the year</b>                 |          |                      |                      |
| (a) Cash on hand                                                        |          | -                    | -                    |
| (b) Balances with Banks - in Current Account                            |          | 161                  | 259                  |
| (c) Fixed Deposits with original maturity period less than three months |          | 20,023               | 32,769               |
|                                                                         |          | <b>20,184</b>        | <b>33,028</b>        |

## Explanations:

- The above Statement of Cash Flows has been prepared under the Indirect Method as set out in the Ind AS 7 'Statement of Cash Flows'.
  - 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: May 2, 2025

**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 Changes in Equity

for the year ended 31st March, 2025

## A. Equity Share Capital

|                               |                                                            | (₹ in Lacs)                         |                                                         |                                |
|-------------------------------|------------------------------------------------------------|-------------------------------------|---------------------------------------------------------|--------------------------------|
| Balance as at 1st April, 2024 | Changes in Equity Share Capital due to prior period errors | Restated balance at 1st April, 2024 | Changes in equity share capital during the current year | Balance as at 31st March, 2025 |
| 100                           | -                                                          | -                                   | -                                                       | 100                            |
| Balance as at 1st April, 2023 | Changes in Equity Share Capital due to prior period errors | Restated balance at 1st April, 2023 | Changes in equity share capital during the current year | Balance as at 31st March, 2024 |
| 50,309                        | -                                                          | 50,309                              | (50,209)                                                | 100                            |

## B. Other Equity

| B. Other Equity                            |                 | (₹ in Lacs)                                                                        |                                                                                          |                 |                    |                 |                       |                                     |                                                       |          |
|--------------------------------------------|-----------------|------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------|-----------------|--------------------|-----------------|-----------------------|-------------------------------------|-------------------------------------------------------|----------|
| Particulars                                | Treasury Shares | Reserves and Surplus                                                               |                                                                                          |                 |                    |                 |                       | Items of other comprehensive income |                                                       |          |
|                                            |                 | 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, 2023          |                 | 27,512                                                                             | 14,606                                                                                   | 1,960           | 19,754             | 1,39,604        | -                     | (2,56,374)                          | (9,438)                                               | (62,376) |
| Profit / (Loss) for the year               | (10)            | -                                                                                  | -                                                                                        | -               | -                  | -               | -                     | 48,126                              | -                                                     | 48,126   |
| Shares issued to Kairos ESOP Welfare Trust |                 | -                                                                                  | -                                                                                        | -               | -                  | -               | -                     | 1                                   | (8,851)                                               | (10)     |
| Other Comprehensive Income (net of tax) *  | -               | -                                                                                  | -                                                                                        | -               | 25,651             | -               | -                     | -                                   | -                                                     | (8,850)  |
| Security premium on new capital issue      |                 | -                                                                                  | (14,606)                                                                                 | (1,960)         | (45,405)           | (1,39,604)      | 2,01,575              | -                                   | -                                                     | 25,651   |
| Transfer to Restructuring Reserve          |                 | -                                                                                  | -                                                                                        | -               | -                  | -               | 99,309                | -                                   | -                                                     | -        |
| Capital Reduction                          |                 | -                                                                                  | -                                                                                        | -               | -                  | -               | (126)                 | -                                   | -                                                     | 99,309   |
| Payment to AFC towards Bank Guarantee      |                 | 9,625                                                                              | -                                                                                        | -               | -                  | -               | -                     | (9,625)                             | -                                                     | (126)    |
| Transfer from / to Special Reserve         |                 | -                                                                                  | -                                                                                        | -               | -                  | -               | (3,00,758)            | 3,00,758                            | -                                                     | -        |
| Transfer from / to retained earnings       |                 | -                                                                                  | -                                                                                        | -               | -                  | -               | -                     | 82,886                              | (18,289)                                              | -        |
| Balance as at 31st March, 2024             | (10)            | 37,137                                                                             | -                                                                                        | -               | -                  | -               | -                     | 82,886                              | (18,289)                                              | 1,01,724 |
| Balance as at the 1st April, 2024          | (10)            | 37,137                                                                             | -                                                                                        | -               | -                  | -               | -                     | 10,033                              | -                                                     | 10,033   |
| Profit / (Loss) for the year               |                 | -                                                                                  | -                                                                                        | -               | -                  | -               | -                     | (34)                                | (7,326)                                               | (7,360)  |
| Other Comprehensive Income (net of tax) *  |                 | -                                                                                  | -                                                                                        | -               | -                  | -               | -                     | (34)                                | -                                                     | -        |
| Transfer to Special Reserve                |                 | 2,007                                                                              | -                                                                                        | -               | -                  | -               | -                     | (2,007)                             | -                                                     | -        |
| Transfer (from) / to retained earnings     |                 | -                                                                                  | -                                                                                        | -               | -                  | -               | -                     | 462                                 | (462)                                                 | -        |
| Balance as at 31st March, 2025             | (10)            | 39,144                                                                             | -                                                                                        | -               | -                  | -               | -                     | 91,341                              | (26,077)                                              | 1,04,397 |

\* Includes Loss for ₹ 34 Lacs (Previous year: Gain ₹ 1 Lacs) on account of remeasurement of defined benefit plans.

This 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

ICAI Firm Registration No. 306033E/E300272

Sd/-

Hemant Kumar Lakhotia

Partner

Membership No. 068851

Place: Kolkata

Date: May 2, 2025

For and on behalf of Board of Directors

Sd/-

Hardayal Prasad

Managing Director & CEO

DIN: 08024303

Sd/-

Avinash Kulkarni

Director

DIN: 02982164

Sd/-

Vishnu Gopal Agarwal

Chief Financial Officer

Sd/-

Manoj Kumar

Company Secretary & CCO

# Srei Infrastructure Finance Limited

## 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 and received revised Certificate of Registration (CoR) under Section 43-IA of the Reserve Bank of India Act, 1934 on 3rd February, 2025.

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. 3rd February, 2025 |
| 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, 2025 have been taken on record by the Board of Directors on 2nd May, 2025.

#### 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. 1.2.24 '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

There is no significant change in the financial year ended and as at March 31, 2025. However, during the previous financial year ended and as at March 31, 2024, 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 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.

##### 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 recognise 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;
2. Financial assets to be measured at fair value through other comprehensive income;
3. Financial assets to be measured at fair value through profit or loss account.

The 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

- By considering all the contractual terms of the financial instrument in estimating the cash flows.
- 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
- b) In the absence of a principal market, in the most advantageous market for the asset or liability



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

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

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, 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 lineitem 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 Non-current assets held for sale

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than continuing use and a sale is considered highly probable. They are measured at the lower of their carrying amount and fair value less cost to sell. Non-current assets are not depreciated or amortised while they are classified as held for sale. Non-current assets classified as held for sale are presented separately from the other assets in the balance sheet.

### 1.2.24 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.

#### 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.

**1.2.25 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, 2025, MCA has not notified any new standards or amendments to the existing standards applicable to the Company.



# Notes to the Financial Statements

for the year ended 31st March, 2025

## 2. Cash and Cash Equivalents

(₹ in Lacs)

| Particulars                                                                                 | As at<br>March 31, 2025 | As at<br>March 31, 2024 |
|---------------------------------------------------------------------------------------------|-------------------------|-------------------------|
| Cash on hand *                                                                              | -                       | -                       |
| Balances with Banks - in Current Account                                                    | 161                     | 259                     |
| Fixed Deposits with banks having maturity of 3 months or less (including accrued interest)^ | 20,023                  | 32,769                  |
| <b>Total</b>                                                                                | <b>20,184</b>           | <b>33,028</b>           |

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

### (i) Changes in Cash Flow from financing activities

(₹ in Lacs)

| Particulars                             | As at<br>31st Mar, 2024 | Movement |          | As at<br>March 31, 2025 |
|-----------------------------------------|-------------------------|----------|----------|-------------------------|
|                                         |                         | Cash     | Non-Cash |                         |
| Borrowings (Other than Debt Securities) | -                       | -        | -        | -                       |
| Subordinated Liabilities                | -                       | -        | -        | -                       |
| <b>Total</b>                            | <b>-</b>                | <b>-</b> | <b>-</b> | <b>-</b>                |

| Particulars                             | As at<br>31st Mar, 2023 | Movement |                 | As at<br>March 31, 2024 |
|-----------------------------------------|-------------------------|----------|-----------------|-------------------------|
|                                         |                         | Cash     | Non-Cash        |                         |
| Borrowings (Other than Debt Securities) | 25,671                  | -        | (25,671)        | -                       |
| Subordinated Liabilities                | 33,000                  | -        | (33,000)        | -                       |
| <b>Total</b>                            | <b>58,671</b>           | <b>-</b> | <b>(58,671)</b> | <b>-</b>                |

## 3. Bank Balance other than Note No. 2 above

(₹ in Lacs)

| Particulars                                                                                                               | As at<br>March 31, 2025 | As at<br>March 31, 2024 |
|---------------------------------------------------------------------------------------------------------------------------|-------------------------|-------------------------|
| Unclaimed Dividend Accounts                                                                                               | 9                       | 14                      |
| Fixed Deposits with banks having original maturity of more than 3 months (Including accrued interest for fixed deposits)^ | 85                      | 76                      |
| <b>Total</b>                                                                                                              | <b>94</b>               | <b>90</b>               |

^Includes

(₹ in Lacs)

| Particulars       | As at<br>March 31, 2025 | As at<br>March 31, 2024 |
|-------------------|-------------------------|-------------------------|
| Under Lien:       |                         |                         |
| - Bank Guarantees | 28                      | 45                      |

### 4.1 Trade Receivables:

(₹ in Lacs)

| Particulars                                    | As at<br>March 31, 2025 | As at<br>March 31, 2024 |
|------------------------------------------------|-------------------------|-------------------------|
| (a) Considered good - Secured;                 | -                       | -                       |
| Less : Allowance for impairment loss allowance | -                       | -                       |
|                                                | -                       | -                       |
| (b) Considered good - Unsecured;               | 542                     | 995                     |
| Less : Allowance for impairment loss allowance | 388                     | 346                     |
|                                                | 154                     | 649                     |
| (c) Significant increase in credit risk        | -                       | -                       |
| Less : Allowance for impairment loss allowance | -                       | -                       |
|                                                | -                       | -                       |
| (d) Credit impaired                            | 1,295                   | 1,994                   |
| Less : Allowance for impairment loss allowance | 1,214                   | 1,994                   |
|                                                | 81                      | -                       |
| <b>Total (a+b+c+d)</b>                         | <b>235</b>              | <b>649</b>              |

- 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 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.

## Notes to the Financial Statements

for the year ended 31st March, 2025 (Contd.)

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

| Particulars                            | (₹ in Lacs)          |                      |
|----------------------------------------|----------------------|----------------------|
|                                        | As at March 31, 2025 | As at March 31, 2024 |
| Balance at the beginning of the year   | 2,290                | 2,657                |
| Charge in Statement of Profit and Loss | (688)                | (367)                |
| Utilized during the year               | -                    | -                    |
| Balance at the end of the year         | 1,602                | 2,290                |

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

| Particulars                        | (₹ in Lacs)            |                           |                     |
|------------------------------------|------------------------|---------------------------|---------------------|
|                                    | As at 31st March, 2025 |                           |                     |
|                                    | Gross carrying amount  | Allowance for credit loss | Net carrying amount |
| Due till three months              | 110                    | -                         | 110                 |
| Due between three to six months    | 20                     | -                         | 20                  |
| Due between six months to one year | 34                     | 10                        | 24                  |
| Due between one year to two year   | 378                    | 378                       | -                   |
| More than 2 year due               | 1,295                  | 1,214                     | 81                  |
|                                    | 1,837                  | 1,602                     | 235                 |

| Particulars                        | (₹ in Lacs)            |                           |                     |
|------------------------------------|------------------------|---------------------------|---------------------|
|                                    | As at 31st March, 2024 |                           |                     |
|                                    | 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                 |

### 4.2 Trade Receivables:

Trade Receivables agein schedule as at 31st March, 2025\*

| Particulars                                                                        | (₹ in Lacs)                                                |                 |          |                  |            |
|------------------------------------------------------------------------------------|------------------------------------------------------------|-----------------|----------|------------------|------------|
|                                                                                    | Outstanding for following periods from due date of payment |                 |          |                  |            |
|                                                                                    | Less than 6 months                                         | 6 months 1 year | 1-2 year | More than 2 year | Total      |
| (i) Undisputed Trade receivables - considered good                                 | 130                                                        | 24              | -        | 81               | 235        |
| (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                                  | -                                                          | -               | -        | -                | -          |
| <b>Total</b>                                                                       | <b>130</b>                                                 | <b>24</b>       | <b>-</b> | <b>81</b>        | <b>235</b> |

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

| Particulars                                                                        | (₹ in Lacs)                                                |                 |            |                  |            |
|------------------------------------------------------------------------------------|------------------------------------------------------------|-----------------|------------|------------------|------------|
|                                                                                    | Outstanding for following periods from due date of payment |                 |            |                  |            |
|                                                                                    | Less than 6 months                                         | 6 months 1 year | 1-2 year   | More than 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                                  | -                                                          | -               | -          | -                | -          |
| <b>Total</b>                                                                       | <b>498</b>                                                 | <b>49</b>       | <b>102</b> | <b>-</b>         | <b>649</b> |

\* Figures in the schedules are net of allowance for impairment loss.

# Notes to the Financial Statements

for the year ended 31st March, 2025 (Contd.)

## 5. Investment

| Particular                                      | As at 31st March, 2025 |                                    |                        |               |              |               | As at 31st March, 2024 |                                    |                        |               |              |               |
|-------------------------------------------------|------------------------|------------------------------------|------------------------|---------------|--------------|---------------|------------------------|------------------------------------|------------------------|---------------|--------------|---------------|
|                                                 | At Fair Value          |                                    |                        |               |              |               | At Fair Value          |                                    |                        |               |              |               |
|                                                 | 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         |
| <b>Investments</b>                              |                        |                                    |                        |               |              |               |                        |                                    |                        |               |              |               |
| Equity instruments                              | -                      | 16,798                             | -                      | 16,798        | -            | 16,798        | -                      | 27,621                             | -                      | 27,621        | -            | 27,621        |
| Subsidiaries                                    | -                      | -                                  | -                      | -             | 3,854        | 3,854         | -                      | -                                  | -                      | -             | 3,854        | 3,854         |
| Associates                                      | -                      | -                                  | -                      | -             | -            | -             | -                      | -                                  | -                      | -             | -            | -             |
| In Units of Trusts and Schemes of Venture Funds | -                      | 5,663                              | 22,528                 | 28,191        | -            | 28,191        | -                      | 4,558                              | 1                      | 4,559         | -            | 4,559         |
| <b>Total – Gross A</b>                          | -                      | <b>22,461</b>                      | <b>22,528</b>          | <b>44,989</b> | <b>3,854</b> | <b>48,844</b> | -                      | <b>32,179</b>                      | <b>1</b>               | <b>32,180</b> | <b>3,854</b> | <b>36,034</b> |
| (i) Investments outside India                   | -                      | -                                  | -                      | -             | -            | -             | -                      | -                                  | -                      | -             | -            | -             |
| (ii) Investments in India                       | -                      | 22,461                             | 22,528                 | 44,989        | 3,854        | 48,844        | -                      | 32,179                             | 1                      | 32,180        | 3,854        | 36,034        |
| <b>Total – B</b>                                | -                      | <b>22,461</b>                      | <b>22,528</b>          | <b>44,989</b> | <b>3,854</b> | <b>48,844</b> | -                      | <b>32,179</b>                      | <b>1</b>               | <b>32,180</b> | <b>3,854</b> | <b>36,034</b> |
| Less: Impairment loss allowance (C)             | -                      | -                                  | -                      | -             | (2,129)      | (2,129)       | -                      | -                                  | -                      | -             | (2,116)      | (2,116)       |
| <b>Total – Net D = (A)-(C)</b>                  | -                      | <b>22,461</b>                      | <b>22,528</b>          | <b>44,989</b> | <b>1,725</b> | <b>46,714</b> | -                      | <b>32,179</b>                      | <b>1</b>               | <b>32,180</b> | <b>1,738</b> | <b>33,918</b> |

(₹ in Lacs)



# Notes to the Financial Statements

for the year ended 31st March, 2025 (Contd.)

## 5. Investments (Contd...)

| Particulars                                                                  | Quantity                |                         | (₹ in Lacs)             |                         |
|------------------------------------------------------------------------------|-------------------------|-------------------------|-------------------------|-------------------------|
|                                                                              | As at<br>March 31, 2025 | As at<br>March 31, 2024 | As at<br>March 31, 2025 | As at<br>March 31, 2024 |
| <b>Investments Carried at Cost</b>                                           |                         |                         |                         |                         |
| <b>Investments in Subsidiary Companies</b>                                   |                         |                         |                         |                         |
| <b>In Equity Instruments (Unquoted)</b>                                      |                         |                         |                         |                         |
| Srei Capital Markets Limited (Refer note (x) below)                          | 5050000                 | 5050000                 | 505                     | 505                     |
| Srei Insurance Broking Private Limited                                       | 5000000                 | 5000000                 | 412                     | 412                     |
| Trinity Alternative Investment Managers Limited                              | 127500                  | 127500                  | -                       | 13                      |
| Controlla Electrotech Private Limited (Refer note (ii) below)                | 35305                   | 35305                   | 708                     | 708                     |
| Srei Mutual Fund Asset Management Private Limited (Refer note (x) below)     | 18500000                | 18500000                | -                       | -                       |
| Srei Mutual Fund Trust Private Limited (Refer note (x) below)                | 150000                  | 150000                  | -                       | -                       |
| Srei Asset Leasing Limited (Refer note (x) below)                            | 1000000                 | 1000000                 | 100                     | 100                     |
| Srei Equipment Finance Limited (Refer note (viii) below)                     | 1000000                 | 1000000                 | -                       | -                       |
| Bengal Srei Infrastructure Development Limited                               | 25500                   | 25500                   | -                       | -                       |
| <b>In Warrants (Unquoted)</b>                                                |                         |                         |                         |                         |
| Srei Mutual Fund Trust Private Limited                                       | 450000                  | 450000                  | -                       | -                       |
|                                                                              |                         |                         | <b>1,725</b>            | <b>1,738</b>            |
|                                                                              |                         |                         | -                       | -                       |
| <b>Investments in Mutual Funds</b>                                           |                         |                         |                         |                         |
| <b>In Mutual Funds (Quoted)</b>                                              |                         |                         |                         |                         |
| SBI Savings Fund - Growth Direct                                             | 23415834                | -                       | 10,210                  | -                       |
| Axis Money Market Fund-Direct Growth                                         | 713101                  |                         | 10,097                  |                         |
| HDFC Money Market Fund-DP Growth                                             | 38830                   |                         | 2,220                   |                         |
| Unit Trust of India                                                          | 400                     | 400                     | 1                       | 1                       |
|                                                                              |                         |                         | <b>22,528</b>           | <b>1</b>                |
| <b>Investments Carried at Fair Value through Other Comprehensive Income</b>  |                         |                         |                         |                         |
| <b>In Equity Instruments (Quoted)</b>                                        |                         |                         |                         |                         |
| Kotak Mahindra Bank Limited (Refer note (iv) below)                          | 0                       | 500                     | -                       | 9                       |
| Bharat Road Network Limited                                                  | 16630000                | 16630000                | 4,818                   | 9,280                   |
| Orient Green Power Company Limited (Refer note (iv) below)                   | 0                       | 10924302                | -                       | 2,043                   |
| India Power Corporation Limited (Refer note (vi) below)                      | 105524100               | 105524100               | 11,944                  | 16,251                  |
|                                                                              |                         |                         | <b>16,762</b>           | <b>27,583</b>           |
| <b>In Equity Instruments (Unquoted)</b>                                      |                         |                         |                         |                         |
| TN (DK) Expressways Limited (Refer note (vii) below)                         | 0                       | 13000                   | -                       | -                       |
| Madurai Tuticorin Expressways Limited (Refer note (vii) below)               | 0                       | 19500                   | -                       | -                       |
| Suratgarh Bikaner Toll Road Company Private Limited (Refer note (vii) below) | 0                       | 17750                   | -                       | -                       |
| Starlift Services Private Limited (Refer note (vii) below)                   | 0                       | 1200                    | -                       | -                       |
| Kamala Tea Company Limited                                                   | 25000                   | 25000                   | 36                      | 38                      |
| Mahakaleshwar Tollways Private Limited (Refer note (iv) below)               | 0                       | 13270376                | -                       | -                       |
| <b>In Warrants (Unquoted)</b>                                                |                         |                         |                         |                         |
| Samsara Energy Limited (Refer note (vii) below)                              | 0                       | 23540                   | -                       | -                       |
| Viom Infra Ventures Limited (Refer note (vii) below)                         | 0                       | 99620                   | -                       | -                       |
|                                                                              |                         |                         | <b>36</b>               | <b>38</b>               |
| <b>In Units of Trusts and Schemes of Venture Funds (Unquoted)</b>            |                         |                         |                         |                         |
| India Advantage Fund III (Refer note (v) below)                              | 10833                   | 164981                  | 12                      | 185                     |
| Infrastructure Project Development Capital (Refer note (iii) below)          | 661654                  | 661654                  | 1,792                   | 1,336                   |
| Infra Construction Fund (Refer note (iii) and (vi) below)                    | 1880333                 | 1880333                 | -                       | -                       |
| India Growth Opportunities Fund (Refer note (iii) below)                     | 3526949                 | 3526949                 | 436                     | 456                     |
| Make In India Fund (Refer note (iii) below)                                  | 1000000                 | 1000000                 | 301                     | 180                     |
| Vision India Fund (Refer note (iii) below)                                   | 5100000                 | 5100000                 | 3,122                   | 2,401                   |
|                                                                              |                         |                         | <b>5,663</b>            | <b>4,558</b>            |
| <b>Total</b>                                                                 |                         |                         | <b>46,714</b>           | <b>33,918</b>           |

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

# Notes to the Financial Statements

for the year ended 31st March, 2025 (Contd.)

## 5. Investments (Contd...)

### Note:

- (i) During the period, dividend income has been recognised for ₹ Nil (Previous year ₹ 0.03 Lacs) on equity instruments categorised as measured at fair value through other comprehensive income.
- (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, 2025. Accordingly, no impairment provision is considered necessary. The Company had floated a tender for sale of Investments of Controlla along with all its assets and liabilities. However, the Company have not received any offer for sale. Hence, sale of this investment is uncertain in near future.
- (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, 2025, Trinity has supplied NAV for the funds as of September 30, 2024 forming the basis for the recognition of fair valuation. However, Infrastructure Project Development Capital has been recognised on the basis of valuation report provided as on 31st March, 2024.
- (iv) During the year ended March 31, 2025, the Company has sold equity shares of Orient Green Power Company Limited, Mahakaleshwar Tollways Private Limited and Kotak Mahindra Bank Limited at net profit of ₹ 445 Lacs and the same has been transferred from Other Comprehensive Income to Retained Earning.  
The company was also entitled to 2142020 Right Shares of Orient Green Power Company Limited @ ₹ 13/- per shares. The company has sold its right entitlement at a total consideration of ₹ 139 Lacs in the open market. The amount of ₹ 139 Lacs has been credited to Profit & Loss Account as Other Income.
- (v) 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, 2024 by the Company. During the year ended March 31, 2025, 154,148 units were redeemed by the Fund Manager. Total consideration received ₹ 176 Lacs on redemption of aforesaid units. Net Gain of ₹ 22 Lacs has been transferred from Other Comprehensive Income to Retained Earning.
- (vi) 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 non-compliance with SEBI Regulations.. The fair value of IPCL shares, as quoted on March 31, 2025, 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, 2024, has assessed the value of IPCL shares as Nil, reflecting the ongoing delay in the allotment process.
- (vii) The Company has written off this unquoted shares & warrants during the year ended 31st March, 2025 as expected realisable value of these shares are NIL. Loss on write off of Investment amounting to ₹ 5 Lacs has been transferred from Other Comprehensive Income to Retained Earning.
- (viii) 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 ₹ 310,455 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 was 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 for the financial year ended March 31, 2024.
- (ix) 950 nos. NCD's (face value Rs 10,00,000 each) issued by Fortis Healthcare Holdings Private Ltd were transferred to SEFL under Slump exchange w.e.f. Oct 1, 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 for the benefit of SEFL and not considered as investments of the Company.
- (x) The Board of Directors of the Company at its meeting held on 11.02.2025 approved a scheme of merger between Srei Capital Market Ltd (Transferor company no.1) and Srei Mutual Fund Assets Management Pvt Ltd (Transferor company no. 2) and Srei Mutul Fund Trust Pvt Ltd (Transferor company no. 3) and Srei Assets Leasing Ltd (Transferor company no. 4 ) and Srei Infrastructure Finance Ltd (Transferee company) have considered and proposed the merger of the entire undertaking and business of the Transferor companies with the Transferee company in order to benefit the stakeholders of all companies, under Sections 233 of the Companies Act, 2013 and other applicable laws and regulations ('the Scheme'), subject to requisite approvals from various regulatory and statutory authorities.

## 6. Other Financial Assets

(₹ in Lacs)

| Particulars                                                 | As at<br>March 31, 2025 | As at<br>March 31, 2024 |
|-------------------------------------------------------------|-------------------------|-------------------------|
| Loans to employees                                          | 2                       | -                       |
| Security deposits                                           |                         |                         |
| To Others                                                   | 166                     | 131                     |
| Less - Impairment allowance on security deposits            | (19)                    | (10)                    |
| Excess Corpus in Gratuity assets (Refer Note.44.1)          | -                       | 27                      |
| Receivables from SEFL against cancellation of Investment    | 20,000                  | 20,000                  |
| Receivables from SEFL against Business Rationalisation Cost | 2,445                   | -                       |
| Recoverable from Other Subsidiary Companies*                | -                       | 5                       |
| Others                                                      | 4                       | 4                       |
| Less - Impairment allowance                                 | (4)                     | (4)                     |
| <b>Total</b>                                                | <b>22,594</b>           | <b>20,153</b>           |

\*It includes ₹ Nil receivable from TAIML (Previous year 5.02 Lacs)

## 7. Other Non-Financial Assets

(₹ in Lacs)

| Particulars                               | As at<br>March 31, 2025 | As at<br>March 31, 2024 |
|-------------------------------------------|-------------------------|-------------------------|
| Capital Advances                          | 6                       | -                       |
| Employee Advances                         | 11                      | 1                       |
| Advance to Vendors for Operating Expenses | 31                      | 12                      |
| Less - Impairment allowance               | (4)                     | -                       |
| Balances with Government Authorities      | 220                     | 96                      |
| Prepaid expenses                          | 75                      | 27                      |
| <b>Total</b>                              | <b>339</b>              | <b>136</b>              |

## Notes to the Financial Statements

for the year ended 31st March, 2025 (Contd.)

### 8. Current Tax Assets (Net)

(₹ in Lacs)

| Particulars                                                                      | As at<br>March 31, 2025 | As at<br>March 31, 2024 |
|----------------------------------------------------------------------------------|-------------------------|-------------------------|
| Advance Tax [(net of provision for tax ₹ Nil Lacs 31st March, 2024: ₹ Nil Lacs)] | 5,611                   | 5,379                   |
| <b>Total</b>                                                                     | <b>5,611</b>            | <b>5,379</b>            |

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

(₹ in Lacs)

| Particulars                                                    | Year Ended<br>31st March, 2025 | Year Ended<br>31st March, 2024 |
|----------------------------------------------------------------|--------------------------------|--------------------------------|
| Profit before tax                                              | 10,036                         | 48,146                         |
| Statutory Income Tax Rate                                      | 25.17%                         | 25.17%                         |
| Expected income tax expense at statutory income tax rate       | 2,526                          | 12,117                         |
| (i) Adjustment against Brought Forward Losses                  | (2,526)                        | (12,117)                       |
| (ii) Income Tax for earlier years                              | 3                              | 20                             |
| <b>Total Tax Expense recognised in profit and loss account</b> | <b>3</b>                       | <b>20</b>                      |
| 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<br>1st April, 2024 | Recognised /<br>(reversed) in<br>Statement of<br>Profit & Loss /<br>Restructuring<br>Reserve | Recognised /<br>(reversed) in Other<br>Comprehensive<br>Income | As at<br>31st March, 2025 |
|-----------------------------------------------------------------|--------------------------|----------------------------------------------------------------------------------------------|----------------------------------------------------------------|---------------------------|
| Receivables, Financial Assets and Liabilities at Amortised Cost | 1,022                    | (170)                                                                                        | -                                                              | 852                       |
| Unrealised gain on Investment carried at Fair Value             | 3,804                    |                                                                                              | 1,620                                                          | 5,424                     |
| Carried Forward of Losses & Unabsorbed Depreciation             | 6,228                    | 30,207                                                                                       | -                                                              | 36,435                    |
| Property, Plant and Equipment and Intangible Assets             | (186)                    | 71                                                                                           | -                                                              | (115)                     |
| Other Temporary Differences                                     | 1                        | 7                                                                                            | -                                                              | 8                         |
| <b>Net Deferred Tax Assets / (Liabilities)</b>                  | <b>10,869</b>            | <b>30,115</b>                                                                                | <b>1,620</b>                                                   | <b>42,604</b>             |
| Net Deferred tax assets not recognised                          | 10,869                   | 30,115                                                                                       | 1,620                                                          | 42,604                    |

(₹ in Lacs)

| Particulars                                                     | As at<br>1st April, 2023 | Recognised /<br>(reversed) in<br>Statement of<br>Profit & Loss | Recognised /<br>(reversed) in Other<br>Comprehensive<br>Income | As at<br>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                         |
| <b>Net Deferred Tax Assets / (Liabilities)</b>                  | <b>46,542</b>            | <b>(37,930)</b>                                                | <b>2,257</b>                                                   | <b>10,869</b>             |
| Net Deferred tax assets not recognised                          | 46,542                   | (37,930)                                                       | 2,257                                                          | 10,869                    |
|                                                                 | -                        | -                                                              | -                                                              | -                         |

The Company has profit for the year ended 31st March, 2025 & year ended 31st March, 2024. The company has significant carry forward losses brought forward from previous years. Hence, the company has not made tax provisions in the books. On carry forward business losses, 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 utilised, the Company has decided not to create deferred tax assets on net basis during the year ended 31st March, 2025 and year ended 31st March, 2024 in accordance to Ind AS 12, which will be reviewed in future period.



# Notes to the Financial Statements

for the year ended 31st March, 2025 (Contd.)

## 10. Property, Plant and Equipment

| 10. Property, Plant and Equipment |                       |            |                                 |                                            |                                    |                                 |                        | (₹ in Lakhs) |
|-----------------------------------|-----------------------|------------|---------------------------------|--------------------------------------------|------------------------------------|---------------------------------|------------------------|--------------|
| Particulars                       | Gross Carrying Amount |            |                                 | Depreciation / Amortisation and Impairment |                                    |                                 | Net Carrying Amount    |              |
|                                   | As at 1st April, 2024 | Additions  | Disposals and other adjustments | As at 31st March, 2025                     | Depreciation / amortisation Charge | Disposals and other adjustments | As at 31st March, 2025 |              |
|                                   |                       |            | (Refer note 12)                 |                                            |                                    | (Refer note 12)                 |                        |              |
| <b>Assets for Own use</b>         |                       |            |                                 |                                            |                                    |                                 |                        |              |
| Buildings <sup>1</sup>            | 10,542                | -          | -                               | 8,749                                      | 229                                | -                               | 7,289                  |              |
| Plant and Machinery               | 20                    | -          | -                               | 20                                         | 2                                  | -                               | 8                      |              |
| Furniture and Fixtures            | 35                    | -          | 1                               | 34                                         | 0                                  | 1                               | 2                      |              |
| Computers                         | 23                    | 128        | 1                               | 150                                        | 5                                  | 1                               | 124                    |              |
| Office Equipments                 | 7                     | 32         | 1                               | 38                                         | 2                                  | 1                               | 31                     |              |
| Leasehold Improvements            | 1                     | -          | -                               | 1                                          | -                                  | -                               | -                      |              |
| <b>Total</b>                      | <b>10,628</b>         | <b>160</b> | <b>3</b>                        | <b>8,992</b>                               | <b>239</b>                         | <b>3</b>                        | <b>7,454</b>           |              |

## 11.(a) Intangible Assets

| 11.(a) Intangible Assets |                       |           |                                 |                                            |                                    |                                 |                        | (₹ in Lacs) |
|--------------------------|-----------------------|-----------|---------------------------------|--------------------------------------------|------------------------------------|---------------------------------|------------------------|-------------|
| Particulars              | Gross Carrying Amount |           |                                 | Depreciation / Amortisation and Impairment |                                    |                                 | Net Carrying Amount    |             |
|                          | As at 1st April, 2024 | Additions | Disposals and other adjustments | As at 31st March, 2025                     | Depreciation / amortisation Charge | Disposals and other adjustments | As at 31st March, 2025 |             |
| Assets for Own use       |                       |           |                                 |                                            |                                    |                                 |                        |             |
| Software                 | 145                   | -         | 23                              | 122                                        | 144                                | 22                              | 122                    |             |
| Total                    | 145                   | -         | 23                              | 122                                        | 144                                | 22                              | 122                    |             |

## 11.(b) Intangible Assets under Development

| 11.(b) Intangible Assets under Development |                       |                                      |                                 |                                            |                       |                                    | (₹ in Lacs)                     |                        |
|--------------------------------------------|-----------------------|--------------------------------------|---------------------------------|--------------------------------------------|-----------------------|------------------------------------|---------------------------------|------------------------|
| Particulars                                | Gross Carrying Amount |                                      |                                 | Depreciation / Amortisation and Impairment |                       |                                    | Net Carrying Amount             |                        |
|                                            | As at 1st April, 2024 | Additions / Assets Under Development | Disposals and other adjustments | As at 31st March, 2025                     | As at 1st April, 2024 | Depreciation / amortisation Charge | Disposals and other adjustments | As at 31st March, 2025 |
|                                            |                       |                                      |                                 |                                            |                       |                                    |                                 |                        |
| Assets for Own use                         |                       |                                      |                                 |                                            |                       |                                    |                                 |                        |
| Software                                   | -                     | 632                                  | -                               | -                                          | -                     | -                                  | -                               | 632                    |
| Total                                      | -                     | 632                                  | -                               | 632                                        | -                     | -                                  | -                               | 632                    |

<sup>1</sup> 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-29)

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.

## Breakup of Depreciation / Amortisation and Impairment for the year ended 31st March, 2025 is as below:

| Particulars                     | (₹ in Lacs) |
|---------------------------------|-------------|
| Assets for Own use - Tangible   | 239         |
| Assets for Own use - Intangible | -           |
| Right to use assets*            | 32          |
| <b>Total</b>                    | <b>271</b>  |

\*Net carrying amount of Right to use assets is ₹ 344 Lacs as on 31st March, 2025 (Previous year : ₹ 1 Lac)

## Notes to the Financial Statements

for the year ended 31st March, 2025 (Contd.)

### 10. Property, Plant and Equipment

| Particulars               | Gross Carrying Amount |           |                                           | Depreciation / Amortisation and Impairment |                       |                                    | Net Carrying Amount    |
|---------------------------|-----------------------|-----------|-------------------------------------------|--------------------------------------------|-----------------------|------------------------------------|------------------------|
|                           | As at 1st April, 2023 | Additions | Transfer under Slump exchange transaction | Disposals and other adjustments            | As at 1st April, 2023 | Depreciation / amortisation Charge | As at 31st March, 2024 |
| <b>Assets for Own use</b> |                       |           |                                           |                                            |                       |                                    |                        |
| Buildings <sup>1</sup>    | 10,542                | -         | -                                         | -                                          | 1,371                 | 229                                | 8,942                  |
| Plant and Machinery       | 20                    | -         | -                                         | -                                          | 8                     | 2                                  | 10                     |
| Furniture and Fixtures    | 35                    | -         | -                                         | -                                          | 31                    | 2                                  | 2                      |
| Computers                 | 21                    | 2         | -                                         | -                                          | 21                    | 0                                  | 2                      |
| Office Equipments         | 7                     | -         | -                                         | -                                          | 6                     | -                                  | 1                      |
| Leasehold Improvements    | 1                     | -         | -                                         | -                                          | 1                     | -                                  | -                      |
| <b>Total</b>              | <b>10,626</b>         | <b>2</b>  | <b>-</b>                                  | <b>-</b>                                   | <b>1,438</b>          | <b>234</b>                         | <b>8,957</b>           |

### 11. Intangible Assets

| Particulars               | Gross Carrying Amount |           |                                           | Depreciation / Amortisation and Impairment |                       |                                    | Net Carrying Amount    |
|---------------------------|-----------------------|-----------|-------------------------------------------|--------------------------------------------|-----------------------|------------------------------------|------------------------|
|                           | As at 1st April, 2023 | Additions | Transfer under Slump exchange transaction | Disposals and other adjustments            | As at 1st April, 2023 | Depreciation / amortisation Charge | As at 31st March, 2024 |
| <b>Assets for Own use</b> |                       |           |                                           |                                            |                       |                                    |                        |
| Software                  | 157                   | -         | -                                         | 12                                         | 156                   | 0                                  | 1                      |
| <b>Total</b>              | <b>157</b>            | <b>-</b>  | <b>-</b>                                  | <b>12</b>                                  | <b>156</b>            | <b>0</b>                           | <b>1</b>               |

<sup>1</sup>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.

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

| Particulars                     | Total                  |  |
|---------------------------------|------------------------|--|
|                                 | As at 31st March, 2024 |  |
| Assets for Own use - Tangible   | 234                    |  |
| Assets for Own use - Intangible | 0                      |  |
| Right to use assets*            | -                      |  |
| <b>Total</b>                    | <b>234</b>             |  |

\*Net carrying amount of Right to use assets is ₹ 1 Lac as on 31st March, 2024 (Previous year: ₹ 1 Lac)

# Notes to the Financial Statements

for the year ended 31st March, 2025 (Contd.)

## 12. Non-Current Asset Held on Sale

| Particulars  | As at 31st March, 2025 | As at 31st March, 2024 |
|--------------|------------------------|------------------------|
| Building*    | 1,424                  | -                      |
| <b>Total</b> | <b>1,424</b>           | <b>-</b>               |

\*The Company has floated the tender for sale of three properties & the sale is expected to be completed in near future. Accordingly, these properties have been classified as non current asset held for sale in accordance with INDAS 105.

## 13. Trade Payables

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

| Particulars                                                                                                                                                                                                                                                                                                                   | As at 31st March, 2025 | As at 31st March, 2024 |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------|------------------------|
| a) The principal amount and interest due thereon remaining unpaid to any supplier*                                                                                                                                                                                                                                            | -                      | 6                      |
| 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 | -                      | -                      |
| <b>Total</b>                                                                                                                                                                                                                                                                                                                  | <b>-</b>               | <b>6</b>               |

\*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

| Particulars  | As at 31st March, 2025 | As at 31st March, 2024 |
|--------------|------------------------|------------------------|
| For Services | 168                    | 140                    |
| <b>Total</b> | <b>168</b>             | <b>140</b>             |

### (c) Trade Payables ageing schedule as at 31st March, 2025

| Particulars                     | Outstanding for following periods from due date of payment |          |            |                  | Total      |
|---------------------------------|------------------------------------------------------------|----------|------------|------------------|------------|
|                                 | Less than 1 year                                           | 1-2 year | 2-3 year   | More than 3 year |            |
| <b>Trade Payables</b>           |                                                            |          |            |                  |            |
| (i) MSME                        | -                                                          | -        | -          | -                | -          |
| (ii) Others                     | 57                                                         | 1        | 104        | 6                | 168        |
| (iii) Disputed dues (MSMEs) and | -                                                          | -        | -          | -                | -          |
| (iii) Disputed dues (Others)    | -                                                          | -        | -          | -                | -          |
|                                 | 57                                                         | 1        | 104        | 6                | 168        |
| Unbilled dues                   | -                                                          | -        | -          | -                | -          |
| <b>Total</b>                    | <b>57</b>                                                  | <b>1</b> | <b>104</b> | <b>6</b>         | <b>168</b> |

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

(₹ in Lacs)

| Particulars                     | Outstanding for following periods from due date of payment |            |          |                  | Total      |
|---------------------------------|------------------------------------------------------------|------------|----------|------------------|------------|
|                                 | Less than 1 year                                           | 1-2 year   | 2-3 year | More than 3 year |            |
| <b>Trade Payables</b>           |                                                            |            |          |                  |            |
| (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                   | -                                                          | -          | -        | -                | -          |
| <b>Total</b>                    | <b>32</b>                                                  | <b>108</b> | <b>6</b> | <b>-</b>         | <b>146</b> |



# Notes to the Financial Statements

for the year ended 31st March, 2025 (Contd.)

## 14. Borrowings (Other than Debt Securities)

(₹ in Lacs)

| Particulars              | As at 31st March, 2025 |                                       |                                                 |       | As at 31st March, 2024 |                                       |                                                 |       |
|--------------------------|------------------------|---------------------------------------|-------------------------------------------------|-------|------------------------|---------------------------------------|-------------------------------------------------|-------|
|                          | 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 |
| <b>Unsecured</b>         |                        |                                       |                                                 |       |                        |                                       |                                                 |       |
| Inter Corporate Deposits | -                      | -                                     | -                                               | -     | -                      | -                                     | -                                               | -     |
| <b>Total</b>             | -                      | -                                     | -                                               | -     | -                      | -                                     | -                                               | -     |
| Borrowings in India      | -                      | -                                     | -                                               | -     | -                      | -                                     | -                                               | -     |
| <b>Total</b>             | -                      | -                                     | -                                               | -     | -                      | -                                     | -                                               | -     |

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 ₹ 10/- (Rupees Ten) each. The issue price per share is ₹ 12,836, inclusive of a premium of ₹ 12,826 per share. This issuance has been executed to settle the assigned debt of ₹ 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 in respect of SIFL's obligation for interest on Inter Corporate Deposit.

## 15. Subordinated Liabilities

(₹ in Lacs)

| Particulars                                                                      | As at 31st March, 2025 |                                       |                                                 |       | As at 31st March, 2024 |                                       |                                                 |       |
|----------------------------------------------------------------------------------|------------------------|---------------------------------------|-------------------------------------------------|-------|------------------------|---------------------------------------|-------------------------------------------------|-------|
|                                                                                  | 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. 15.1) | -                      | -                                     | -                                               | -     | -                      | -                                     | -                                               | -     |
| <b>Total</b>                                                                     | -                      | -                                     | -                                               | -     | -                      | -                                     | -                                               | -     |
| Subordinated Liabilities in India                                                | -                      | -                                     | -                                               | -     | -                      | -                                     | -                                               | -     |
| <b>Total</b>                                                                     | -                      | -                                     | -                                               | -     | -                      | -                                     | -                                               | -     |

### 15.1 Subordinated Perpetual bonds / debentures (Tier I Capital)

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. Hence, the outstanding amount of Subordinated Perpetual Debentures became ₹ Nil as on 31st March, 2024.

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 in respect of SIFL's obligation for interest on Non-convertible Perpetual Bond.

### 15.2 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, 2025 and year ended 31st March, 2024.

### 15.3 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, 2025 and year ended 31st March, 2024.

## Notes to the Financial Statements

for the year ended 31st March, 2025 (Contd.)

### 16. Other Financial Liabilities

(₹ in Lacs)

| Particulars                      | As at 31st March, 2025 | As at 31st March, 2024 |
|----------------------------------|------------------------|------------------------|
| Unpaid Dividends                 | 9                      | 14                     |
| Security Deposits & Retentions   | 78                     | 37                     |
| Payable to Employees             | 98                     | 11                     |
| Liability for Operating Expenses | 230                    | 206                    |
| <b>Total</b>                     | <b>415</b>             | <b>268</b>             |

### 17. Provisions

(₹ in Lacs)

| Particulars                                         | As at 31st March, 2025 | As at 31st March, 2024 |
|-----------------------------------------------------|------------------------|------------------------|
| Provision for Gratuity (Refer Note. 44.1)           | 20                     | -                      |
| Provision for Unavailed Leave (Refer Note No. 44.1) | 69                     | 6                      |
| <b>Total</b>                                        | <b>89</b>              | <b>6</b>               |

### 18. Other Non-financial liabilities

(₹ in Lacs)

| Particulars            | As at 31st March, 2025 | As at 31st March, 2024 |
|------------------------|------------------------|------------------------|
| Advance from Customers | -                      | 8                      |
| Statutory Liabilities  | 125                    | 59                     |
| <b>Total</b>           | <b>125</b>             | <b>67</b>              |

### 19. Equity Share Capital

(₹ in Lacs)

| Particulars                                                                  | As at 31st March, 2025 |                 | As at 31st March, 2024 |                 |
|------------------------------------------------------------------------------|------------------------|-----------------|------------------------|-----------------|
|                                                                              | No. of Shares          | ₹ in Lacs       | No. of Shares          | ₹ in Lacs       |
| <b>Authorised</b>                                                            |                        |                 |                        |                 |
| Equity Shares, ₹ 1/- par value per share<br>(Previous year ₹ 10/- per Share) | 1000000000             | 1,00,000        | 1000000000             | 1,00,000        |
| Preference Shares, ₹ 100/- par value per share                               | 50000000               | 50,000          | 50000000               | 50,000          |
|                                                                              |                        | <b>1,50,000</b> |                        | <b>1,50,000</b> |
| <b>Issued and subscribed</b>                                                 |                        |                 |                        |                 |
| Equity Shares, ₹ 1/- par value per share<br>(Previous year ₹ 10/- per Share) | 1000000                | 100             | 1000000                | 100             |
| <b>Fully Paid-up</b>                                                         |                        |                 |                        |                 |
| Equity Shares, ₹ 1/- par value per share<br>(Previous year ₹ 10/- per Share) | 1000000                | 100             | 1000000                | 100             |
|                                                                              |                        | <b>100</b>      |                        | <b>100</b>      |

\*The par value of equity share has been reduced from ₹ 10 to ₹ 1 on May 7, 2024.

#### 19.1 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 March, 2025 |           | As at 31st March, 2024 |           |
|---------------------------------|------------------------|-----------|------------------------|-----------|
|                                 | No. of Shares          | ₹ in Lacs | No. of Shares          | ₹ in Lacs |
| At the beginning of the year*   | 10000000               | 100       | 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          | 10000000               | 100       | 1000000                | 100       |

\*The par value of equity share has been reduced from ₹ 10 to ₹ 1 on May 7, 2024.

## Notes to the Financial Statements

for the year ended 31st March, 2025 (Contd.)

### 19.2 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 ₹ 1/- (previous year ₹10/-) and ₹ 100/- each respectively. 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, 2025 and year ended 31st March, 2024.

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.

### 19.3 Shares allotted as fully paid-up without payment being received in cash/by way of bonus shares (during 5 years preceding 31st March, 2025)

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 Intercompany Deposit from SEFL (Refer note 14). The Company had also issued 100000 equity shares to ESOP Trust during this period without payment being received in cash. The par value of equity shares has been reduced from ₹ 10 to ₹ 1 on May 7, 2024. Apart from aforesaid, the Company had not issued any shares without payment being received in cash / by way of bonus shares during preceding 5 years.

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

| Sl.No. | Name of the Shareholders                      | As at 31st March, 2025 |                   | As at 31st March, 2024 |                   |
|--------|-----------------------------------------------|------------------------|-------------------|------------------------|-------------------|
|        |                                               | No. of Shares          | % of Shareholding | No. of Shares          | % of Shareholding |
| 1      | National Asset Reconstruction Company Limited | 4,600,000              | 46.00%            | 4,60,000               | 46.00%            |
| 2      | India Debt Resolution Company Limited         | 2,400,000              | 24.00%            | 2,40,000               | 24.00%            |
| 3      | Kairos ESOP Welfare Trust                     | 1,000,000              | 10.00%            | 1,00,000               | 10.00%            |

\*The par value of equity share has been reduced from ₹ 10 to ₹ 1 on May 7, 2024.

### 19.5 Shareholding of promoters as at March 31, 2025:

#### Shares held by promoters at the end of the year

| Sl.No. | Promoter name | No. of shares | % of total shares | % Change during the year |
|--------|---------------|---------------|-------------------|--------------------------|
| (i)    | Nil           | -             | 0.00%             | 0.00%                    |
|        | <b>Total</b>  |               | 0.00%             |                          |

### Shareholding of promoters as at March 31, 2024:

#### Shares held by promoters at the end of the year

| Sl.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%                   |
|        | <b>Total</b>                      | -             | 0.00%             |                          |

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



# Notes to the Financial Statements

for the year ended 31st March, 2025 (Contd.)

## 20. Other Equity

(₹ in Lacs)

| Particulars                                                                                             | As at<br>31st March, 2025 | As at<br>31st March, 2024 |
|---------------------------------------------------------------------------------------------------------|---------------------------|---------------------------|
| <b>Treasury Stock</b>                                                                                   |                           |                           |
| Shares issued to Kairos ESOP Welfare Trust                                                              | (10)                      | (10)                      |
| Closing balance                                                                                         | (10)                      | (10)                      |
| <b>Special Reserve (pursuant to Section 45-IC of the Reserve Bank of India Act, 1934)</b>               |                           |                           |
| Opening balance                                                                                         | 37,137                    | 27,512                    |
| Add: Transfer from retained earnings                                                                    | 2,007                     | 9,625                     |
| Closing balance                                                                                         | 39,144                    | 37,137                    |
| <b>Income Tax Special Reserve (created pursuant to Section 36(1)(viii) of the Income Tax Act, 1961)</b> |                           |                           |
| Opening balance                                                                                         | -                         | 14,606                    |
| Less: Transfer to Restructuring Reserve                                                                 | -                         | 14,606                    |
| Closing balance                                                                                         | -                         | -                         |
| <b>Capital Reserve</b>                                                                                  |                           |                           |
| Opening balance                                                                                         | -                         | 1,960                     |
| Less: Transfer to Restructuring Reserve                                                                 | -                         | (1,960)                   |
| Closing balance                                                                                         | -                         | -                         |
| <b>Securities Premium Reserve</b>                                                                       |                           |                           |
| Opening balance                                                                                         | -                         | 19,754                    |
| Security premium on new capital issue                                                                   | -                         | 25,651                    |
| Less: Transfer to Restructuring Reserve                                                                 | -                         | (45,405)                  |
| Closing balance                                                                                         | -                         | -                         |
| <b>General Reserve</b>                                                                                  |                           |                           |
| Opening balance                                                                                         | -                         | 1,39,604                  |
| Less: Transfer to Restructuring Reserve                                                                 | -                         | (1,39,604)                |
| Closing balance                                                                                         | -                         | -                         |
| <b>Equity Instruments through Other Comprehensive Income</b>                                            |                           |                           |
| Opening balance                                                                                         | (18,289)                  | (9,438)                   |
| Add: Addition during the year                                                                           | (7,326)                   | (8,851)                   |
| Less: Transfer to retained earnings                                                                     | (462)                     | -                         |
| Closing balance                                                                                         | (26,077)                  | (18,289)                  |
| <b>Restructuring Reserve</b>                                                                            |                           |                           |
| 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                                                                                         | -                         | -                         |
| <b>Retained Earnings</b>                                                                                |                           |                           |
| Opening balance                                                                                         | 82,886                    | (2,56,374)                |
| Add: Profit for the year                                                                                | 10,033                    | 48,126                    |
| Add: Other Comprehensive Income (net of tax)                                                            | (34)                      | 1                         |
| Add: Transfer from restructuring reserve                                                                | -                         | 3,00,758                  |
| Add: Transfer from Other Comprehensive Income                                                           | 462                       | -                         |
| Add: Transfer to Special Reserve (pursuant to Section 45-IC of the Reserve Bank of India Act, 1934 )    | (2,007)                   | (9,625)                   |
| <b>Closing balance</b>                                                                                  | <b>91,341</b>             | <b>82,886</b>             |
| <b>Total</b>                                                                                            | <b>1,04,397</b>           | <b>1,01,724</b>           |

### (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 at the end of the financial year.

**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.

# Notes to the Financial Statements

for the year ended 31st March, 2025 (Contd.)

## 20. Other Equity (Contd.)

### (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. As per Approved Resolution Plan, existing Income Tax Special Reserve was transferred to Restructuring Reserve during the year ended 31st March, 2024.

### (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 was 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 was 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, the entire General Reserve was 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 out of Capital Reduction was transferred to Restructuring Reserve during the year ended 31st March, 2024. The entire Restructuring Reserve was transferred to Retained Earnings as Free Reserve.

### (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.

## 21. Interest Income

(₹ in Lacs)

| Particulars                     | Year Ended 31st March, 2025                            |                                                |                                                                                     | Year Ended 31st March, 2024                            |                                                |                                                                                     |
|---------------------------------|--------------------------------------------------------|------------------------------------------------|-------------------------------------------------------------------------------------|--------------------------------------------------------|------------------------------------------------|-------------------------------------------------------------------------------------|
|                                 | 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 | -                                                      | 1,535                                          | -                                                                                   | -                                                      | 220                                            | -                                                                                   |
| Other interest Income           | -                                                      | -                                              | -                                                                                   | -                                                      | -                                              | -                                                                                   |
| <b>Total</b>                    | -                                                      | 1,535                                          | -                                                                                   | -                                                      | 220                                            | -                                                                                   |

## 22. Profit & Net gain on fair value changes

(₹ in Lacs)

| Particulars                                                                     | Year Ended 31st March, 2025 | Year Ended 31st March, 2024 |
|---------------------------------------------------------------------------------|-----------------------------|-----------------------------|
| Profit on Investment in Scheme of Mutual Fund                                   | 58                          | -                           |
| Net gain / (loss) on financial instruments at fair value through profit or loss | 992                         | -                           |
| <b>Total Profit on Investment &amp; Net gain / (loss) on fair value changes</b> | <b>1,050</b>                | <b>-</b>                    |

## 23. Other Income

(₹ in Lacs)

| Particulars                                             | Year Ended 31st March, 2025 | Year Ended 31st March, 2024 |
|---------------------------------------------------------|-----------------------------|-----------------------------|
| Liability no longer required written back               | 1                           | 2                           |
| Interest on Income Tax Refund                           | 4                           | -                           |
| Profit on Sale of Right Entitlement (Refer Note 5 (iv)) | 139                         | -                           |
| Sourcing Commission                                     | 70                          | -                           |
| Others                                                  | 61                          | 1                           |
| <b>Total</b>                                            | <b>275</b>                  | <b>3</b>                    |

# Notes to the Financial Statements

for the year ended 31st March, 2025 (Contd.)

## 23.1 Exceptional Item

(₹ in Lacs)

| Particulars                                                        | Year Ended 31st March, 2025 | Year Ended 31st March, 2024 |
|--------------------------------------------------------------------|-----------------------------|-----------------------------|
| Profit on cancellation of Investments (Refer Note 5 (viii) and 50) | -                           | 50,000                      |
| Receipt of Business Rationalisation Cost (Refer Note 50)           | 10,000                      | -                           |
| <b>Total</b>                                                       | <b>10,000</b>               | <b>50,000</b>               |

## 24. Finance Costs

(₹ in Lacs)

| Particulars            | Year Ended 31st March, 2025                                            |                                                     | Year Ended 31st March, 2024                                            |                                                     |
|------------------------|------------------------------------------------------------------------|-----------------------------------------------------|------------------------------------------------------------------------|-----------------------------------------------------|
|                        | 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 Lease      | -                                                                      | 10                                                  | -                                                                      | 1                                                   |
| Other interest expense | -                                                                      | 5                                                   | -                                                                      | 2                                                   |
| <b>Total</b>           | <b>-</b>                                                               | <b>15</b>                                           | <b>-</b>                                                               | <b>3</b>                                            |

## 25. Impairment on Financial Instruments (net)

| Particulars                                    | Year Ended 31st March, 2025                                 |                                                     | Year Ended 31st March, 2024                                 |                                                     |
|------------------------------------------------|-------------------------------------------------------------|-----------------------------------------------------|-------------------------------------------------------------|-----------------------------------------------------|
|                                                | 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 Instruments measured at Amortised Cost |
| Bad Debt Written Off                           | -                                                           | 437                                                 | -                                                           | 441                                                 |
| Impairment Investment (Fellow Subsidiaries)    | -                                                           | 13                                                  | -                                                           | 1,280                                               |
| Impairment provision on Other Financial Assets | -                                                           | 13                                                  | -                                                           | -                                                   |
| Impairment provision on Trade Receivable       | -                                                           | (687)                                               | -                                                           | (366)                                               |
| <b>Total</b>                                   | <b>-</b>                                                    | <b>(224)</b>                                        | <b>-</b>                                                    | <b>1,355</b>                                        |

## 26. Employee Benefits Expenses

| Particulars                               | Year Ended 31st March, 2025 | Year Ended 31st March, 2024 |
|-------------------------------------------|-----------------------------|-----------------------------|
| Salaries and wages                        | 1,645                       | 209                         |
| Contribution to provident and other funds | 74                          | 10                          |
| Staff welfare expenses                    | 29                          | 7                           |
| <b>Total</b>                              | <b>1,748</b>                | <b>226</b>                  |

## 27. Administrative and Other Expenses

(₹ in Lacs)

| Particulars                                       | Year Ended 31st March, 2025 | Year Ended 31st March, 2024 |
|---------------------------------------------------|-----------------------------|-----------------------------|
| Rent, Taxes and Energy Costs                      | 161                         | 119                         |
| Repairs and Maintenance                           | 374                         | 67                          |
| Communication Costs                               | 6                           | 1                           |
| Printing and Stationery                           | 9                           | 4                           |
| Advertisement and Publicity                       | 12                          | 6                           |
| Director's Fees, Allowances and Expenses          | 40                          | 3                           |
| Auditor's Fees and Expenses (Refer Note No. 27.1) | 17                          | 34                          |
| Legal and Professional Charges                    | 318                         | 84                          |
| Insurance                                         | 39                          | 26                          |
| Travelling & Conveyance                           | 222                         | 59                          |
| Loss on Disposal of Fixed Assets                  | 1                           | -                           |
| CIRP Expenses (Refer Note No. 27.2)               | -                           | 462                         |
| Other Expenditure                                 | 13                          | 93                          |
| <b>Total</b>                                      | <b>1,212</b>                | <b>958</b>                  |



## Notes to the Financial Statements

for the year ended 31st March, 2025 (Contd.)

### 27.1 Payments to the Auditor

(₹ in Lacs)

| Particulars                                    | Year Ended<br>31st March, 2025 | Year Ended<br>31st March, 2024 |
|------------------------------------------------|--------------------------------|--------------------------------|
| As Auditor - Statutory Audit & Limited Reviews | 15                             | 31                             |
| For Other Services (Certification etc.)        | 2                              | 2                              |
| For Reimbursement of Expenses                  | -                              | 1                              |
| <b>Total</b>                                   | <b>17</b>                      | <b>34</b>                      |

### 27.2

(₹ in Lacs)

| Particulars                     | For the year ended<br>31st March, 2025 | For the year ended<br>31st March, 2024 |
|---------------------------------|----------------------------------------|----------------------------------------|
| Fees to Resolution professional | -                                      | 41                                     |
| Manpower Cost                   | -                                      | 26                                     |
| Other Expenses                  | -                                      | 395                                    |
| <b>Total</b>                    | <b>-</b>                               | <b>462</b>                             |

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

(₹ in Lacs)

| Particulars                                                                 | Year Ended<br>31st March, 2025 | Year Ended<br>31st March, 2024 |
|-----------------------------------------------------------------------------|--------------------------------|--------------------------------|
| Profit / (Loss) for the year                                                | 10,033                         | 48,126                         |
| <b>Basic and Diluted</b>                                                    |                                |                                |
| Number of Equity Shares at the beginning of the year                        | 10,000,000                     | 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                              | 10,000,000                     | 10,00,000                      |
| Weighted average number of Equity Shares outstanding for calculation of EPS | 10,000,000                     | 36,04,16,992                   |
| Nominal Value of each Equity Share (₹)                                      | 1                              | 10                             |
| <b>Basic and Diluted Earnings per Equity share (₹)</b>                      | <b>100.33</b>                  | <b>13.35</b>                   |

The nominal value of equity shares has been reduced from ₹ 10 to ₹ 1 on May 7, 2024. There have been no other 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.

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

(₹ in Lacs)

| Particulars                                                                                       | As at<br>31st March, 2025 | As at<br>31st March, 2024 |
|---------------------------------------------------------------------------------------------------|---------------------------|---------------------------|
| <b>A. Contingent Liabilities</b>                                                                  |                           |                           |
| (a) Claims against the Company not acknowledged as debts :                                        |                           |                           |
| Income Tax*                                                                                       | -                         | -                         |
| Service Tax*                                                                                      | -                         | -                         |
| Central Sales Tax*                                                                                | -                         | -                         |
| (b) Guarantees:                                                                                   |                           |                           |
| Corporate Guarantees                                                                              |                           | -                         |
| Bank Guarantees                                                                                   |                           | -                         |
| (c) Others ****                                                                                   | 33                        | -                         |
| <b>Total</b>                                                                                      | <b>33</b>                 | <b>-</b>                  |
| <b>B. Capital Commitments</b>                                                                     |                           |                           |
| Estimated amount of contract remaining to be executed and not provided for (Net of advances)***** | 327                       | -                         |
| <b>Total</b>                                                                                      | <b>327</b>                | <b>-</b>                  |

\* 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.

# Notes to the Financial Statements

for the year ended 31st March, 2025 (Contd.)

\*\* As per the Approved Resolution Plan, all liabilities towards the Corporate Guarantees issued by the Company and Bank Guarantees related to Pre-CIRP period have been extinguished from the effective date.

\*\*\* SEBI vide its Adjudication Order No. Order/DS/DK/2022-23/20903- 20964 dated 30th November, 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 liability has been extinguished from the effective date.

\*\*\*\* The Company has received Property Tax demand from Kolkata Municipality Corporation amounting to ₹ 68 Lacs for the period April 2017 till March, 2025. The Company has filed writ petition in the High Court against this demand. As per direction of the Hon'ble High Court, the Company has deposited ₹ 35 Lacs advance against the aforesaid litigation. Recoverability of this advance is subject to outcome of the case.

\*\*\*\*\* The Company has a capital commitment of ₹ 327 Lacs (Previous year: ₹ Nil) towards the development of Oracle Software. These commitments represent contracts entered into for ongoing development efforts, which are expected to be capitalized as intangible assets upon completion.

## 30. 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 / director or employee of promoter / director | Property held since which date | Reason for not being held in the name of the Company |
|-----------------------------------------|---------------------------------|----------------------------------|------------------------|------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------|--------------------------------|------------------------------------------------------|
|                                         |                                 | As at 31st March, 2025           | As at 31st March, 2024 |                                                                                                                        |                                                                                                                       |                                |                                                      |
| 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 | No                                                                                                                    | 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.

31. 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, 2025 and year ended 31st March, 2024.

## 32. 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, 2025 and year ended 31st March, 2024.

## 33. 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.

34. The Company has received Show Cause Notices (SCNs) from some of the Banks / Financial Institutions to show cause as to why the account of the Bank should not be continued as fraud. The same has been duly replied by stating Section 32A of IBC and further affirming that post the approval of the Resolution Plan, NARCL has taken over the Company (only the company and not the ex-promoters) with a "clean/fresh" slate. The reply made has further reiterated relevant provision of the resolution plan which states as follows:

"3.3.15 The Financial Creditors shall take all necessary actions for regularisation of all accounts of the Corporate Debtors and their asset classification as "standard" and declassification from list of defaulters (wilful or otherwise), non-compliant, irregular, red flag account, fraud and non-cooperative borrower for the purpose of and in compliance with Applicable Laws and intimate the relevant credit information companies and information utilities (as applicable) of this provision of the Resolution Plan. For avoidance of doubt, the Corporate Debtor shall be deemed to be declassified from the list of defaulters (wilful or otherwise), non-compliant, irregular, red flag account, fraud and non-cooperative borrower of all banks and financial institutions or consortiums on and from the Effective Date and any adverse action against the Corporate Debtor shall be null and void and expunged from all records. The Financial Creditors Shall within 30 (thirty) Business Days from the effective date, intimate the relevant credit information companies and information utilities (as applicable) of this provision of Resolution Plan."

35. 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.

## 36. 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, 2025 and 31st March, 2024 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, 2025 and year ended 31st March, 2024.

## 37. Utilisation of Borrowed funds and share premium:

(A) During the year ended 31st March, 2025 and year ended 31st March, 2024, 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:

## Notes to the Financial Statements

for the year ended 31st March, 2025 (Contd.)

- (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, 2025 and year ended 31st March, 2024, 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.

### 38. 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, 2025 and year ended 31st March, 2024.

### 39. 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. The Company was under CIRP with effect from October 8, 2021. Post implementation of resolution plan as approved by NCLT vide order dated August 11, 2023, Net worth of the Company has turned positive and continues to operate as a going concern.

### 40. Regulatory Capital (Capital Adequacy Ratio)

(₹ in Lacs)

| Particulars           | As at<br>31st March, 2025 | As at<br>31st March, 2024 |
|-----------------------|---------------------------|---------------------------|
| Tier I capital        | 103,790                   | 101,797                   |
| Tier II capital       | -                         | -                         |
| <b>Total capital*</b> | <b>103,790</b>            | <b>101,797</b>            |
| Risk Weighted Assets  | 79,072                    | 63,858                    |
| Tier I Ratio (%)      | 131.26%                   | 159.41%                   |
| 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 period 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.

### 41. 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.

#### 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:

| Particulars                                                         | As at 31st March, 2025 |               | As at 31st March, 2024 |               |
|---------------------------------------------------------------------|------------------------|---------------|------------------------|---------------|
|                                                                     | Carrying Value         | Fair Value    | Carrying Value         | Fair Value    |
| <b>Financial Assets</b>                                             |                        |               |                        |               |
| <b>a) Measured at Amortised Cost</b>                                |                        |               |                        |               |
| i) Cash and Cash Equivalents                                        | 20,184                 | 20,184        | 33,028                 | 33,028        |
| ii) Bank Balance other than (i) above                               | 94                     | 94            | 90                     | 90            |
| iii) Trade Receivables                                              | 235                    | 235           | 649                    | 649           |
| iv) Investment*                                                     | 1,725                  | 1,725         | 1,738                  | 1,738         |
| v) Other Financial Assets                                           | 22,594                 | 22,594        | 20,153                 | 20,153        |
| <b>Sub-total</b>                                                    | <b>44,832</b>          | <b>44,832</b> | <b>55,658</b>          | <b>55,658</b> |
| <b>b) Measured at Fair value through Profit or Loss</b>             |                        |               |                        |               |
| i) Investments                                                      | 22,528                 | 22,528        | 1                      | 1             |
| <b>Sub-total</b>                                                    | <b>22,528</b>          | <b>22,528</b> | <b>1</b>               | <b>1</b>      |
| <b>c) Measured at Fair value through Other Comprehensive Income</b> |                        |               |                        |               |
| i) Investments                                                      | 22,461                 | 22,461        | 32,179                 | 32,179        |
| <b>Sub-total</b>                                                    | <b>22,461</b>          | <b>22,461</b> | <b>32,179</b>          | <b>32,179</b> |
| <b>Total Financial Assets</b>                                       | <b>89,821</b>          | <b>89,821</b> | <b>87,838</b>          | <b>87,838</b> |



# Notes to the Financial Statements

for the year ended 31st March, 2025 (Contd.)

| Particulars                          | As at 31st March, 2025 |            | As at 31st March, 2024 |            |
|--------------------------------------|------------------------|------------|------------------------|------------|
|                                      | Carrying Value         | Fair Value | Carrying Value         | Fair Value |
| <b>Financial Liabilities</b>         |                        |            |                        |            |
| <b>a) Measured at Amortised Cost</b> |                        |            |                        |            |
| i) Payables                          | 168                    | 168        | 146                    | 146        |
| ii) Lease Liabilities                | 331                    | 331        | 1                      | 1          |
| iii) Other Financial Liabilities     | 415                    | 415        | 268                    | 268        |
| <b>Sub-total</b>                     | <b>914</b>             | <b>914</b> | <b>415</b>             | <b>415</b> |
| <b>Sub-total</b>                     | -                      | -          | -                      | -          |
| <b>Total financial liabilities</b>   | <b>914</b>             | <b>914</b> | <b>415</b>             | <b>415</b> |

\* 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 (Includes ₹ 22,495 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 (Includes ₹ 415 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.

| Particulars             | As at 31st March, 2025 |          |              |               |
|-------------------------|------------------------|----------|--------------|---------------|
|                         | Level 1                | Level 2  | Level 3      | Total         |
| <b>Financial Assets</b> |                        |          |              |               |
| Other financial assets  | -                      | -        | -            | -             |
| Investments             | 39,290                 | -        | 5,699        | 44,989        |
|                         | <b>39,290</b>          | <b>-</b> | <b>5,699</b> | <b>44,989</b> |

## Notes to the Financial Statements

for the year ended 31st March, 2025 (Contd.)

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

**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**

| Particular                       | Fair Value                   |                              | Fair Value<br>Hierarchy | Valuation<br>Technique and<br>Key Input | Significant<br>Unobservable<br>Input |
|----------------------------------|------------------------------|------------------------------|-------------------------|-----------------------------------------|--------------------------------------|
|                                  | As at<br>31st March,<br>2025 | As at<br>31st March,<br>2024 |                         |                                         |                                      |
| <b>Financial Assets</b>          |                              |                              |                         |                                         |                                      |
| Other financial assets           | -                            | -                            | Level 3                 | Note (ii)                               | Note (v)                             |
| Investments                      | 39,290                       | 27,584                       | Level 1                 | Note (iii)                              | Not Applicable                       |
| Investments                      | 5,699                        | 4,596                        | Level 3                 | Note (iv)                               | Note (v) & (vi)                      |
| <b>Financial liabilities</b>     |                              |                              |                         |                                         |                                      |
| 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

| Reconciliation             | Investments  |              | Other financial assets |          |
|----------------------------|--------------|--------------|------------------------|----------|
|                            | 24-25        | 23-24        | 24-25                  | 23-24    |
| Opening Balance            | 4,596        | 24,745       | -                      | -        |
| Addition                   | -            | -            | -                      | -        |
| Sale / Repayment           | -            | -            | -                      | -        |
| Transfers from Level 3     | -            | -            | -                      | -        |
| Unrealised income / (loss) | 1,103        | (20,149)     | -                      | -        |
| <b>Closing Balance</b>     | <b>5,699</b> | <b>4,596</b> | <b>-</b>               | <b>-</b> |

### 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%.

# Notes to the Financial Statements

for the year ended 31st March, 2025 (Contd.)

(₹ in Lacs)

| Reconciliation         | As at 31st March, 2025 |                      | As at 31st March, 2024 |                      |
|------------------------|------------------------|----------------------|------------------------|----------------------|
|                        | Favourable Changes     | Unfavourable Changes | Favourable Changes     | Unfavourable Changes |
| Investment             | 114                    | (114)                | 92                     | (92)                 |
| Other financial assets | -                      | -                    | -                      | -                    |
| <b>Total</b>           | <b>114</b>             | <b>(114)</b>         | <b>92</b>              | <b>(92)</b>          |

## 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 Executives, Credit Risk Management Committee of Executives 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 Currency Exposure of USD 76,728 as on 31st March, 2025 (USD 245,529 as on 31st March, 2024). 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 76,728 in foreign currency as at 31st March, 2025 (USD 245,529 as on 31st March, 2024), which will have sensitivity impact.

#### ii. Interest rate risk

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, 2025 is ₹ 39,290/- Lacs (31st March, 2024 is ₹ 27,584/- Lacs).

A 10% change in equity prices of such securities held as at 31st March, 2025 and 31st March, 2024, would result in an impact of ₹ 3,929 Lacs, and ₹ 2,758 Lacs respectively.

## Notes to the Financial Statements

### for the year ended 31st March, 2025 (Contd.)

#### b) Liquidity risk

Liquidity Risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's treasury maintains flexibility in funding by maintaining sufficient cash and marketable securities to meet obligations when due and to close out market positions. The Company's Asset Liability Management Committee (ALCO) lays down a broad framework for liquidity risk management to ensure that it is in a position to meet its daily liquidity obligations as well as to withstand a period of liquidity stress from industry, market or a combination of them. The liquidity profile is analyzed on a static as well as on a dynamic basis by using the gap analysis technique supplemented by monitoring of key liquidity ratios and conduct of liquidity stress tests periodically.

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 further undergo revision since new Board has been constituted.

#### Liquidity risk management (based on commercial terms):

| Particulars                           | As at 31st March, 2025 |                    |                |            | Total  | As at 31st March, 2024 |                    |                |            |        |
|---------------------------------------|------------------------|--------------------|----------------|------------|--------|------------------------|--------------------|----------------|------------|--------|
|                                       | On demand              | Less than 3 months | 3 to 12 months | >12 months |        | On demand              | Less than 3 months | 3 to 12 months | >12 months | Total  |
| A: Financial assets                   |                        |                    |                |            |        |                        |                    |                |            |        |
| i) Cash and Cash Equivalents          | 161                    | 20,023             | -              | -          | 20,184 | 259                    | 32,769             | -              | -          | 33,028 |
| ii) Bank Balance other than (i) above | 9                      | -                  | 85             | -          | 94     | 14                     | -                  | 76             | -          | 90     |
| iii) Trade & Other Receivables        |                        | 1,837              | -              | -          | 1,837  | -                      | 2,939              | -              | -          | 2,939  |
| iv) Loans                             | -                      | -                  | -              | -          | -      | -                      | -                  | -              | -          | -      |
| v) Investments                        | 22,528                 | -                  | -              | 24,186     | 46,714 | -                      | -                  | -              | 33,918     | 33,918 |
| vi) Other Financial Assets            | -                      | 2,445              | 20,050         | 99         | 22,594 | -                      | -                  | 20,032         | 121        | 20,153 |
| Total                                 | 22,698                 | 24,305             | 20,135         | 24,285     | 91,423 | 273                    | 35,708             | 20,108         | 34,039     | 90,128 |
| B: Financial liabilities              |                        |                    |                |            |        |                        |                    |                |            |        |
| i) Trade Payables                     | -                      | 168                | -              | -          | 168    | -                      | 146                | -              | -          | 146    |
| ii) Borrowings                        | -                      | -                  | -              | -          | -      | -                      | -                  | -              | -          | -      |
| iii) Lease Liabilities                | -                      | 24                 | 80             | 227        | 331    | -                      | -                  | 1              | -          | 1      |
| iv) Other Financial Liabilities       | 9                      | 328                | 22             | 56         | 415    | 14                     | 212                | 42             | -          | 268    |
| Total                                 | 9                      | 520                | 101            | 283        | 914    | 14                     | 358                | 43             | -          | 415    |

(₹ in Lacs)

#### 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.

Post transfer of business under slump exchange, the Company is not undertaking lending business. The Company is in the process of commencing its lending business. The Company has credit policies approved by the Board which lays down the credit evaluation and approval process in compliance with regulatory guidelines. The major part of the assets consists of Investments and Company is primarily focusing on its fee business.

The Company 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 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.



# Notes to the Financial Statements

for the year ended 31st March, 2025 (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, SIFL had been focussing on Infrastructure Advisory Business. Subsequently on implementation of Resolution plan, the Company is in the process of resuming its lending business with initial focus on extending loans for equipment financing in the Retail & SME space.

SIFL has put in place policies approved by Board which would be supplemented with procedures to facilitate initiation of business, ensuring adherence to regulatory guidelines. The risk management architecture of the Company comprises policies, processes, governance structure to identify, measure, monitor, address & report risks. Policies approved from time to time by the Board constitutes the governing framework for various types of risk and business activities undertaken within this policy framework. Accordingly Policies have been put in place for major functions across the Company.

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 has inter-alia put in place Board approved Policies on Risk management covering risk management framework & Credit Policy is approved by the Board from time to time which lays down the credit underwriting framework while ensuring compliance with extant regulatory evaluation and approval process in compliance with regulatory guidelines.

SIFL has been computing Expected Credit Loss (ECL) on the receivables from Project Advisory business based on aging as well as recovery expectation from the outstanding receivables. Going forward, once SIFL commences business, ECL would be determined based on Probability of Loss (PD) & Loss Given Default (LGD) discovered from Industry data on Equipment Finance loans obtained from Credit Information Companies.

## Analysis of risk concentration

| Particulars | (₹ in Lacs)            |        |        |                        |        |        |
|-------------|------------------------|--------|--------|------------------------|--------|--------|
|             | As at 31st March, 2025 |        |        | As at 31st March, 2024 |        |        |
|             | Subsidiary             | Others | Total  | Subsidiary             | Others | Total  |
| Investments | 1,725                  | 44,989 | 46,714 | 1,738                  | 32,180 | 33,918 |
| Receivable  | -                      | 235    | 235    | -                      | 649    | 649    |

## 42. 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, 2025 and 31st March, 2024.

## 43. 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.

## 44. 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, 2025 an amount of ₹ 80 Lacs (Previous year ₹ 9 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                     | (₹ in Lacs)                    |                                |
|---------------------------------|--------------------------------|--------------------------------|
|                                 | Year Ended<br>31st March, 2025 | Year Ended<br>31st March, 2024 |
| Provident Fund                  | 74                             | 9                              |
| Employee State Insurance Scheme | *                              | *                              |
| National Pension Scheme         | 6                              | 0                              |

\* ₹ 49,348/- (Previous year: ₹ 7,000/-).

# Notes to the Financial Statements

for the year ended 31st March, 2025 (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.

- 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.
- Salary Inflation risk: Higher than expected increase in salary will increase the defined benefit obligation.
- 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, 2025.

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

(₹ in Lacs)

| Description                                               | Gratuity (Funded)         |                           | Leave (Unfunded)          |                           |
|-----------------------------------------------------------|---------------------------|---------------------------|---------------------------|---------------------------|
|                                                           | As at<br>31st March, 2025 | As at<br>31st March, 2024 | As at<br>31st March, 2025 | As at<br>31st March, 2024 |
| <b>Change in the defined benefit obligation</b>           |                           |                           |                           |                           |
| Present Value of Obligation at the Beginning of the Year  | 30                        | 28                        | 2                         | 2                         |
| Current Service Cost                                      | 24                        | 3                         | 31                        | 4                         |
| Interest Cost*                                            | 11                        | 2                         | 1                         | 0                         |
| Past Service Cost - Plan Amendements                      | -                         | -                         | -                         | -                         |
| Acquisitions Cost / credit                                | 289                       | -                         | 22                        | -                         |
| Actuarial (gain) / loss                                   | 34                        | 1                         | 1                         | 0                         |
| Benefits paid                                             | (47)                      | (4)                       | (36)                      | (4)                       |
| <b>Present Value of Obligation at the end of the Year</b> | <b>341</b>                | <b>30</b>                 | <b>21</b>                 | <b>2</b>                  |
| <b>Change in plan assets</b>                              |                           |                           |                           |                           |
| Fair value of Plan Assets at the Beginning of the Year    | 57                        | 58                        | NA                        | NA                        |
| Expected return on Plan Assets                            | 13                        | 3                         | NA                        | NA                        |
| Acquisitions Cost / credit                                | 298                       | -                         | NA                        | NA                        |
| Contributions by the Employer                             | 1                         | 1                         | NA                        | NA                        |
| Benefits paid                                             | (47)                      | (4)                       | NA                        | NA                        |
| <b>Fair value of Plan Assets at the end of the Year</b>   | <b>321</b>                | <b>57</b>                 | <b>-</b>                  | <b>-</b>                  |

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

## Notes to the Financial Statements

for the year ended 31st March, 2025 (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)

| Description                                                                              | Gratuity (Funded)         |                           | Leave (Unfunded)          |                           |
|------------------------------------------------------------------------------------------|---------------------------|---------------------------|---------------------------|---------------------------|
|                                                                                          | As at<br>31st March, 2025 | As at<br>31st March, 2024 | As at<br>31st March, 2025 | As at<br>31st March, 2025 |
| <b>Amount recognised in Balance Sheet consists of:</b>                                   |                           |                           |                           |                           |
| Fair value of Plan Assets at the end of the Year                                         | 321                       | 57                        | -                         | -                         |
| Present Value of Obligation at the end of the Year                                       | 341                       | 30                        | 21                        | 2                         |
| Net (Asset) / Liabilities recognised in the Balance Sheet in respect of defined benefits | 20                        | (27)                      | 21                        | 2                         |

(₹ in Lacs)

| Description                                                                 | Gratuity (Funded)         |                           | Leave (Unfunded)          |                           |
|-----------------------------------------------------------------------------|---------------------------|---------------------------|---------------------------|---------------------------|
|                                                                             | As at<br>31st March, 2025 | As at<br>31st March, 2024 | As at<br>31st March, 2025 | As at<br>31st March, 2024 |
| <b>Expenses recognised in the statement of profit and loss consists of:</b> |                           |                           |                           |                           |
| <b>Employee benefits expenses:</b>                                          |                           |                           |                           |                           |
| Current Service cost                                                        | 24                        | 3                         | 31                        | 4                         |
| Past Service Cost - Plan Amendments                                         | -                         | -                         | -                         | -                         |
| Net Interest cost*                                                          | (2)                       | (2)                       | 1                         | 0                         |
| Net Actuarial (gain) / loss                                                 | -                         | -                         | 1                         | -                         |
| <b>Total [A]</b>                                                            | <b>22</b>                 | <b>1</b>                  | <b>32</b>                 | <b>4</b>                  |
| <b>Other Comprehensive Income</b>                                           |                           |                           |                           |                           |
| Actuarial (Gain) / Loss from experience adjustments                         | 34                        | 1                         | -                         | -                         |
| Actuarial (Gain) / Loss from financial assumptions                          | -                         | -                         | -                         | -                         |
| Return on plan assets (excluding amounts included in net interest cost)     | -                         | -                         | -                         | -                         |
| <b>Total [B]</b>                                                            | <b>34</b>                 | <b>1</b>                  | <b>-</b>                  | <b>-</b>                  |
| <b>Expense recognised during the year [A+B]</b>                             | <b>55</b>                 | <b>2</b>                  | <b>32</b>                 | <b>4</b>                  |

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

Note: The figures for the year ending on March 31, 2025, have been proportionally adjusted based on the figures as of 31st March, 2024.

### 44.2 Particulars of Investment Details of Plan Assets are as follows:

(₹ in Lacs)

| Description                                  | Gratuity<br>% Invested    |                           | Leave<br>% Invested       |                           |
|----------------------------------------------|---------------------------|---------------------------|---------------------------|---------------------------|
|                                              | As at<br>31st March, 2025 | As at<br>31st March, 2024 | As at<br>31st March, 2025 | As at<br>31st March, 2024 |
| <b>Investment Details of Plan Assets</b>     |                           |                           |                           |                           |
| Schemes of insurance - conventional products | 100%                      | 100%                      | 100%                      | 100%                      |
| <b>Total</b>                                 | <b>100%</b>               | <b>100%</b>               | <b>100%</b>               | <b>100%</b>               |

### 44.3 Principal Assumptions used are as follows:

|                                  |                                                            |                                                            |                                                            |                                                            |
|----------------------------------|------------------------------------------------------------|------------------------------------------------------------|------------------------------------------------------------|------------------------------------------------------------|
| Discount rate per annum          | 6.50%                                                      | 7.00%                                                      | 6.50%                                                      | 7.00%                                                      |
| Salary escalation rate per annum | 7.50%                                                      | 7.50%                                                      | 7.50%                                                      | 7.50%                                                      |
|                                  | Age 20-25 : 5.0%                                           | Age 20-25 : 5.0%                                           | Age 20-25 : 5.0%                                           | Age 20-25 : 5.0%                                           |
|                                  | Age 25-30 : 3.0%                                           | Age 25-30 : 3.0%                                           | Age 25-30 : 3.0%                                           | Age 25-30 : 3.0%                                           |
|                                  | Age 30-35 : 2.0%                                           | Age 30-35 : 2.0%                                           | Age 30-35 : 2.0%                                           | Age 30-35 : 2.0%                                           |
|                                  | Age 35-50 : 1.0%                                           | Age 35-50 : 1.0%                                           | Age 35-50 : 1.0%                                           | Age 35-50 : 1.0%                                           |
|                                  | Age 50-55 : 2.0%                                           | Age 50-55 : 2.0%                                           | Age 50-55 : 2.0%                                           | Age 50-55 : 2.0%                                           |
|                                  | Above Age 55 : 3.0%                                        | Above Age 55 : 3.0%                                        | Above Age 55 : 3.0%                                        | Above Age 55 : 3.0%                                        |
| Mortality Rate                   | Indian Assured<br>Lives Mortality<br>(2006-08)<br>Ultimate | Indian Assured<br>Lives Mortality<br>(2006-08)<br>Ultimate | Indian Assured<br>Lives Mortality<br>(2006-08)<br>Ultimate | Indian Assured<br>Lives Mortality<br>(2006-08)<br>Ultimate |

**44.4** 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.

**44.5** Expected employers contribution towards gratuity fund for the year ended 31st March, 2025 is ₹ 20 Lacs as per actuarial report.

## Notes to the Financial Statements

for the year ended 31st March, 2025 (Contd.)

### 44.6 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, 2025 |                |        |                | As at 31st March, 2024 |                |         |                |
|----------------------------------|------------------------|----------------|--------|----------------|------------------------|----------------|---------|----------------|
|                                  | Gratuity               |                | Leave  |                | Gratuity               |                | Leave   |                |
|                                  | %                      | ₹<br>(in Lacs) | %      | ₹<br>(in Lacs) | %                      | ₹<br>(in Lacs) | %       | ₹<br>(in lacs) |
| Discount Rate + 100 basis points | -7.20%                 | (25)           | -7.80% | (2)            | -10.02%                | (3)            | -11.10% | (0)            |
| Discount Rate - 100 basis points | 8.15%                  | 28             | 9.00%  | 2              | 11.80%                 | 4              | 13.10%  | 0              |
| Salary Increase Rate + 1%        | 6.60%                  | 22             | 8.80%  | 2              | 7.60%                  | 2              | 12.90%  | 0              |
| Salary Increase Rate – 1%        | 6.50%                  | (22)           | -7.90% | (2)            | 6.70%                  | (2)            | -11.10% | (0)            |

### 44.7 Maturity Analysis of The Benefit Payments

(₹ in Lacs)

| Expected payment for future years | As at 31st March, 2025 |       | As at 31st March, 2024 |       |
|-----------------------------------|------------------------|-------|------------------------|-------|
|                                   | Gratuity               | Leave | Gratuity               | Leave |
| Year 1                            | 11                     | 2     | -                      | -     |
| Year 2                            | 25                     | 1     | 1                      | -     |
| Year 3                            | 19                     | 1     | 1                      | -     |
| Year 4                            | 37                     | 1     | 1                      | -     |
| Year 5                            | 14                     | 1     | 1                      | -     |
| Next 5 Years                      | 209                    | 12    | 11                     | 1     |

**44.8** Weighted average duration of defined benefit obligations : Gratuity-8 years (31st March, 2024: 12 years). Leave-9 years (31st March, 2024:12 years).



# Notes to the Financial Statements

for the year ended 31st March, 2025 (Contd.)

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

### Related Parties:

| Sl. No.  | Name of the Company                                                                                                         | Country of Origin                                  |
|----------|-----------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------|
| <b>A</b> | <b>Holding Company</b>                                                                                                      |                                                    |
| 1        | Adisri Commercial Private Limited (ceased w.e.f. 19.12.2023)                                                                | India                                              |
| <b>B</b> | <b>Subsidiaries:</b>                                                                                                        |                                                    |
| 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<br>(Subsidiary of Trinity Alternative Investment Managers Ltd) | India                                              |
| 11       | Cyberabad Trustee Company Private Ltd (Subsidiary of Trinity Alternative Investment Managers Ltd)                           | India                                              |
| <b>C</b> | <b>Shareholders of Holding Company as per Approved Resolution Plan</b>                                                      |                                                    |
| 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                                              |
| <b>D</b> | <b>TRUSTS</b>                                                                                                               |                                                    |
| 1        | Srei Mutual Fund Trust                                                                                                      | India                                              |
| <b>E</b> | <b>OTHERS</b>                                                                                                               |                                                    |
| 1        | Srei Infrastructure Finance Limited Employees Gratuity Trust                                                                | India                                              |
| <b>F</b> | <b>Key Management Personnel (KMP) / Directors of Holding Company:</b>                                                       | <b>Designation</b>                                 |
| 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)                                                                                         | Chairman & Independent Director                    |
| 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 &<br>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. Sandeep Agarwal (w.e.f. 14-08-2023 till 26.02.2024)                                                                     | Member of Implementation &<br>Monitoring Committee |
| 12       | Mr. Pavel Poddar (w.e.f. 14-08-2023 till 26.02.2024)                                                                        | Member of Implementation &<br>Monitoring Committee |
| 13       | Mr. Manveet Vyas (w.e.f. 14-08-2023 till 26.02.2024)                                                                        | Member of Implementation &<br>Monitoring Committee |
| 14       | Mr. Sudha Raina (w.e.f. 14-08-2023 till 26.02.2024)                                                                         | Member of Implementation &<br>Monitoring Committee |
| 15       | Ms. Sangita Agarwal (w.e.f. 01.05.2024 till 30.11.2024)                                                                     | Relative of KMP                                    |

\* 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 was appointed as Principal Advisor to Board during the period 26.02.2024 till 25.08.2024.

## Notes to the Financial Statements

for the year ended 31st March, 2025 (Contd.)

b) Details of Related Party Transactions:

(₹ in Lacs)

| Name of related party &<br>Nature of relationship                                         | Nature of Transactions                                                                              | For the Year<br>ended                    | Balance<br>as at | For the Year<br>ended | Balance<br>as at |
|-------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------|------------------------------------------|------------------|-----------------------|------------------|
|                                                                                           |                                                                                                     | 31st March, 2025                         |                  | 31st March, 2024      |                  |
| (A) Subsidiaries:                                                                         |                                                                                                     |                                          |                  |                       |                  |
| Trinity Alternative                                                                       | Advances (Unsecured)                                                                                | -                                        | -                | -                     | 5                |
| Investment Managers Ltd                                                                   | Reimbursement of professional fess paid                                                             | -                                        | 0                |                       | 0                |
| Srei Insurance Broking<br>Private Limited                                                 | Rental Received / Receivable                                                                        |                                          |                  | 3                     | -                |
| Controlla Electrotech Private Limited                                                     | Rent Payable                                                                                        | 30                                       | -                |                       | -                |
|                                                                                           | Security Deposit Received <sup>1</sup>                                                              | -                                        | -                | 15,000                | -                |
|                                                                                           | Rental Received / Receivable <sup>2</sup>                                                           | 79                                       | -                | 308                   | -                |
|                                                                                           | Rent Paid / Payable                                                                                 | 7                                        |                  | 14                    | -                |
|                                                                                           | Sharing of expenses paid to SEFL                                                                    | 211                                      | -                | -                     | -                |
|                                                                                           | Claim For Business Rationalisation Cost                                                             | 10,000                                   | 2,445            | -                     | -                |
|                                                                                           | Loan Received - Unsecured (transaction for the period<br>on maximum outstanding basis) <sup>3</sup> | -                                        | -                | 25,671                | -                |
|                                                                                           | Pre-CIRP claim payable <sup>4</sup>                                                                 | -                                        | -                | 107                   | -                |
|                                                                                           | Srei Equipment Finance Limited                                                                      | Other Payable: Advance Paid <sup>5</sup> | 109              | 0                     | 3,935            |
| Other Payable: Advance Received <sup>5</sup>                                              |                                                                                                     | 109                                      | -                | 3,935                 | -                |
| Manpower Services for Alliance Business                                                   |                                                                                                     | 61                                       | -                |                       | -                |
| Corpus Refund_EY Restructuring-Advance Received                                           |                                                                                                     |                                          |                  | 13                    | -                |
| Corpus Refund_EY Restructuring-Advance Paid                                               |                                                                                                     |                                          |                  | 13                    | -                |
| Receipt of Outstanding CTC Balance of employee<br>trasnferred from SEFL w.e.f 1st July'24 |                                                                                                     | 110                                      | -                |                       | -                |
| BG issued from SEFL limit <sup>6</sup>                                                    |                                                                                                     | -                                        |                  | 301                   | -                |
| Compensation Receivable <sup>7</sup>                                                      |                                                                                                     | -                                        | 20,000           | 50,000                | 20,000           |
| Transfer of shares of Mahakaleshwar Tollways<br>Private Ltd (MTPL) to SEFL <sup>8</sup>   |                                                                                                     | *                                        | -                | -                     | -                |

\* Re 1/-

<sup>1</sup>The same has been extinguished under Capital Reduction Process as per the Approved Resolution Plan during FY 2023-24

<sup>2</sup> Rs 266.24 lacs Bad debts written off (Includes Rent Receivable from SEFL of Rs. 228.56 (net off GST & TDS) as per the Approved Resolution Plan during FY 2023-24

<sup>3</sup> Equity share capital issued to Lenders of SEFL assigned in lieu of ICD and allotted as per Approved Resolution Plan during FY 2023-24

<sup>4</sup> The same has been extinguished under Capital Reduction Process as per the Apporved Resolution Plan Process during FY 2023-24

<sup>5</sup> This represents the amount received / paid on behalf of subsidiary Company, SEFL as agent and trustee.

<sup>6</sup> The borrowings outstanding o/a BG from SEFL has been entirely extinguished as per the resolution plan during FY 2023-24

<sup>7</sup> Compensation receivable from SEFL on cancellation of Investment in 78016415 equity share of SEFL as per the approved resolution plan

<sup>8</sup> Sale of shares of Mahakaleshwar Tollways Private Ltd at a total cosideration of Re 1/- as per external valuation report

(₹ in Lacs)

| Name of related party &<br>Nature of relationship                                    | Nature of<br>Transactions | For the Year<br>ended | Balance<br>as at | For the Year<br>ended | Balance<br>as at |
|--------------------------------------------------------------------------------------|---------------------------|-----------------------|------------------|-----------------------|------------------|
|                                                                                      |                           | 31st March, 2025      |                  | 31st March, 2024      |                  |
| <b>(B) Remuneration to Key Management Personnel (KMP) including their relatives:</b> |                           |                       |                  |                       |                  |
| Mr. Rajneesh Sharma (till 26.02.2024) (w.e.f 04-10-2021 till 26.02.2024)             | Consultancy Fee           | -                     | -                | 41                    | -                |
| Mr. Hardayal Prasad (w.e.f. 05.04.2024)                                              | Remuneration              | 143                   | -                | -                     | -                |
| Mr. Sivaraman Naravanaswami (w.e.f. 26.02.2024)                                      | Sitting Fees              | 13                    | -                | 2                     | -                |
| Mr. Sunil Srivastav (w.e.f. 26.02.2024)                                              | Sitting Fees              | 12                    | -                | 2                     | -                |
| Ms. Anuradha Mitra (w.e.f. 05.04.2024)                                               | Sitting Fees              | 14                    | -                | -                     | -                |
| Mr. Manoj Kumar                                                                      | Remuneration              | 59                    | -                | 67                    | -                |
| Mr. Vishnu Gopal Agarwal                                                             | Remuneration              | 45                    | -                | 46                    | -                |
| Mr. Mr Syed Faisal Aquil (w.e.f. 30.11.2023 till 15.04.2024)                         | Remuneration              | 0                     | -                | 3                     | -                |
| Mrs. Sangita Agarwal, relative of KMP (w.e.f. 01.05.2024 to 30.11.2024)              | Car Hire Charges          | 4                     | -                | -                     | -                |

## Notes to the Financial Statements

for the year ended 31st March, 2025 (Contd.)

### 46. Leases

#### a. In the capacity of Lessee

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

The Company has taken various premises (offices and yards) under lease. Generally, the lease agreements provide for cancellation by either party and contain clause for escalation and renewal of agreements.

Following are the changes in the carrying value of right-of-use assets for the year ended March 31st, 2025:

| Particulars            | As at<br>31st March, 2025 | As at<br>31st March, 2024 |
|------------------------|---------------------------|---------------------------|
| Opening Balance        | 1                         | 1                         |
| Additions              | 375                       | -                         |
| Deletion               | -                         | -                         |
| Depreciation           | 32                        | 0                         |
| <b>Closing Balance</b> | <b>344</b>                | <b>1</b>                  |

The aggregate depreciation expense on right-of-use assets is included under Depreciation, Amortisation and Impairment expense in the Statement of Profit and Loss.

Following are the changes in the carrying value of right-of-use assets for the year ended March 31st, 2025:

| Particulars                          | As at<br>31st March, 2025 | As at<br>31st March, 2024 |
|--------------------------------------|---------------------------|---------------------------|
| Opening Balance                      | 1                         | 1                         |
| Addition                             | 354                       | -                         |
| Deletion                             | -                         | -                         |
| Finance cost accrued during the year | 10                        | 1                         |
| Payment of lease liabilities         | 34                        | 1                         |
| <b>Closing Balance</b>               | <b>331</b>                | <b>1</b>                  |

The table below provides details regarding the contractual maturities of lease liabilities as at March 31st, 2025 on an undiscounted basis:

| Particulars          | As at<br>31st March, 2025 | As at<br>31st March, 2024 |
|----------------------|---------------------------|---------------------------|
| Less than one year   | 104                       | 1                         |
| One to five years    | 227                       | -                         |
| More than five years | -                         | -                         |
| <b>Total</b>         | <b>331</b>                | <b>1</b>                  |

The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

#### b) In the capacity of Lessor (Operating lease)

The Company also has cancellable operating lease arrangements for office premises, which range between 1 to 9 years and are usually renewable by mutual consent on mutually agreeable terms.

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

| Particulars                                          | 24-25      | 23-24      |
|------------------------------------------------------|------------|------------|
| Rental Income on the basis of earnings of the Lessee | -          | -          |
| Others                                               | 151        | 355        |
| <b>Total Rental Income</b>                           | <b>151</b> | <b>355</b> |

## Notes to the Financial Statements

for the year ended 31st March, 2025 (Contd.)

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

| Particulars   | As at<br>31st March, 2025 | As at<br>31st March, 2024 |
|---------------|---------------------------|---------------------------|
| Within 1 year | 368                       | 65                        |
| 1-2 year      | 484                       | -                         |
| 2-3 year      | 484                       | -                         |
| 3-4 year      | 177                       | -                         |
| 4-5 year      | -                         | -                         |
| > 5 year      | -                         | -                         |
| <b>Total</b>  | <b>1,512</b>              | <b>65</b>                 |

### 47. 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)

| Assets                              | As at 31st March, 2025 |                 |        | As at 31st March, 2024 |                 |        |
|-------------------------------------|------------------------|-----------------|--------|------------------------|-----------------|--------|
|                                     | Within 12 Months       | After 12 Months | Total  | Within 12 Months       | After 12 Months | Total  |
| Cash and Cash Equivalents           | 20,184                 | -               | 20,184 | 33,028                 | -               | 33,028 |
| Bank Balance other than above       | 94                     | -               | 94     | 90                     | -               | 90     |
| Trade Receivables                   | 235                    | -               | 235    | 649                    | -               | 649    |
| Investments                         | 22,528                 | 24,186          | 46,714 | -                      | 33,918          | 33,918 |
| Other Financial Assets              | 22,495                 | 99              | 22,594 | 20,032                 | 121             | 20,153 |
| Current Tax Assets (Net)            | -                      | 5,611           | 5,611  | -                      | 5,379           | 5,379  |
| Property, Plant and Equipment       | -                      | 7,454           | 7,454  | -                      | 8,957           | 8,957  |
| Right to use assets                 | 126                    | 218             | 344    | -                      | 1               | 1      |
| Other Intangible Assets             | -                      | -               | -      | -                      | 1               | 1      |
| Intangible Assets Under Development | 632                    | -               | 632    | -                      | -               | -      |
| Non-Current Asset Held For Sale     | 1,424                  | -               | 1,424  | -                      | -               | -      |
| Other Non-Financial Assets          | 337                    | 6               | 339    | 136                    | -               | 136    |

| Liabilities                             | As at 31st March, 2025 |                 |       | As at 31st March, 2024 |                 |       |
|-----------------------------------------|------------------------|-----------------|-------|------------------------|-----------------|-------|
|                                         | Within 12 Months       | After 12 Months | Total | Within 12 Months       | After 12 Months | Total |
| Trade Payables                          | 168                    | -               | 168   | 146                    | -               | 146   |
| Borrowings (Other than Debt Securities) | -                      | -               | -     | -                      | -               | -     |
| Subordinated Liabilities                | -                      | -               | -     | -                      | -               | -     |
| Lease Liabilities                       | 104                    | 227             | 331   | 1                      | -               | 1     |
| Other Financial Liabilities             | 359                    | 56              | 415   | 268                    | -               | 268   |
| Provisions                              | 69                     | 20              | 89    | 6                      | -               | 6     |
| Other Non-Financial Liabilities         | 125                    | -               | 125   | 67                     | -               | 67    |



# Notes to the Financial Statements

for the year ended 31st March, 2025 (Contd.)

**48.** Information as required in terms 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”) in supersession of the Non-Banking Financial Company – Systemically Important Non Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016 as amended from time to time and Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023 (the Directions) is furnished vide Annexure – 1 attached herewith.

As stated in the aforesaid “Master Direction”, the Company has omitted those line items of Master Directions which are not applicable/not permitted or have nil exposure both in current and previous year.

## **49. Business Transfer Agreement**

During the year 2019-20, the Company and its Subsidiary Company, Srei Equipment Finance Limited (‘SEFL’) entered into a Business Transfer Agreement (‘BTA’) to transfer the Lending Business, Interest Earning Business and Lease Business of the Company together with associated employees, assets and liabilities (including liabilities towards issued and outstanding non - convertible debentures) (Transferred Undertaking), as a going concern by way of slump exchange to SEFL pursuant to the BTA, subject to all necessary approvals. Accordingly, the Company and SEFL 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 i.e. September 22, 2023 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 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.

## **50. 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.

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.

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 within March, 2024 and balance ₹ 20,000 Lacs is outstanding as on 31st March, 2025.

## Notes to the Financial Statements

for the year ended 31st March, 2025 (Contd.)

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 NARCL. The handover of the closing date balance sheet along with other necessary requirement including Reconstitution of the Board 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.

In terms of Approved Resolution Plan, receivable from SEFL ₹ 10,000 Lacs per year for first two years towards business rationalisation cost.

### 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 has taken over the management of the Company and is in the process of commencing the lending business. Accordingly, these financial statements have been prepared on a going concern basis.

52. In accordance to Ind AS 108 - "Operating Segments", the required disclosure is done in the Consolidated Financial Statement of the Company.

53. 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: May 2, 2025

### 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

# Notes to the Financial Statements

for the year ended 31st March, 2025 (Contd.)

## ANNEXURE I TO NOTES TO FINANCIAL STATEMENTS (Refer Note No. 48)

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

1. 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, 2025:

| 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                                         |
| <b>Performing Assets</b>                                                                                                               |                                         |                                         |                                                           |                     |                                        |                                               |
| Standard                                                                                                                               | Stage 1                                 | -                                       | -                                                         | -                   | -                                      | -                                             |
|                                                                                                                                        | Stage 2                                 | -                                       | -                                                         | -                   | -                                      | -                                             |
| <b>Non-Performing Assets (NPA)</b>                                                                                                     |                                         |                                         |                                                           |                     |                                        |                                               |
| Substandard                                                                                                                            | Stage 3                                 | -                                       | -                                                         | -                   | -                                      | -                                             |
| Doubtful - up to 1 year                                                                                                                | -                                       | -                                       | -                                                         | -                   | -                                      | -                                             |
| 1 to 3 years                                                                                                                           | Stage 3                                 | -                                       | -                                                         | -                   | -                                      | -                                             |
| More than 3 years                                                                                                                      | Stage 3                                 | -                                       | -                                                         | -                   | -                                      | -                                             |
| Loss                                                                                                                                   | Stage 3                                 | -                                       | -                                                         | -                   | -                                      | -                                             |
| <b>Subtotal for NPA</b>                                                                                                                |                                         | -                                       | -                                                         | -                   | -                                      | -                                             |
| Other items such as guarantees, loan commitments, etc. which are in the scope of Ind AS 109 but not covered under current IRACP norms* | Stage 1                                 | -                                       | -                                                         | -                   | -                                      | -                                             |
|                                                                                                                                        | Stage 2                                 | -                                       | -                                                         | -                   | -                                      | -                                             |
|                                                                                                                                        | Stage 3                                 | -                                       | -                                                         | -                   | -                                      | -                                             |
| <b>Subtotal</b>                                                                                                                        |                                         | -                                       | -                                                         | -                   | -                                      | -                                             |
| <b>Total</b>                                                                                                                           | <b>Stage 1</b>                          | -                                       | -                                                         | -                   | -                                      | -                                             |
|                                                                                                                                        | <b>Stage 2</b>                          | -                                       | -                                                         | -                   | -                                      | -                                             |
|                                                                                                                                        | <b>Stage 3</b>                          | -                                       | -                                                         | -                   | -                                      | -                                             |
|                                                                                                                                        | <b>Total</b>                            | -                                       | -                                                         | -                   | -                                      | -                                             |

As at 31st March, 2024:

| 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                                         |
| <b>Performing Assets</b>                                                                                                               |                                         |                                         |                                                           |                     |                                        |                                               |
| Standard                                                                                                                               | Stage 1                                 | -                                       | -                                                         | -                   | -                                      | -                                             |
|                                                                                                                                        | Stage 2                                 | -                                       | -                                                         | -                   | -                                      | -                                             |
| <b>Non-Performing Assets (NPA)</b>                                                                                                     |                                         |                                         |                                                           |                     |                                        |                                               |
| Substandard                                                                                                                            | Stage 3                                 | -                                       | -                                                         | -                   | -                                      | -                                             |
| Doubtful - up to 1 year                                                                                                                | Stage 3                                 | -                                       | -                                                         | -                   | -                                      | -                                             |
| 1 to 3 years                                                                                                                           | Stage 3                                 | -                                       | -                                                         | -                   | -                                      | -                                             |
| More than 3 years                                                                                                                      | Stage 3                                 | -                                       | -                                                         | -                   | -                                      | -                                             |
| Loss                                                                                                                                   | Stage 3                                 | -                                       | -                                                         | -                   | -                                      | -                                             |
| <b>Subtotal for NPA</b>                                                                                                                |                                         | -                                       | -                                                         | -                   | -                                      | -                                             |
| Other items such as guarantees, loan commitments, etc. which are in the scope of Ind AS 109 but not covered under current IRACP norms* | Stage 1                                 | -                                       | -                                                         | -                   | -                                      | -                                             |
|                                                                                                                                        | Stage 2                                 | -                                       | -                                                         | -                   | -                                      | -                                             |
|                                                                                                                                        | Stage 3                                 | -                                       | -                                                         | -                   | -                                      | -                                             |
| <b>Subtotal</b>                                                                                                                        |                                         | -                                       | -                                                         | -                   | -                                      | -                                             |
| <b>Total</b>                                                                                                                           | <b>Stage 1</b>                          | -                                       | -                                                         | -                   | -                                      | -                                             |
|                                                                                                                                        | <b>Stage 2</b>                          | -                                       | -                                                         | -                   | -                                      | -                                             |
|                                                                                                                                        | <b>Stage 3</b>                          | -                                       | -                                                         | -                   | -                                      | -                                             |
|                                                                                                                                        | <b>Total</b>                            | -                                       | -                                                         | -                   | -                                      | -                                             |

\*In accordance to Ind AS 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 AS 115.

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.

## 2. Disclosure on moratorium to borrowers in terms of RBI circular dated 17th April, 2020.

The Company is in the process of undertaking lending business. However, there are no such case on 31st March, 2025 and 31st March, 2024.

## 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.

# Notes to the Financial Statements

for the year ended 31st March, 2025 (Contd.)

## ANNEXURE I TO NOTES TO FINANCIAL STATEMENTS (Refer Note No. 48)

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, 2025:

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

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

(v) Stock Ratios:

| No. | Particulars                                                          | % of Total<br>Public Funds | % of Total<br>Liabilities | % of Total<br>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.*                      | 56%                       | 0.6%                 |

\* there is no Public Fund as on 31.03.2025

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

The Company had undergone CIRP under the provisions of the Code subsequent to which resolution plan of NARCL has been approved by Hon'ble NCLT vide order dated August 11th, 2023. Accordingly, Board of Directors was reconstituted on 26 February 2024. Subsequently the Board of Directors has re-constituted Risk Management Committee & Asset Liability Management Committee. The Board of Directors has also approved relevant Company policies subject to review in due course of time.

(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, 2024:

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

| No. | Number of Significant Counterparties | Amount<br>(₹ in Lacs) | % of Total<br>deposits | % of Total<br>Liabilities |
|-----|--------------------------------------|-----------------------|------------------------|---------------------------|
| 1   | Nil                                  | -                     | 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<br>(₹ in Lacs) | % of Total<br>Liabilities |
|-----|----------------------------------------------------|-----------------------|---------------------------|
| 1   | Commercial Paper                                   | -                     |                           |
| 2   | Subordinated Perpetual debentures (Tier I Capital) | -                     | 0%                        |
| 3   | Inter Corporate Deposits                           | -                     | 0%                        |

(v) Stock Ratios:

| No. | Particulars                                                          | % of Total<br>Public Funds | % of Total<br>Liabilities | % of Total<br>Assets |
|-----|----------------------------------------------------------------------|----------------------------|---------------------------|----------------------|
| (a) | Commercial papers                                                    | -                          | 0%                        | 0%                   |
| (b) | Non-convertible debentures (original maturity of less than one year) | -                          | 0%                        | 0%                   |
| (c) | Other short-term liabilities                                         | N.A.*                      | 85.0%                     | 0.4%                 |

\*there was no Public Fund as on 31.03.2024

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

Post supersession 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.



# Notes to the Financial Statements

for the year ended 31st March, 2025 (Contd.)

## ANNEXURE I TO NOTES TO FINANCIAL STATEMENTS (Refer Note No. 48)

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 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

### 5. Exposure to Real Estate Sector

| Category                                                                             | As at 31st March, 2025 | As at 31st March, 2024 |
|--------------------------------------------------------------------------------------|------------------------|------------------------|
| <b>a) Direct exposure</b>                                                            |                        |                        |
| 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>b) Indirect exposure</b>                                                          | 12                     | 185                    |

### 6. Exposure to Capital Market

| Sl.                                     | Particulars                                                                                                                                                                                                                                                                                                                                                  | As at 31st March, 2025 | As at 31st March, 2024 |
|-----------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------|------------------------|
| 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;                                                                                                                                                                   | 41,051                 | 29,360                 |
| ii)                                     | advances against shares / bonds / debentures or other securities or on clean basis to individuals for investment in shares (including IPOs / ESOPs), convertible bonds, convertible debentures, and units of equity-oriented mutual funds;                                                                                                                   | -                      | -                      |
| iii)                                    | advances for any other purposes where shares or convertible bonds or convertible debentures or units of equity oriented mutual funds are taken as primary security;                                                                                                                                                                                          | -                      | -                      |
| iv)                                     | advances for any other purposes to the extent secured by the collateral security of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds i.e. where the primary security other than shares / convertible bonds / convertible debentures / units of equity oriented mutual funds does not fully cover the advances; | -                      | -                      |
| v)                                      | secured and unsecured advances to stockbrokers and guarantees issued on behalf of stockbrokers and market makers;                                                                                                                                                                                                                                            | -                      | -                      |
| vi)                                     | loans sanctioned to corporates against the security of shares / bonds / debentures or other securities or on clean basis for meeting promoter's contribution to the equity of new companies in anticipation of raising resources;                                                                                                                            | -                      | -                      |
| vii)                                    | bridge loans to companies against expected equity flows / issues;                                                                                                                                                                                                                                                                                            | -                      | -                      |
| viii)                                   | all exposures to Venture Capital Funds (both registered and unregistered)                                                                                                                                                                                                                                                                                    | 5,663                  | 4,558                  |
| <b>Total Exposure to Capital Market</b> |                                                                                                                                                                                                                                                                                                                                                              | <b>46,714</b>          | <b>33,918</b>          |

### 7. Unhedged foreign currency exposure as at March 31st, 2025 and March 31st, 2024

NBFCs shall disclose details of its unhedged foreign currency exposures. Further, it shall also disclose their policies to manage currency induced risk.

In view of Corporate Insolvency Resolution Process (CIRP), the foreign currency liabilities were crystallized into INR as on October 8th, 2021 (Insolvency Commencement Date or 'ICD'). Further, there is no foreign currency loan in the Company. Hence, there is no foreign currency risk and interest rate risk as at March 31st, 2025 and March 31st, 2024.

### 8. Customer Complaints

| Sl. | Particulars                                            | 2024-25 | 2023-24 |
|-----|--------------------------------------------------------|---------|---------|
| 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     |

# Notes to the Financial Statements

for the year ended 31st March, 2025 (Contd.)

## ANNEXURE I TO NOTES TO FINANCIAL STATEMENTS (Refer Note No. 48)

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 March, 2025 |                | As at 31st March, 2024 |                |
|-------------------------------------------------------------------------------------------------------------------------------|------------------------|----------------|------------------------|----------------|
|                                                                                                                               | Amount outstanding     | Amount overdue | Amount outstanding     | Amount overdue |
| <b>Liabilities Side</b>                                                                                                       |                        |                |                        |                |
| <b>9. Loans and advances availed by the non-banking financial Company inclusive of interest accrued thereon but not paid:</b> |                        |                |                        |                |
| (a) Debentures / Bonds:                                                                                                       |                        |                |                        |                |
| Secured                                                                                                                       | -                      | -              | -                      | -              |
| Unsecured (Other than falling within the meaning of public deposit)                                                           | -                      | -              | -                      | -              |
| (b) Deferred Credits                                                                                                          | -                      | -              | -                      | -              |
| (c) Term Loans                                                                                                                | -                      | -              | -                      | -              |
| (d) Inter-corporate loans and borrowing                                                                                       | -                      | -              | -                      | -              |
| (e) Commercial Papers                                                                                                         | -                      | -              | -                      | -              |
| (f) Public Deposit                                                                                                            | -                      | -              | -                      | -              |
| (g) Other Loans:                                                                                                              |                        |                |                        |                |
| Working capital facility                                                                                                      | -                      | -              | -                      | -              |
| <b>Break-up of (f) above (Outstanding public deposits inclusive of interest accrued thereon but not paid)</b>                 |                        |                |                        |                |
| (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)

| Assets Side                                                                                                         | As at 31st March, 2025 | As at 31st March, 2024 |
|---------------------------------------------------------------------------------------------------------------------|------------------------|------------------------|
|                                                                                                                     | Amount Outstanding     | Amount Outstanding     |
| <b>10. Break-up of Loans and Advances including bills receivables [other than those included in (6) below]:</b>     |                        |                        |
| (a) Secured                                                                                                         | -                      | -                      |
| (b) Unsecured                                                                                                       | -                      | -                      |
| <b>11. Break-up of Leased Assets and Stock on Hire and other assets counting towards asset financing activities</b> |                        |                        |
| (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                                                                                      | -                      | -                      |
| <b>12. Break up of Investments \$</b>                                                                               |                        |                        |
| <b>Current Investments</b>                                                                                          |                        |                        |
| 1. Quoted:                                                                                                          |                        |                        |
| (i) Shares: (a) Equity                                                                                              | -                      | -                      |
| (b) Preference                                                                                                      | -                      | -                      |
| (ii) Debentures and bonds                                                                                           | -                      | -                      |
| (iii) Units of mutual funds                                                                                         | 22,528                 | 1                      |
| (iv) Government Securities                                                                                          | -                      | -                      |
| (v) Others                                                                                                          | -                      | -                      |
| 2. Unquoted:                                                                                                        |                        |                        |
| (i) Shares: (a) Equity                                                                                              | -                      | -                      |
| (b) Preference                                                                                                      | -                      | -                      |
| (ii) Debentures and bonds                                                                                           | -                      | -                      |
| (iii) Units of mutual funds                                                                                         | -                      | -                      |
| (iv) Government Securities                                                                                          | -                      | -                      |
| (v) Others                                                                                                          | -                      | -                      |
| <b>Long - Term investments</b>                                                                                      |                        |                        |
| 1. Quoted:                                                                                                          |                        |                        |
| (i) Shares: (a) Equity                                                                                              | 16,762                 | 27,583                 |
| (b) Preference                                                                                                      | -                      | -                      |
| (ii) Debentures and bonds                                                                                           | -                      | -                      |
| (iii) Units of mutual funds                                                                                         | -                      | -                      |
| (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.

# Notes to the Financial Statements

for the year ended 31st March, 2025 (Contd.)

## ANNEXURE I TO NOTES TO FINANCIAL STATEMENTS (Refer Note No. 48)

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

| Assets Side                                                                | (₹ in Lacs)                                  |                                              |
|----------------------------------------------------------------------------|----------------------------------------------|----------------------------------------------|
|                                                                            | As at 31st March, 2025<br>Amount Outstanding | As at 31st March, 2024<br>Amount Outstanding |
| 2. Unquoted:                                                               |                                              |                                              |
| (i) Shares: (a) Equity                                                     | 1,761                                        | 1,776                                        |
| (b) Preference                                                             | -                                            | -                                            |
| (ii) Debentures, bonds / units                                             | -                                            | -                                            |
| (iii) Units of mutual funds                                                | -                                            | -                                            |
| (iv) Government Securities                                                 | -                                            | -                                            |
| (v) Others (Investment in Funds, Trust, Share Warrant & Deemed Investment) | 5,663                                        | 4,558                                        |

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

| Category                        | As at 31st March, 2025<br>Amount net of provisions |           |       | As at 31st March, 2024<br>Amount net of provisions |           |       |
|---------------------------------|----------------------------------------------------|-----------|-------|----------------------------------------------------|-----------|-------|
|                                 | Secured                                            | Unsecured | Total | Secured                                            | Unsecured | Total |
| 1. Related Parties              |                                                    |           |       |                                                    |           |       |
| (a) Subsidiaries                | -                                                  | -         | -     | -                                                  | -         | -     |
| (b) Companies in the same group | -                                                  | -         | -     | -                                                  | -         | -     |
| (c) Other related parties       | -                                                  | -         | -     | -                                                  | -         | -     |
| 2. Other than related parties   | -                                                  | -         | -     | -                                                  | -         | -     |
| <b>Total</b>                    | -                                                  | -         | -     | -                                                  | -         | -     |

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

| Category                        | As at 31st March, 2025                        |                                | As at 31st March, 2024                        |                                |
|---------------------------------|-----------------------------------------------|--------------------------------|-----------------------------------------------|--------------------------------|
|                                 | 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                | 1,725                                         | 1,725                          | 1,738                                         | 1,738                          |
| (b) Companies in the same group | -                                             | -                              | -                                             | -                              |
| (c) Other related parties       | -                                             | -                              | -                                             | -                              |
| 2. Other than related parties   | 44,989                                        | 44,989                         | 32,180                                        | 32,180                         |
| <b>Total</b>                    | <b>46,714</b>                                 | <b>46,714</b>                  | <b>33,918</b>                                 | <b>33,918</b>                  |

\*\*All Indian Accounting Standards issued by MCA are applicable including for valuation of investments.

### 15. Other Information:

| Particulars                                  | (₹ in Lacs)                      |                                  |
|----------------------------------------------|----------------------------------|----------------------------------|
|                                              | As at 31st March, 2025<br>Amount | As at 31st March, 2024<br>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 | -                                | -                                |

- As defined in point xxvii of paragraph 3 of Chapter - II of Master Direction - Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016.
- 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.

# Notes to the Financial Statements

for the year ended 31st March, 2025 (Contd.)

## ANNEXURE I TO NOTES TO FINANCIAL STATEMENTS (Refer Note No. 48)

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

### 16. Credit Default Swaps

| Sl. Particulars                                                                                   | (₹ in Lacs)               |                           |
|---------------------------------------------------------------------------------------------------|---------------------------|---------------------------|
|                                                                                                   | As at<br>31st March, 2025 | As at<br>31st March, 2024 |
| 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. Outstanding 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 transaction during the year-to-date |                           |                           |
| a) Premium paid                                                                                   | Nil                       | Nil                       |
| b) Credit event payments received (net of value deliverable obligation)                           | Nil                       | Nil                       |

### 17. Capital to Risk Assets Ratio (CRAR)

| Sl. Particulars                                              | As at<br>31st March, 2025 | As at<br>31st March, 2024 |
|--------------------------------------------------------------|---------------------------|---------------------------|
| i) CRAR (%)                                                  | 131.26%                   | 159.41%                   |
| ii) CRAR – Tier I Capital (%)                                | 131.26%                   | 159.41%                   |
| 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*     | -                         | -                         |

\* 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 is negative.

Regulatory capital consists of Tier I capital, which comprises share capital, share premium, perpetual debt instrument, retained earnings including current period 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.

### 18. Investments

| Sl. Particulars                                                                 | As at<br>31st March, 2025 | As at<br>31st March, 2024 |
|---------------------------------------------------------------------------------|---------------------------|---------------------------|
| 1) Value of Investments                                                         |                           |                           |
| i) Gross Value of Investments                                                   |                           |                           |
| a) In India                                                                     | 48,843                    | 36,035                    |
| b) Outside India                                                                | -                         | -                         |
| ii) Provisions for Depreciation                                                 |                           |                           |
| a) In India                                                                     | 2,129                     | 2,117                     |
| b) Outside India                                                                | -                         | -                         |
| iii) Net Value of Investments                                                   |                           |                           |
| a) In India                                                                     | 46,714                    | 33,917                    |
| b) Outside India                                                                | -                         | -                         |
| 2) Movement of provisions held towards depreciation on investments              |                           |                           |
| i) Opening Balance                                                              | 2,117                     | 3,11,193                  |
| ii) Add: Provisions made during the period / year                               | -                         | -                         |
| iii) Less: Write-off / write-back of excess provisions during the period / year | (12)                      | 3,09,076                  |
| iv) Closing Balance                                                             | 2,129                     | 2,117                     |



# Notes to the Financial Statements

for the year ended 31st March, 2025 (Contd.)

## ANNEXURE I TO NOTES TO FINANCIAL STATEMENTS (Refer Note No. 48)

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

### 19. Forward Rate Agreement / Interest Rate Swap

|                                                                                                               | As at<br>31st March, 2025 | As at<br>31st March, 2024 |
|---------------------------------------------------------------------------------------------------------------|---------------------------|---------------------------|
| 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                       |

### 20. Exchange Traded Interest Rate (IR) Derivatives

|                                                                                                                           | As at<br>31st March, 2025 | As at<br>31st March, 2024 |
|---------------------------------------------------------------------------------------------------------------------------|---------------------------|---------------------------|
| 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)       | Nil                       | Nil                       |

### 21. 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

| Particulars                                            | As at 31st March, 2025  |                              | As at 31st March, 2024  |                              |
|--------------------------------------------------------|-------------------------|------------------------------|-------------------------|------------------------------|
|                                                        | Currency<br>Derivatives | Interest Rate<br>Derivatives | Currency<br>Derivatives | Interest Rate<br>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                                 | -                       | -                            | -                       | -                            |

# Notes to the Financial Statements

for the year ended 31st March, 2025 (Contd.)

## ANNEXURE I TO NOTES TO FINANCIAL STATEMENTS (Refer Note No. 47)

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

### 22. Asset Liability Management

Maturity pattern of certain items of assets and liabilities as at 31st March, 2025 are as follows:

(₹ in Lacs)

| Particulars                      | 1 day to<br>7 days | 8 days to<br>14 days | 15 days to<br>30/31<br>days (one<br>month) | Over 1<br>month<br>upto 2<br>months | Over 2<br>months<br>upto 3<br>months | Over 3<br>months<br>upto 6<br>months | Over 6<br>months<br>upto 1<br>year | Over 1<br>year<br>upto 3<br>years | Over 3<br>years<br>upto 5<br>years | Over 5<br>years | Total  |
|----------------------------------|--------------------|----------------------|--------------------------------------------|-------------------------------------|--------------------------------------|--------------------------------------|------------------------------------|-----------------------------------|------------------------------------|-----------------|--------|
| Deposits (Unclaimed)             | -                  | -                    | -                                          | -                                   | -                                    | -                                    | -                                  | -                                 | -                                  | -               | -      |
| Advances                         | -                  | -                    | -                                          | -                                   | -                                    | -                                    | -                                  | -                                 | -                                  | -               | -      |
| Investments [refer note-1 below] | 22,528             | -                    | -                                          | -                                   | -                                    | -                                    | -                                  | 22,261                            | -                                  | 1,725           | 46,714 |
| Borrowings                       | -                  | -                    | -                                          | -                                   | -                                    | -                                    | -                                  | -                                 | -                                  | -               | -      |
| Foreign Currency Assets          | -                  | -                    | -                                          | -                                   | -                                    | -                                    | -                                  | -                                 | -                                  | -               | -      |
| Foreign Currency Liabilities     | -                  | -                    | -                                          | -                                   | -                                    | -                                    | -                                  | -                                 | -                                  | -               | -      |

#### Notes:

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

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

(₹ in Lacs)

| Particulars                             | 1 day to<br>7 days | 8 days to<br>14 days | 15 days to<br>30/31<br>days (one<br>month) | Over 1<br>month<br>upto 2<br>months | Over 2<br>months<br>upto 3<br>months | Over 3<br>months<br>upto 6<br>months | Over 6<br>months<br>upto 1<br>year | Over 1<br>year<br>upto 3<br>years | Over 3<br>years<br>upto 5<br>years | Over 5<br>years | Total  |
|-----------------------------------------|--------------------|----------------------|--------------------------------------------|-------------------------------------|--------------------------------------|--------------------------------------|------------------------------------|-----------------------------------|------------------------------------|-----------------|--------|
| Deposits (Unclaimed)                    | -                  | -                    | -                                          | -                                   | -                                    | -                                    | -                                  | -                                 | -                                  | -               | -      |
| Advances                                | -                  | -                    | -                                          | -                                   | -                                    | -                                    | -                                  | -                                 | -                                  | -               | -      |
| Investments [refer note - 1 below]      | -                  | -                    | -                                          | -                                   | -                                    | -                                    | -                                  | 32,180                            | -                                  | 1,738           | 33,918 |
| 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.

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

| Sl. Particulars                                                                           | 2024-25 | 2023-23 |
|-------------------------------------------------------------------------------------------|---------|---------|
| 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                                            | -       | -       |

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

| Particulars      | Backed by NPAs sold by the<br>Banks/FIs/NBFC's as underlying |         | Backed by NPAs sold by other<br>banks / financial institutions / non-<br>banking financial companies as<br>underlying |         | Total   |         |
|------------------|--------------------------------------------------------------|---------|-----------------------------------------------------------------------------------------------------------------------|---------|---------|---------|
|                  | 2024-25                                                      | 2023-24 | 2024-25                                                                                                               | 2023-24 | 2024-25 | 2023-24 |
| Under Investment | -                                                            | -       | -                                                                                                                     | -       | -       | -       |
| Under Loans      | -                                                            | -       | -                                                                                                                     | -       | -       | -       |

# Notes to the Financial Statements

for the year ended 31st March, 2025 (Contd.)

## ANNEXURE I TO NOTES TO FINANCIAL STATEMENTS (Refer Note No. 47)

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

### 25. Details of Assignment transactions undertaken

| Sl. Particulars                                                                           | 2024-25 | 2023-24 |
|-------------------------------------------------------------------------------------------|---------|---------|
| 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                                            | -       | -       |

### 26. 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.

### 27. Unsecured Loans / Advance

Unsecured Advance as at 31st March, 2025 is ₹ 4 Lacs (Previous year ₹ 4 Lacs)

### 28. 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. 31st March, 2011. As advised by RBI, the company has applied for reclassification into NBFC-ND (Investment and Credit Company) and received new Certificate of Registration (CoR) under Section 43-IA of the Reserve Bank of India Act, 1934 on 3rd February, 2025 as NBFC-ND (Type - 2).

### 29. 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 penalties has been imposed by RBI and other regulators during the year ended 31st March, 2025.

### 30. Draw Down from Reserves

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

### 31. Off-balance Sheet SPVs sponsored

| Particulars           | As at 31st March, 2025 |          | As at 31st March, 2024 |          |
|-----------------------|------------------------|----------|------------------------|----------|
|                       | Domestic               | Overseas | Domestic               | Overseas |
| Name of SPV sponsored | Nil                    | Nil      | Nil                    | Nil      |

### 32. Details of Financing of Parent Company Products

Financing of Parent Company Products during the year ended 31st March, 2025 is Nil (Previous year Nil).

33. The Company has not done any Securitisation during the year ended 31st March, 2025 and year ended 31st March, 2024.

### 34. 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**

The Company has received Show Cause Notices (SCNs) from some of the Banks / Financial Institutions to show cause as to why the account of the Bank should not be continued as fraud. The same has been duly replied by stating Section 32A of IBC and further affirming that post the approval of the Resolution Plan, NARCL has taken over the Company (only the company and not the ex-promoters) with a “clean / fresh” slate.

# Notes to the Financial Statements

for the year ended 31st March, 2025 (Contd.)

## ANNEXURE I TO NOTES TO FINANCIAL STATEMENTS (Refer Note No. 47)

**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**

The reply made has further reiterated relevant provision of the resolution plan which states as follows:

“ 3.3.15 The Financial Creditors shall take all necessary actions for regularisation of all accounts of the Corporate Debtors and their asset classification as “standard” and declassification from list of defaulters (wilful or otherwise), non-compliant, irregular, red flag account, fraud and non-cooperative borrower for the purpose of and in compliance with Applicable Laws and intimate the relevant credit information companies and information utilities (as applicable) of this provision of the Resolution Plan. For avoidance of doubt, the Corporate Debtor shall be deemed to be declassified from the list of defaulters (wilful or otherwise), non-compliant, irregular, red flag account, fraud and non-cooperative borrower of all banks and financial institutions or consortiums on and from the Effective Date and any adverse action against the Corporate Debtor shall be null and void and expunged from all records. The Financial Creditors Shall within 30 (thirty) Business Days from the effective date, intimate the relevant credit information companies and information utilities (as applicable) of this provision of Resolution Plan.”

### 35. Provisions and Contingencies

| SI. Break up of 'Provisions and Contingencies' shown under the head Expenditure in Profit and Loss Account | As at<br>31st March, 2025 | As at<br>31st March, 2024 |
|------------------------------------------------------------------------------------------------------------|---------------------------|---------------------------|
| i) Provisions for depreciation on Investment                                                               | 13                        | 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                                                               | (674)                     | (366)                     |

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

### 36. Concentration of Advances

| Particulars                                                                      | As at<br>31st March, 2025 | As at<br>31st March, 2024 |
|----------------------------------------------------------------------------------|---------------------------|---------------------------|
| Total Advances to twenty largest borrowers                                       | -                         | -                         |
| Percentage of Advances to twenty largest borrowers to Total Advances of the NBFC | 0.00%                     | 0.00%                     |

### 37. Concentration of Exposures

| Particulars                                                                                                            | As at<br>31st March, 2025 | As at<br>31st March, 2024 |
|------------------------------------------------------------------------------------------------------------------------|---------------------------|---------------------------|
| 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%                     |

### 38. Concentration of NPAs@

| Particulars                             | As at<br>31st March, 2025 | As at<br>31st March, 2024 |
|-----------------------------------------|---------------------------|---------------------------|
| 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.



# Notes to the Financial Statements

for the year ended 31st March, 2025 (Contd.)

## ANNEXURE I TO NOTES TO FINANCIAL STATEMENTS (Refer Note No. 47)

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

### 39. Sector - wise NPAs

| Sl. Sector                         | As at 31st<br>March, 2025                              | As at 31st<br>March, 2024                              |
|------------------------------------|--------------------------------------------------------|--------------------------------------------------------|
|                                    | Percentage of NPAs to<br>Total Advances in that sector | Percentage of NPAs to<br>Total Advances in that sector |
| 1. Agriculture & allied activities | -                                                      | -                                                      |
| 2. MSME                            | -                                                      | -                                                      |
| 3. Corporate borrowers             | -                                                      | -                                                      |
| 4. Services                        | -                                                      | -                                                      |
| 5. Unsecured personal loans        | -                                                      | -                                                      |
| 6. Auto loans                      | -                                                      | -                                                      |
| 7. Others                          | -                                                      | -                                                      |

### 40. Movement of NPAs

| Sl. Particulars                                                               | As at 31st<br>March, 2025 | As at 31st<br>March, 2024 |
|-------------------------------------------------------------------------------|---------------------------|---------------------------|
| 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                                                            | -                         | -                         |

### 41. Details of Non-performing Loan Assets purchased from other NBFCs

| Sl. Particulars                                                    | As at 31st<br>March, 2025 | As at 31st<br>March, 2024 |
|--------------------------------------------------------------------|---------------------------|---------------------------|
| (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                                          | -                         | -                         |

### 42. Details of Non-performing Loan Assets sold to other NBFCs

| Sl. Particulars                       |  | As at 31st<br>March, 2024 |
|---------------------------------------|--|---------------------------|
| i) No. of accounts sold               |  | -                         |
| ii) Aggregate outstanding             |  | -                         |
| iii) Aggregate consideration received |  | -                         |

# Notes to the Financial Statements

for the year ended 31st March, 2025 (Contd.)

## ANNEXURE I TO NOTES TO FINANCIAL STATEMENTS (Refer Note No. 47)

**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**

### 43. Related Party Transactions

**43.01** 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, 2025.

**43.02** 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, 2025.

### 44. Ratings

| Sl. Particulars                                                | As at 31st March, 2025 | As at 31st March, 2024 |
|----------------------------------------------------------------|------------------------|------------------------|
| 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) | -                      | -                      |

#### Detail of migration of ratings :

| Sl. Particulars                                                | 2024-25 | 2023-24 |
|----------------------------------------------------------------|---------|---------|
| 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) |         | **      |

\*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). All the debts owed by SEFL to financial creditors as on insolvency commencement date have been extinguished after making payments, debt assignments and issuance of new instruments in terms of the approved resolution plan on the closing date financial statements. Accordingly Care, Acuite and Brickwork vide their letters dated January 24th, 2025, October 18th, 2024 and November 29th, 2024 respectively have withdrawn the ratings of past borrowings as at March 31st, 2025.

### 45. 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, 2025.

### 46. 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:

- Industry structure and developments.
- Opportunities and Threats.
- Segment-wise or product-wise performance.
- Outlook.
- Risks and concerns.
- Internal control systems and their adequacy.
- Discussion on financial performance with respect to operational performance.
- Material developments in Human Resources / Industrial Relations front, including number of people employed.



# Notes to the Financial Statements

for the year ended 31st March, 2025 (Contd.)

## ANNEXURE I TO NOTES TO FINANCIAL STATEMENTS (Refer Note No. 47)

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

### 47. 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, 2025 and previous year ended March 31st, 2024.

### 48. Revenue Recognition

There were no circumstances noted during the current year ended March 31st, 2025 and previous year ended March 31st, 2024, in which the Company has postponed revenue recognition pending the resolution of significant uncertainties.

### 49. Consolidated Financial Statements (CFS)

As of March 31st March, 2025 & 31st March, 2024 the Company has domestic subsidiaries. There are no foreign subsidiaries for these periods. Therefore the Company has prepared consolidated financial statements as required.

### 50. Related Party Transactions

**50.1** 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, 2025.

**50.2** 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, 2025.



# 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, 2025, 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, 2025 and loss and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

#### Basis for Qualified Opinion

We draw reference to Note No. 55 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, 2025 and year ended 31st March, 2024. Consequently, these entities have not been included in the consolidation as of 31 March, 2025 and 31 March, 2024. We are unable to assess the potential impact on the consolidated financial statements for the year ended 31st March, 2025, or any other implications arising from this non-inclusion.

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.

#### Information Other than the Financial Statements and Auditor's Report Thereon

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included

in the Board's Report including Annexures to Board's Report, but does not include the Consolidated Financial Statements and our auditor's report thereon.

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

In connection with our audit of the Consolidated 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 Consolidated Financial Statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

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

#### Management's Responsibility for the consolidated financial statements

The Holding Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these Consolidated 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 management of the Group are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless 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 Group's financial reporting process.

#### 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

- i. The Consolidated Financial Statements includes the audited financial statements of 08 subsidiaries whose financial statements reflect Group's share of total assets of ₹ 2,87,675 Lacs as at 31 March, 2025, Group's share of total revenues of ₹ 87,168 Lacs, Group's share of total net loss of ₹ 29,293 Lacs and Group's share of total comprehensive income of ₹ (29,308) Lacs for the year ended 31 March, 2025 respectively and net cash outflows amounting to

₹ 22,682 Lacs for the year ended 31 March, 2025, 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, 2025, 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, 2025 respectively and net cash inflows amounting to ₹ Nil for the year ended 31 March, 2025. 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.

#### Report on Other Legal and Regulatory Requirements

- i. 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, 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.
  - 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, 2025 taken on record by the Board of Directors of the Holding Company none of the directors is disqualified as on 31st March, 2025 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 holding company and subsidiaries company. Our report expresses 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 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:
  - i. The Group has disclosed the impact of pending litigations on its financial position in its financial statements. Refer Note No. 31 of Consolidated Financial Statement.
  - ii. The Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Group.
- iv. a) As represented by the management, to the best of its knowledge and belief, as disclosed in the Note No 40 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 40 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.
- v. 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. Based on our examination which included test checks and that performed by respective auditors of the subsidiaries, which are the companies incorporated in India whose financial statements have been audited under the Act, the Holding Company and its subsidiaries, have used an accounting software for maintaining its books of account for the year ended 31 March, 2025, which have a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the respective software.

Further, during the course of our audit, we and respective auditors of the above referred subsidiaries did not come across any instance of the audit trail feature being tampered with. Additionally, the audit trail has been preserved by the Holding Company and its subsidiary as per the statutory requirements for record retention.

**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 : 25068851BMIDRD9914

Place: Kolkata  
 Dated: May 2, 2025

## 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 31st March, 2025

(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:

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    |
|---------|---------------------------------------------------|-----------------------|------------------------------|------------------|
| 1       | Srei Infrastructure Finance Limited               | L29219WB1985PLC055352 | Holding Company              | 3i(c)            |
| 2       | Srei Equipment Finance Limited                    | U70101WB2006PLC109898 | Subsidiary                   | 3i(c), 3xvii     |
| 3       | Bengal Srei Infrastructure Development Limited    | U70109WB2004PLC100517 | Subsidiary                   | 3ix, 3xvii, 3xix |
| 4       | Srei Mutual Fund Trust Private Limited            | U65990WB2009PTC139790 | Subsidiary                   | 3xvii            |
| 5       | Srei Capital Markets Limited                      | U67190WB1998PLC087155 | Subsidiary                   | 3vii(b), 3xvii   |
| 6       | Controlla Electrotech Private Limited             | U2930WB1991PTC052455  | Subsidiary                   | 3xvii            |
| 7       | Srei Insurance Broking Private Limited            | U67120WB2002PTC095019 | Subsidiary                   | 3xvii            |
| 8       | Srei Mutual Fund Asset Management Private Limited | U74110WB2009PTC139801 | Subsidiary                   | 3xvii            |

**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 : 25068851BMIDRD9914

Place: Kolkata

Dated: May 2, 2025

## 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, 2025 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 Group's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Group'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 Group'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 Group's internal financial controls system over financial reporting.

#### Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for

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

#### Inherent Limitations of Internal Financial Controls over Financial Reporting

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

#### Opinion

In our opinion, the Holding Company and its subsidiaries, which are companies incorporated in India, have, 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, 2025, 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 Matter

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls system with reference to the Consolidated Financial Statements in so far as it relates to subsidiary companies, 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 Lakhota**

(Partner)

Membership No. 068851

UDIN : 25068851BMIDRD9914

Place: Kolkata

Dated: May 2, 2025



# Consolidated Balance Sheet

as at 31st March, 2025

(₹ in Lacs)

| Particulars                                                                                 | Note No. | As at March 31, 2025 | As at March 31, 2024 |
|---------------------------------------------------------------------------------------------|----------|----------------------|----------------------|
| <b>ASSETS</b>                                                                               |          |                      |                      |
| <b>(1) Financial Assets</b>                                                                 |          |                      |                      |
| (a) Cash and Cash Equivalents                                                               | 2        | 28,353               | 63,884               |
| (b) Bank Balance other than (a) above                                                       | 3        | 649                  | 3,107                |
| (c) Receivables                                                                             |          |                      |                      |
| -Trade Receivables                                                                          | 4        | 1,540                | 2,098                |
| (d) Loans                                                                                   | 5        | 1,73,251             | 2,98,564             |
| (e) Investments                                                                             | 6        | 93,005               | 69,983               |
| (f) Other Financial Assets                                                                  | 7        | 863                  | 841                  |
| <b>(2) Non-Financial Assets</b>                                                             |          |                      |                      |
| (a) Current Tax Assets (Net)                                                                | 8        | 19,077               | 23,042               |
| (b) Deferred Tax Assets (Net)                                                               | 9        | 739                  | 642                  |
| (c) Property, Plant and Equipment                                                           | 10       | 48,643               | 80,305               |
| (d) Right-of-use Assets                                                                     | 48       | 437                  | 304                  |
| (e) Other Intangible Assets                                                                 | 11(a)    | 49                   | 315                  |
| (f) Intangible assets under development                                                     | 11(b)    | 640                  | 6                    |
| (g) Other Non-Financial Assets                                                              | 12       | 2,097                | 2,524                |
| <b>(3) Non-Current Assets Held For Sale</b>                                                 | 13       | 1,923                | 388                  |
| <b>TOTAL ASSETS</b>                                                                         |          | <b>3,71,265</b>      | <b>5,46,003</b>      |
| <b>LIABILITIES AND EQUITY</b>                                                               |          |                      |                      |
| <b>LIABILITIES</b>                                                                          |          |                      |                      |
| <b>(1) Financial Liabilities</b>                                                            |          |                      |                      |
| (a) Payables                                                                                |          |                      |                      |
| (i) Trade Payables                                                                          |          |                      |                      |
| (ii) Total outstanding dues of micro enterprises and small enterprises                      | 14       | -                    | 6                    |
| (ii) Total outstanding dues of creditors other than micro enterprises and small enterprises | 14       | 769                  | 271                  |
| (b) Debt Securities                                                                         | 15       | 2,02,325             | 2,97,597             |
| (c) Borrowings (Other than Debt Securities)                                                 | 16       | 112                  | 525                  |
| (d) Subordinated Liabilities                                                                | 17       | 6,988                | 6,236                |
| (e) Lease Liabilities                                                                       | 48       | 441                  | 353                  |
| (f) Other Financial Liabilities                                                             | 18       | 8,248                | 11,354               |
|                                                                                             |          | <b>2,18,883</b>      | <b>3,16,342</b>      |
| <b>(2) Non-Financial Liabilities</b>                                                        |          |                      |                      |
| (a) Deferred Tax Liabilities (Net)                                                          | 9        | -                    | -                    |
| (b) Provisions                                                                              | 19       | 252                  | 161                  |
| (c) Other Non-Financial Liabilities                                                         | 20       | 84,201               | 1,34,985             |
|                                                                                             |          | <b>84,453</b>        | <b>1,35,146</b>      |
| <b>(3) Equity</b>                                                                           |          |                      |                      |
| (a) Equity Share Capital                                                                    | 21       | 100                  | 100                  |
| (b) Other Equity                                                                            | 22       | 11,01,342            | (10,74,756)          |
|                                                                                             |          | <b>(11,01,242)</b>   | <b>(10,74,656)</b>   |
| Non-controlling Interests                                                                   |          | 11,69,171            | 11,69,171            |
| <b>TOTAL LIABILITIES AND EQUITY</b>                                                         |          | <b>3,71,265</b>      | <b>5,46,003</b>      |

Material Accounting Policies and Notes to Consolidated Condensed Financial Statements. 1 to 57

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: May 2, 2025

**For and on behalf of Srei Infrastructure Finance Limited**

**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

# Consolidated Statement of Profit and Loss

for the year ended 31st March, 2025

(₹ in Lacs)

| Particulars                                                                                    | Note No. | As at March 31, 2025 | As at March 31, 2024 |
|------------------------------------------------------------------------------------------------|----------|----------------------|----------------------|
| <b>Revenue from Operations</b>                                                                 |          |                      |                      |
| (i) Interest Income                                                                            | 23       | 27,440               | 45,769               |
| (ii) Dividend Income*                                                                          |          | 0                    | 0                    |
| (iii) Rental Income                                                                            |          | 3,078                | 12,960               |
| (iv) Fees and Commission Income                                                                |          | 1,223                | 1,654                |
| (v) Net gain on derecognition of financial instruments under fair value through profit or loss |          | -                    | 8                    |
| (vi) Others                                                                                    | 25       | 52,040               | 12,124               |
| <b>(I) Total Revenue from Operations</b>                                                       |          | <b>83,781</b>        | <b>72,515</b>        |
| (II) Other Income                                                                              | 25.1     | 5,220                | 1,446                |
| <b>(III) Total Income (I+II)</b>                                                               |          | <b>89,001</b>        | <b>73,961</b>        |
| <b>Expenses</b>                                                                                |          |                      |                      |
| (i) Finance Costs                                                                              | 26       | 27,323               | 14,217               |
| (ii) Fees and Commission Expense                                                               |          | 8,580                | 2,003                |
| (iii) Net loss on fair value changes                                                           | 24       | 2,761                | 88,408               |
| (iv) Net loss on derecognition of financial instruments under amortised cost                   |          | 448                  | 803                  |
| (v) Impairment on Financial Instruments (Net)                                                  | 27       | 26,965               | 6,74,562             |
| (vi) Employee Benefits Expenses                                                                | 28       | 7,039                | 6,469                |
| (vii) Depreciation, Amortisation and Impairment Expense                                        | 10,11    | 27,403               | 30,733               |
| (viii) Administrative and Other Expenses                                                       | 29       | 8,509                | 15,154               |
| (ix) Loss / write-off on Repossessed Assets and Assets acquired in satisfaction of debt        |          | (731)                | 20,416               |
| <b>(IV) Total Expenses (IV)</b>                                                                |          | <b>1,08,297</b>      | <b>8,52,765</b>      |
| <b>(V) Profit / (Loss) before Exceptional Items &amp; Tax (III - IV)</b>                       |          | <b>(19,296)</b>      | <b>(7,78,804)</b>    |
| (VI) Exceptional Items                                                                         |          | -                    | -                    |
| <b>(VII) Profit / (Loss) Before Tax and after Exceptional Items (V+VI)</b>                     |          | <b>(19,296)</b>      | <b>(7,78,804)</b>    |
| <b>(VIII) Tax Expense:</b>                                                                     |          |                      |                      |
| (a) Current Tax                                                                                |          | -                    | -                    |
| (b) Income Tax in respect of earlier year                                                      |          | 3                    | 19                   |
| (c) Deferred Tax                                                                               |          | (87)                 | (88)                 |
| <b>(IX) Profit / (Loss) After Tax but before Loss of Associates (VII-VIII)</b>                 |          | <b>(19,212)</b>      | <b>(7,78,735)</b>    |
| Share of Profit / (Loss) of Associates                                                         |          | -                    | -                    |
| <b>(X) Profit / (Loss) After Tax (IX+X)</b>                                                    |          | <b>(19,212)</b>      | <b>(7,78,735)</b>    |
| <b>(XI) Other Comprehensive Income</b>                                                         |          |                      |                      |
| (i) Items that will not be reclassified to Profit or Loss                                      |          |                      |                      |
| (a) Remeasurement Gains / (Losses) on Defined Benefit Plan                                     |          | (4)                  | (80)                 |
| (b) Gains / (Losses) on Equity Instruments through Other Comprehensive Income                  |          | (7,380)              | (8,849)              |
| (c) Tax related to above                                                                       |          | 10                   | 2                    |
| (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)                |
| (c) Tax related to above                                                                       |          | -                    | -                    |
| <b>(XII) Total Other Comprehensive Income (XI)</b>                                             |          | <b>(7,374)</b>       | <b>(9,156)</b>       |
| <b>Total Comprehensive Income (X+XI)</b>                                                       |          | <b>(26,586)</b>      | <b>(7,87,891)</b>    |
| <b>(XIII) Profit / (Loss) attributable to:</b>                                                 |          |                      |                      |
| - Owners of the parent                                                                         |          | (19,212)             | (7,78,734)           |
| - Non-controlling interest                                                                     |          | -                    | (1)                  |
| <b>(XIV) Other Comprehensive Income attributable to:</b>                                       |          |                      |                      |
| - Owners of the parent                                                                         |          | (7,374)              | (9,156)              |
| - Non-controlling interest                                                                     |          | -                    | -                    |
| <b>(XV) Total Comprehensive Income attributable to:</b>                                        |          |                      |                      |
| - Owners of the parent                                                                         |          | (26,586)             | (7,87,890)           |
| - Non-controlling interest                                                                     |          | -                    | (1)                  |
| <b>(XVI) Earnings per Equity share (Par Value ₹ 1/- per Equity Share)</b>                      | 30       |                      |                      |
| Basic Earnings per equity share (in ₹)                                                         |          | <b>(192.12)</b>      | <b>(216.07)</b>      |
| Diluted Earnings per equity share (in ₹)                                                       |          | <b>(192.12)</b>      | <b>(216.07)</b>      |

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

Material Accounting Policies and Notes to Consolidated Financial Statements.

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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: May 2, 2025

**For and on behalf of Srei Infrastructure Finance Limited**

**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

# Consolidated Statement of Cash Flows

for the year ended 31st March, 2025

(₹ in Lacs)

| Particulars                                                                        | As at<br>March 31, 2025 | As at<br>March 31, 2024 |
|------------------------------------------------------------------------------------|-------------------------|-------------------------|
| <b>A. Cash Flows from Operating Activities</b>                                     |                         |                         |
| Profit / (Loss) Before Tax                                                         | (19,296)                | (7,78,804)              |
| Adjustments for:                                                                   |                         |                         |
| Depreciation, Amortisation and Impairment                                          | 27,403                  | 30,733                  |
| Provision for doubtful debts                                                       | 12                      | 168                     |
| Impairment on Financial Instruments (Net)                                          | 26,933                  | 6,74,345                |
| Impairment (gain) / loss on capital advance                                        | 29                      | -                       |
| Interest income on intercorporate deposits                                         | -                       | (77)                    |
| Net loss on derecognition of Financial Instruments                                 | 448                     | 803                     |
| Loss / write-off on Repossessed Assets and Assets acquired in satisfaction of debt | (731)                   | 20,416                  |
| Net (gain) / loss on derecognition of Property, Plant and Equipment                | (1,416)                 | (988)                   |
| Liabilities no longer required written back                                        | (3,210)                 | (397)                   |
| Finance Costs                                                                      | 27,558                  | 14,452                  |
| Finance Income                                                                     | (2)                     | -                       |
| Profit on Investment in Scheme of Mutual Fund                                      | (71)                    | (47)                    |
| Interest on Loans                                                                  | (23,541)                | (34,488)                |
| Other income                                                                       | (8)                     | (10)                    |
| Rental Income                                                                      | (3,007)                 | (12,687)                |
| Interest on Fixed Deposits with Banks                                              | (603)                   | (10,055)                |
| Interest income from Investment                                                    | (1,757)                 | (1,050)                 |
| Unwinding of interest income on Non-convertible debentures                         | (50,082)                | (10,048)                |
| Dividend income                                                                    | (0)                     | (0)                     |
| Net unrealised fair value loss                                                     | 7,174                   | 72,770                  |
| Net unrealised fair value (gain)                                                   | (1,052)                 | (8)                     |
| <b>Operating profit before working capital changes</b>                             | <b>(15,219)</b>         | <b>(34,972)</b>         |
| <b>Changes in Working Capital</b>                                                  |                         |                         |
| Adjustments for:                                                                   |                         |                         |
| (Increase) / Decrease in Trade Receivables and Others Assets                       | (2,288)                 | 30,587                  |
| (Increase) / Decrease in Loans Assets                                              | 91,233                  | 43,403                  |
| Increase / (Decrease) in Trade Payables and Others Liabilities                     | (977)                   | (23,376)                |
| (Increase) / Decrease in Other Bank Balances                                       | 2,429                   | 15,026                  |
| <b>Cash Generated / (used) in operations</b>                                       | <b>75,178</b>           | <b>30,669</b>           |
| Finance Costs paid                                                                 | 97                      | (333)                   |
| Interest on Loans received                                                         | 14,948                  | 13,425                  |
| Rental income received                                                             | 3,752                   | 10,219                  |
| Interest on Fixed Deposits with Banks received                                     | 612                     | 10,474                  |
| Interest income from Investment received                                           | 1,766                   | 1,049                   |
| Advance taxes (paid) / refund (including Tax deducted at Source)                   | 3,968                   | (2,578)                 |
| <b>Net Cash (used in) / generated from Operating Activities</b>                    | <b>1,00,321</b>         | <b>62,925</b>           |
| <b>B. Cash Flows from Investing Activities</b>                                     |                         |                         |
| Purchase of Property, Plant and Equipment                                          | (183)                   | (105)                   |
| Sale / (Purchase) of Investments (Net)                                             | (16,061)                | 6,777                   |
| Intangible Assets Under Development                                                | (632)                   | -                       |
| Dividend received                                                                  | 0                       | 0                       |
| Interest received                                                                  | 8                       | 8                       |
| Profit on Sale of Right Entitlement                                                | 139                     | -                       |
| Proceeds from Sale of Property, Plant and Equipment                                | 2,788                   | 4,808                   |
| <b>Net Cash (used in) / generated from Investing Activities</b>                    | <b>(13,942)</b>         | <b>11,489</b>           |
| <b>C. Cash Flows from Financing Activities</b>                                     |                         |                         |
| Proceeds from issuance of Debt securities (including subordinated debt securities) | (1,21,626)              | -                       |
| Increase / (Decrease) in Working Capital facilities (Net)                          | (235)                   | (1,60,672)              |
| Interest paid                                                                      | -                       | (235)                   |
| Proceeds from Other Borrowings                                                     | -                       | -                       |
| Repayments of Other Borrowings                                                     | (34)                    | 42,044                  |
| Increase / (Decrease) in Equity Share Capital                                      | -                       | 70                      |
| Repayment of Lease                                                                 | (15)                    | -                       |
| Finance Cost on Lease                                                              | -                       | (3)                     |
| <b>Net Cash (used in) / generated from Financing Activities</b>                    | <b>1,21,910</b>         | <b>(2,66,949)</b>       |
| <b>Net Increase / (Decrease) in Cash and Cash Equivalents</b>                      | <b>(35,531)</b>         | <b>(1,92,535)</b>       |
| <b>Cash &amp; Cash Equivalents at the beginning of the year</b>                    | <b>63,884</b>           | <b>2,56,419</b>         |
| <b>Cash and Cash Equivalents at the end of the year</b>                            | <b>28,353</b>           | <b>63,884</b>           |

(₹ in Lacs)

| Components of Cash and Cash Equivalents:                                | As at<br>March 31, 2025 | As at<br>March 31, 2024 |
|-------------------------------------------------------------------------|-------------------------|-------------------------|
| <b>Cash and Cash Equivalents at the end of the year</b>                 |                         |                         |
| (a) Cash on hand                                                        | 1                       | 1                       |
| (b) Balances with Banks-in Current Account                              | 1,001                   | 13,139                  |
| (c) Fixed Deposits with original maturity period less than three months | 27,351                  | 50,744                  |
|                                                                         | <b>28,353</b>           | <b>63,884</b>           |

## Explanations:

- 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'.
- 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

**For and on behalf of Srei Infrastructure Finance Limited**

**Sd/-**

**Hardayal Prasad**

Managing Director & CEO

DIN: 08024303

**Sd/-**

**Avinash Kulkarni**

Director

DIN: 02982164

**Sd/-**

**Vishnu Gopal Agarwal**

Chief Financial Officer

**Sd/-**

**Manoj Kumar**

Company Secretary & CCO

Place: Kolkata

Date: May 2, 2025

# Consolidated Statement of Changes in Equity

for the year ended 31st March, 2025

## A. Equity Share Capital

|                               | Changes in Equity Share Capital due to prior period errors | Restated balance at 1st April, 2024 | Changes in equity share capital during the current year | Balance as at 31st March, 2025 |
|-------------------------------|------------------------------------------------------------|-------------------------------------|---------------------------------------------------------|--------------------------------|
| Balance as at 1st April, 2024 | -                                                          | -                                   | -                                                       | 100                            |
| Balance as at 1st April, 2023 | Changes in Equity Share Capital due to prior period errors | Restated balance at 1st April, 2023 | Changes in equity share capital during the current year | Balance as at 31st March, 2024 |
| 50,309                        | -                                                          | 50,309                              | ~50,209                                                 | 100                            |

## B. Other Equity

| Particulars                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | Reserves and Surplus |                                                                                    |                                                                                          |                 |                    |                                     |                 | Items of Other Comprehensive Income |                    |                                                       |                                      | Total | Non Controlling interests |                                                     |                                       |           |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------|------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------|-----------------|--------------------|-------------------------------------|-----------------|-------------------------------------|--------------------|-------------------------------------------------------|--------------------------------------|-------|---------------------------|-----------------------------------------------------|---------------------------------------|-----------|
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | Treasury Shares      | Special Reserve (pursuant to Section 45-1C 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 | Bond/ Debentures Redemption Reserve | General Reserve | Retained Earnings                   | Impairment Reserve | Equity Instruments through Other Comprehensive Income | Foreign Currency Translation Reserve |       |                           | Debt Instruments through Other Comprehensive Income | Effective portion of Cash Flow Hedges |           |
| <b>Balance as at the 1st April, 2023</b><br>Profit for the year<br>Shares issued to Kairos ESOP Welfare Trust<br>Other Comprehensive Income (net of tax) *<br>Compulsory Convertible Preference Shares (CCPS) #<br>Security premium on new capital issue<br>Transferred to Restructuring reserve and subsequently to Retained Earnings as per the terms of the resolution plan<br>Transfer to Special Reserve<br>Transfer to / from retained earnings<br><b>Balance as at 31st March, 2024</b><br>Balance as at the 1st April, 2024<br>Profit for the year<br>Shares issued to Kairos ESOP Welfare Trust<br>Other Comprehensive Income (net of tax) *<br>Compulsory Convertible Preference Shares (CCPS) #<br>Security premium on new capital issue<br>Transferred to Restructuring reserve and subsequently to Retained Earnings as per the terms of the resolution plan<br>Transfer to Special Reserve<br>Transfer to / from retained earnings<br><b>Balance as at 31st March, 2025</b> | -                    | 55,219                                                                             | 25,834                                                                                   | 1,04,744        | 62,441             | 10,222                              | 1,36,801        | (27,52,019)                         | 6,15,995           | (11,795)                                              | -                                    | 233   | 1                         | (17,52,324)                                         | 4                                     |           |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | -                    | -                                                                                  | -                                                                                        | -               | -                  | -                                   | -               | (7,78,734)                          | -                  | -                                                     | -                                    | -     | -                         | -                                                   | (7,78,734)                            | (1)       |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | (10)                 | -                                                                                  | -                                                                                        | -               | -                  | -                                   | -               | -                                   | -                  | (8,849)                                               | -                                    | (229) | -                         | (10)                                                | -                                     | -         |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | -                    | -                                                                                  | -                                                                                        | -               | -                  | -                                   | -               | (78)                                | -                  | -                                                     | -                                    | -     | -                         | -                                                   | (9,156)                               | -         |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | -                    | -                                                                                  | -                                                                                        | -               | 25,651             | -                                   | -               | -                                   | -                  | -                                                     | -                                    | -     | -                         | -                                                   | -                                     | 11,69,168 |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | -                    | -                                                                                  | -                                                                                        | -               | -                  | -                                   | -               | -                                   | -                  | -                                                     | -                                    | -     | -                         | -                                                   | 25,651                                | -         |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | -                    | (27,707)                                                                           | (25,834)                                                                                 | (1,04,744)      | (88,092)           | (10,222)                            | (1,36,801)      | 24,54,597                           | (6,21,375)         | -                                                     | -                                    | -     | (4)                       | (1)                                                 | 14,39,817                             | -         |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | -                    | 9,625                                                                              | -                                                                                        | -               | -                  | -                                   | -               | (9,625)                             | -                  | -                                                     | -                                    | -     | -                         | -                                                   | -                                     | -         |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | -                    | -                                                                                  | -                                                                                        | -               | -                  | -                                   | -               | (5,380)                             | 5,380              | -                                                     | -                                    | -     | -                         | -                                                   | -                                     | -         |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | (10)                 | 37,137                                                                             | -                                                                                        | -               | -                  | -                                   | -               | (10,91,239)                         | -                  | -                                                     | (20,644)                             | -     | -                         | -                                                   | (10,74,756)                           | 11,69,171 |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | (10)                 | 37,137                                                                             | -                                                                                        | -               | -                  | -                                   | -               | (10,91,239)                         | -                  | -                                                     | (20,644)                             | -     | -                         | -                                                   | (10,74,756)                           | 11,69,171 |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | -                    | -                                                                                  | -                                                                                        | -               | -                  | -                                   | -               | (19,212)                            | -                  | -                                                     | -                                    | -     | -                         | -                                                   | (19,212)                              | -         |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | -                    | -                                                                                  | -                                                                                        | -               | -                  | -                                   | -               | -                                   | (4)                | -                                                     | (7,370)                              | -     | -                         | -                                                   | (7,374)                               | -         |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | -                    | -                                                                                  | -                                                                                        | -               | -                  | -                                   | -               | -                                   | -                  | -                                                     | -                                    | -     | -                         | -                                                   | -                                     | -         |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | -                    | -                                                                                  | -                                                                                        | -               | -                  | -                                   | -               | -                                   | -                  | -                                                     | -                                    | -     | -                         | -                                                   | -                                     | -         |
| -                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | 2,007                | -                                                                                  | -                                                                                        | -               | -                  | -                                   | -               | (2,007)                             | -                  | -                                                     | -                                    | -     | -                         | -                                                   | -                                     |           |
| -                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | -                    | -                                                                                  | -                                                                                        | -               | -                  | -                                   | -               | 462                                 | -                  | (462)                                                 | -                                    | -     | -                         | -                                                   | -                                     |           |
| (10)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | 39,144               | -                                                                                  | -                                                                                        | -               | -                  | -                                   | -               | (11,12,000)                         | -                  | (28,476)                                              | -                                    | -     | -                         | (11,01,342)                                         | 11,69,171                             |           |

### Refer Note No. 22 for nature and purpose of reserves.

\* Includes loss of ₹ 4 Lacs (Previous year: gain of ₹ 80 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 - 21.2)

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

Chartered Accountants

ICAI Firm Registration No.306033E/E300272

Sd/-

Hemant Kumar Lakhotia

Partner

Membership No. 068851

Place: Kolkata

Date: May 2, 2025

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

### For and on behalf of Srei Infrastructure Finance Limited



# 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 appointed an Administrator under Section 45-IE (2) of the RBI Act.

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 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 31st December, 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 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.

### 1 (b) MATERIAL ACCOUNTING 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, 2025 and any public announcement made by the Group during thereporting 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 Lacs, 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, 2025 have been taken on record by the by the Board of Directors of the Company on May 2, 2025.

#### 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 of 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, 2025 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:
- 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.
  - 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.

- 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.
  - 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.
  - 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, 2025 (%) | Share of ownership interest as at 31st March, 2024 (%) |
|-----------------------------------------------------------------------------------------------------------------------------|-------------------|--------------------------------------------------------|--------------------------------------------------------|
| 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<br>(Subsidiary of Trinity Alternative Investment Managers Ltd) | India             | 51                                                     | 51                                                     |
| Cyberabad Trustee Company Private Limited<br>(Subsidiary of Trinity Alternative Investment Managers Ltd)                    | India             | 51                                                     | 51                                                     |
| <b>Trusts:</b>                                                                                                              |                   |                                                        |                                                        |
| 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:

- The normal course of business
- 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 reporting period

There is no significant change in the financial year ended and as at March 31, 2025. However, in SIFL and SEFL, during the previous financial year ended and as at March 31, 2024, 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 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.

### 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 recognized at the date of acquisition. Goodwill is initially recognized 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 recognized 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 recognized 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 recognized in the consolidated statement of Profit and Loss on an accrual basis as stated herein below:

- (a) Interest income from financial assets is recognized 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 recognized 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 recognized as discussed in Note No. 1.21.3.
- (c) Income from Credit Impaired Financial Assets is recognized 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 recognized 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 recognized on a straight-line basis over the term of the relevant lease, unless another systematic basis is more representative of the time pattern in which the benefit derived from the leased asset is diminished or the rentals are structured solely to increase in line with expected general inflation to compensate for the Group's expected inflationary cost increases.
- (h) Referral income is recognized when it becomes due under the terms of the relevant mutually agreed arrangement.
- (i) Income from joint controlled operation is recognized 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 recognized 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 recognized 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:** Recognize 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 recognized 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 recognized 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 recognized 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 recognized 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 recognized 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 recognized 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 recognized 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 recognized 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 amortized cost, FVTOCI or FVTPL and non-monetary financial assets measured at amortized cost or FVTPL, the exchange differences are recognized 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 recognized 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 amortized cost, FVTOCI or FVTPL and non-monetary financial liabilities measured at amortized cost or FVTPL, the exchange differences are recognized 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 recognized in Statement of Profit and Loss.

Foreign currency changes for non-monetary financial liabilities measured at FVTOCI are recognized 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 recognized 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 recognized 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 recognized 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 recognized 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 recognized 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 recognized immediately in profit or loss. the Group recognizes gains and losses on the settlement of a defined benefit plan when the settlement occurs.

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 recognized 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 recognized 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 recognized immediately in the statement of profit

and loss for the period in which they occur. Other long term employee benefit obligation recognized 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 recognized 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 recognized 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 recognized for all taxable temporary differences. Deferred tax assets are generally recognized 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 recognized 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 recognized in the consolidated statement of Profit and Loss, except when they relate to items that are recognized

in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized 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 recognized 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 recognized 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-recognized 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-recognized 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 recognized in the consolidated statement of Profit and Loss.

#### Depreciation

Depreciation commences when the assets are ready for their intended use. It is recognized 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.

Average useful life of the assets determined is as under:

#### Assets for Own Use:

| 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:**

| <b>Assets description as per Note No. 10</b> | <b>Useful Life as per the Companies Act 2013</b> | <b>Useful Life as followed by the Group</b> |
|----------------------------------------------|--------------------------------------------------|---------------------------------------------|
| 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 amortized 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 recognized 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 recognized 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-recognized 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 recognized in the consolidated statement of Profit and Loss when the asset is de-recognized.

**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 recognized 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 derecognized 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 recognized 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 recognized 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 recognized for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognized immediately in the consolidated statement of Profit and Loss.

**1.17. Provisions, Contingent Liabilities and Contingent Assets****Provisions**

Provisions are recognized 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 recognized 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 recognized 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 recognized 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 recognized 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 recognized 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 recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. 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 recognized 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

Reposessed 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:

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

The 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 amortized 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 recognized 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 recognized and derecognized 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 recognized immediately in the consolidated statement of Profit and Loss.

### 1.21.3 Subsequent Measurement:

#### (A) Financial Assets

##### Financial Assets carried at Amortized Cost (AC):

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

A financial asset is measured at amortized 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

- By considering all the contractual terms of the financial instrument in estimating the cash flows.
- 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 recognized 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 recognized 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 recognized 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 recognized in the consolidated statement of Profit and Loss. Other net gains and losses

are recognized 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 amortized 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 recognizing 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 recognized 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 recognized for financial assets measured at amortized 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 recognized 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 derecognizes a financial asset when the contractual rights

to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.

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

- a) For financial assets measured at amortized cost, the gain or loss is recognized in the statement of Profit and Loss.
- b) For financial assets measured at fair value through other comprehensive income, the cumulative fair value adjustments previously taken to reserves are reclassified to the 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 recognized and the part that is derecognized, 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 recognizes 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 recognize the financial asset and also recognizes 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 recognizes 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 recognized and deducted directly in equity. No gain or loss is recognized 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 amortized 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 amortized cost**

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

Amortized 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 amortization 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 recognized 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 recognized initially at their fair value and subsequently measured at amortized 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 recognized 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 recognized less cumulative amortization.

##### **Derecognition of financial liabilities**

A financial liability is derecognized 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 derecognized and the consideration paid and payable is recognized 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 recognized amounts and there is an intention to settle on a net basis or realize 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
- b) In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible.

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 categorized 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 derecognized 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 recognized 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 recognized 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 recognized 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 recognized 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 recognized 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 amortized 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 recognized 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 recognized immediately in the consolidated statement of Profit and Loss.

Amounts previously recognized 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 recognized amounts and there is an intention to settle on a net basis or realize 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 recognized in the period in which the estimates are revised and future periods are affected. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

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

##### 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 amortized cost or fair value through other comprehensive income that are derecognized 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 recognizes 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 recognizes 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, 2025, MCA has not notified any new standards or amendments to the existing standards applicable to the Company.

# Notes to the Consolidated Financial Statements

for the year ended 31st March, 2025 (Contd.)

## 2. Cash and Cash Equivalents

(₹ in Lacs)

| Particulars                                                                                                        | As at<br>March 31, 2025 | As at<br>March 31, 2024 |
|--------------------------------------------------------------------------------------------------------------------|-------------------------|-------------------------|
| Cash on hand                                                                                                       | 1                       | 1                       |
| Balances with Banks-in Current Account                                                                             | 1,001                   | 13,139                  |
| Balance with Banks-in Fixed Deposits Accounts having original maturity up to 3 months (including accrued interest) | 27,351                  | 50,744                  |
| <b>Total</b>                                                                                                       | <b>28,353</b>           | <b>63,884</b>           |

## (i) Changes in Cash Flow from financing activities

(₹ in Lacs)

| Particulars                             | As at<br>1st April, 2024 | Movement**        |               | As at<br>March 31, 2025 |
|-----------------------------------------|--------------------------|-------------------|---------------|-------------------------|
|                                         |                          | Cash              | Non-Cash      |                         |
| Debt Securities                         | 2,97,597                 | (1,21,626)        | 26,354        | 2,02,325                |
| Borrowings (Other than Debt Securities) | 525                      | -                 | (413)         | 112                     |
| Subordinated Liabilities                | 6,236                    | -                 | 752           | 6,988                   |
| <b>Total</b>                            | <b>3,04,358</b>          | <b>(1,21,626)</b> | <b>26,693</b> | <b>2,09,425</b>         |

(₹ in Lacs)

| Particulars                             | As at<br>1st April, 2023 | Movement**        |                    | As at<br>March 31, 2024 |
|-----------------------------------------|--------------------------|-------------------|--------------------|-------------------------|
|                                         |                          | Cash              | Non-Cash           |                         |
| 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                   |
| <b>Total</b>                            | <b>32,24,742</b>         | <b>(2,66,782)</b> | <b>(26,53,602)</b> | <b>3,04,358</b>         |

\*\*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<br>March 31, 2025 | As at<br>March 31, 2024 |
|---------------------------------------------------------------------------------------------------------------------------|-------------------------|-------------------------|
| Unclaimed Dividend Accounts                                                                                               | 9                       | 14                      |
| Earmarked Balances                                                                                                        | 323                     | 303                     |
| Fixed Deposits with banks having original maturity of more than 3 months (Including accrued interest for fixed deposits)* | 317                     | 2,790                   |
| <b>Total</b>                                                                                                              | <b>649</b>              | <b>3,107</b>            |

\*Includes

(₹ in Lacs)

| Particulars                                             | As at<br>March 31, 2025 | As at<br>March 31, 2024 |
|---------------------------------------------------------|-------------------------|-------------------------|
| <b>Under Lien:</b>                                      |                         |                         |
| - Borrowings                                            | -                       | -                       |
| - Letter of Credit / Bank Guarantees (Refer Note No. i) | 75                      | 94                      |
| - Others                                                | 3                       | 4                       |

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 ₹ 3 Lacs towards letter of credit / bank guarantee as at April 21st, 2025.

# Notes to the Consolidated Financial Statements

for the year ended 31st March, 2025 (Contd.)

## 4. Receivables:

### Trade Receivables

(₹ in Lacs)

| Particulars                                   | As at<br>March 31, 2025 | As at<br>March 31, 2024 |
|-----------------------------------------------|-------------------------|-------------------------|
| (a) Considered good-Secured;                  | -                       | -                       |
| Less: Allowance for impairment loss allowance | -                       | -                       |
|                                               | -                       | -                       |
| (b) Considered good-Unsecured;                | 2,041                   | 2,745                   |
| Less: Allowance for impairment loss allowance | 583                     | 651                     |
|                                               | <b>1,458</b>            | <b>2,094</b>            |
| (c) Significant increase in credit risk       | 118                     | 4                       |
| Less: Allowance for impairment loss allowance | 117                     | -                       |
|                                               | <b>1</b>                | <b>4</b>                |
| (d) Credit impaired                           | 1,341                   | 1,989                   |
| Less: Allowance for impairment loss allowance | 1,260                   | 1,989                   |
|                                               | 81                      | -                       |
| <b>Total (a+b+c+d)</b>                        | <b>1,540</b>            | <b>2,098</b>            |

- (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, 2025\*

(₹ in Lacs)

| Particulars                                                                        | Outstanding for following periods from due date of payment |                    |            |          |                      | Total        |
|------------------------------------------------------------------------------------|------------------------------------------------------------|--------------------|------------|----------|----------------------|--------------|
|                                                                                    | Less than<br>6 months                                      | 6 months<br>1 year | 1-2 year   | 2-3 year | More than<br>3 years |              |
| (i) Undisputed Trade receivables - considered good                                 | 944                                                        | 332                | 182        | -        | 81                   | 1,539        |
| (ii) Undisputed Trade receivables - which have significant increase in credit risk | 1                                                          | -                  | -          | -        | -                    | 1            |
| (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                                  | -                                                          | -                  | -          | -        | -                    | -            |
| <b>Total</b>                                                                       | <b>945</b>                                                 | <b>332</b>         | <b>182</b> | <b>-</b> | <b>81</b>            | <b>1,540</b> |

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

(₹ in Lacs)

| Particulars                                                                        | Outstanding for following periods from due date of payment |                    |            |          |                      | Total        |
|------------------------------------------------------------------------------------|------------------------------------------------------------|--------------------|------------|----------|----------------------|--------------|
|                                                                                    | Less than<br>6 months                                      | 6 months<br>1 year | 1-2 year   | 2-3 year | More than<br>3 years |              |
| (i) Undisputed Trade receivables - considered good                                 | 1,479                                                      | 360                | 255        | -        | -                    | 2,094        |
| (ii) Undisputed Trade receivables - which have significant increase in credit risk | 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                                  | -                                                          | -                  | -          | -        | -                    | -            |
| <b>Total</b>                                                                       | <b>1,483</b>                                               | <b>360</b>         | <b>255</b> | <b>-</b> | <b>-</b>             | <b>2,098</b> |

\* Figures are net of allowance for impairment loss.

## Notes to the Consolidated Financial Statements

for the year ended 31st March, 2025 (Contd.)

### (iii) Movements in Expected Credit Losses Allowance is as below:

(₹ in Lacs)

| Particulars                                         | As at<br>March 31, 2025 | As at<br>March 31, 2024 |
|-----------------------------------------------------|-------------------------|-------------------------|
| Balance at the beginning of the year                | 2,640                   | 2,646                   |
| Charge in Consolidated Statement of Profit and Loss | (675)                   | (3)                     |
| Disposal of entity under control                    | -                       | -                       |
| Utilized during the year                            | (5)                     | (3)                     |
| <b>Balance at the end of the year</b>               | <b>1,960</b>            | <b>2,640</b>            |

### (iv) Ageing of Trade Receivables and Credit Risk arising therefrom is as below:

(₹ in Lacs)

| Particulars                        | As at 31st March, 2025 |                           |                     |
|------------------------------------|------------------------|---------------------------|---------------------|
|                                    | Gross carrying amount  | Allowance for credit loss | Net carrying amount |
| Not due                            | -                      | -                         | -                   |
| Due till three months              | 127                    | 1                         | 126                 |
| Due between three to six months    | 819                    | -                         | 819                 |
| Due between six months to one year | 532                    | 200                       | 332                 |
| Due between one year to two year   | 416                    | 234                       | 182                 |
| More than 2 year due               | 1,606                  | 1,525                     | 81                  |
|                                    | <b>3,500</b>           | <b>1,960</b>              | <b>1,540</b>        |

(₹ in Lacs)

| Particulars                        | As at 31st March, 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                     | -                   |
|                                    | <b>4,738</b>           | <b>2,640</b>              | <b>2,098</b>        |

The contractual amount outstanding on financial assets that were written off during the reporting period but are still subject to enforcement activity is ₹ Nil (March 31st, 2024 ₹ Nil 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.



# Notes to the Consolidated Financial Statements

for the year ended 31st March, 2025 (Contd.)

## 5. Loan

(₹ in Lacs)

| Particulars                                | As at 31st March, 2025 |                                    |                        |                                                 |           | As at 31st March, 2024 |                                    |                        |                                                 |          |           |
|--------------------------------------------|------------------------|------------------------------------|------------------------|-------------------------------------------------|-----------|------------------------|------------------------------------|------------------------|-------------------------------------------------|----------|-----------|
|                                            | At Fair Value          |                                    |                        |                                                 |           | At Fair Value          |                                    |                        |                                                 |          |           |
|                                            | Amortised cost         | Through Other Comprehensive Income | Through Profit or Loss | Designated at Fair Value through Profit or Loss | 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                              | 2,500,494              | -                                  | -                      | -                                               | 2,500,494 | 27,10,196              | -                                  | 18,968                 | -                                               | 18,968   | 27,29,164 |
| (ii) Leasing                               | -                      | -                                  | -                      | -                                               | -         | 835                    | -                                  | -                      | -                                               | -        | 835       |
| (iii) Other Loans:                         |                        |                                    |                        |                                                 |           |                        |                                    |                        |                                                 |          |           |
| Intercorporate Deposit                     | -                      | -                                  | -                      | -                                               | -         | -                      | -                                  | -                      | -                                               | -        | -         |
| Total (A) Gross                            | 2,500,494              | -                                  | -                      | -                                               | 2,500,494 | 27,11,031              | -                                  | 18,968                 | -                                               | 18,968   | 27,29,999 |
| Less: Impairment loss allowance            | 2,327,243              | -                                  | -                      | -                                               | 2,327,243 | 24,31,435              | -                                  | -                      | -                                               | -        | 24,31,435 |
| Total (A) Net                              | 173,251                | -                                  | -                      | -                                               | 173,251   | 2,79,596               | -                                  | 18,968                 | -                                               | 18,968   | 2,98,564  |
| (B)                                        |                        |                                    |                        |                                                 |           |                        |                                    |                        |                                                 |          |           |
| (i) Secured by tangible assets/cash flows* | 2,405,191              | -                                  | -                      | -                                               | 2,405,191 | 26,15,261              | -                                  | 18,968                 | -                                               | 18,968   | 26,34,229 |
| (ii) Unsecured                             | 95,303                 | -                                  | -                      | -                                               | 95,303    | 95,896                 | -                                  | -                      | -                                               | -        | 95,896    |
| Total (B) Gross                            | 2,500,494              | -                                  | -                      | -                                               | 2,500,494 | 27,11,157              | -                                  | 18,968                 | -                                               | 18,968   | 27,30,125 |
| Less: Impairment loss allowance            | 2,327,243              | -                                  | -                      | -                                               | 2,327,243 | 24,31,435              | -                                  | -                      | -                                               | -        | 24,31,435 |
| Total (B) Net                              | 173,251                | -                                  | -                      | -                                               | 173,251   | 2,79,722               | -                                  | 18,968                 | -                                               | 18,968   | 2,98,690  |
| (C) Loans in India                         |                        |                                    |                        |                                                 |           |                        |                                    |                        |                                                 |          |           |
| (i) Public Sector                          | 51                     | -                                  | -                      | -                                               | 51        | 306                    | -                                  | -                      | -                                               | -        | 306       |
| (ii) Others                                | 2,500,443              | -                                  | -                      | -                                               | 2,500,443 | 27,10,725              | -                                  | 18,968                 | -                                               | 18,968   | 27,29,693 |
| Total (C) Gross                            | 2,500,494              | -                                  | -                      | -                                               | 2,500,494 | 27,11,031              | -                                  | 18,968                 | -                                               | 18,968   | 27,29,999 |
| Less: Impairment loss allowance            | 2,327,243              | -                                  | -                      | -                                               | 2,327,243 | 24,31,435              | -                                  | -                      | -                                               | -        | 24,31,435 |
| Total (C) Net                              | 1,73,251               | -                                  | -                      | -                                               | 1,73,251  | 2,79,596               | -                                  | 18,968                 | -                                               | 18,968   | 2,98,564  |

\* 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 and relied upon.

## Notes to the Consolidated Financial Statements

for the year ended 31st March, 2025 (Contd.)

### 5. Loan (Contd.....)

i. An analysis of changes in the gross carrying amount of loans, is as follows:

| Particular                                                                                     | As at 31st March, 2025 |         |           |      |            | As at 31st March, 2024 |         |           |      |           |
|------------------------------------------------------------------------------------------------|------------------------|---------|-----------|------|------------|------------------------|---------|-----------|------|-----------|
|                                                                                                | Stage 1                | Stage 2 | Stage 3   | POCI | Total      | Stage 1                | Stage 2 | Stage 3   | POCI | Total     |
| Gross carrying amount-opening balance                                                          | 17,576                 | 59      | 26,93,396 | -    | 27,11,031  | 68,974                 | 3,598   | 27,18,676 | -    | 27,91,248 |
| New assets originated or purchased / net disbursement @                                        | -                      | -       | -         | -    | -          | -                      | -       | 810       | -    | 810       |
| Assets derecognised or repaid (excluding write offs and includes interest accruals adjusted) # | 10,303                 | (23)    | (70,930)  | -    | (60,650)   | (16,466)               | (129)   | (54,201)  | -    | (70,796)  |
| Effective interest on net carrying amount                                                      | -                      | -       | (14,797)  | -    | (14,797)   | -                      | -       | 10,720    | -    | 10,720    |
| Transfers to Stage 1                                                                           | 7,266                  | -       | (7,266)   | -    | -          | 9,781                  | -       | (9,781)   | -    | -         |
| Transfers to Stage 2                                                                           | -                      | -       | -         | -    | -          | (50)                   | 59      | (9)       | -    | -         |
| Transfers to Stage 3                                                                           | (10,603)               | (36)    | 10,639    | -    | -          | (44,663)               | (3,469) | 48,132    | -    | -         |
| Changes to contractual cash flows due to modifications not resulting in derecognition          | -                      | -       | -         | -    | -          | -                      | -       | -         | -    | -         |
| Amounts written off                                                                            | -                      | -       | (135,090) | -    | (1,35,090) | -                      | -       | (20,951)  | -    | (20,951)  |
| Gross carrying amount closing balance@                                                         | 24,542                 | -       | 24,75,952 | -    | 25,00,494  | 17,576                 | 59      | 26,93,396 | -    | 27,11,031 |

(₹ in Lacs)

**Note:** Receivables on account of assigned loans / lease / other receivables have been adjusted from loans only.

& Excludes gross carrying amount of loans designated at fair value through profit or loss amounting to ₹ Nil Lacs (March 31st, 2024 ₹ 18,968 Lacs).

@ On conversion of Investment and AAD to loan.

# Represents balancing figure.

### ii. Reconciliation of ECL balance is given below:\*

| Particular                                                                                                                         | As at 31st March, 2025 |         |            |      |            | As at 31st March, 2024 |         |           |      |           | (₹ in Lacs) |
|------------------------------------------------------------------------------------------------------------------------------------|------------------------|---------|------------|------|------------|------------------------|---------|-----------|------|-----------|-------------|
|                                                                                                                                    | Stage 1                | Stage 2 | Stage 3    | POCI | Total      | Stage 1                | Stage 2 | Stage 3   | POCI | Total     |             |
| ECL allowance-opening balance                                                                                                      | 10,448                 | 10.00   | 24,20,977  | -    | 24,31,435  | 12,994                 | 455     | 17,65,239 | -    | 17,78,688 |             |
| New assets originated or purchased / net disbursement@                                                                             | -                      | -       | -          | -    | -          | -                      | -       | 324       | -    | 324       |             |
| Impact on period end ECL of Exposures transferred between stages during the period and reversal of ECL on account of Recovery and# | 7,580                  | (3)     | 11,093     | -    | 18,670     | (1,954)                | (17)    | 6,71,565  | -    | 6,69,594  |             |
| Transfers to Stage 1                                                                                                               | 7,975                  | -       | (7,975)    | -    | -          | 4,062                  | (2)     | (4,060)   | -    | -         |             |
| Transfers to Stage 2                                                                                                               | -                      | -       | -          | -    | -          | (9)                    | 23      | (14)      | -    | -         |             |
| Transfers to Stage 3                                                                                                               | (2,807)                | (3)     | 2,810      | -    | -          | (4,645)                | (449)   | 5,094     | -    | -         |             |
| Amounts written off                                                                                                                | (14,426)               | (4)     | (1,08,432) | -    | (1,22,862) | -                      | -       | (17,171)  | -    | (17,171)  |             |
| ECL allowance-closing balance                                                                                                      | 8,770                  | -       | 23,18,473  | -    | 23,27,243  | 10,448                 | 10      | 24,20,977 | -    | 24,31,435 |             |

\* Includes ECL allowance of ₹ Nil (March 31st, 2024 ₹ Nil Lacs) on off balance sheet exposure.

\* Includes ECL allowance created on loan assets measured through other comprehensive income of ₹ Nil (March 31st, 2024 ₹ Nil).

@ On conversion / transfer of Investment and AAD to Loan.

# Represents balancing figure.

i. The contractual amount outstanding on loan assets that were written off during the reporting period but are still subject to enforcement activity is ₹ 57,283 Lacs (March 31st, 2024 ₹ 18,919 Lacs).

ii. 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.

# Notes to the Consolidated Financial Statements

for the year ended 31st March, 2025 (Contd.)

## 6. Investment

(₹ in Lacs)

| Particular                                              | As at 31st March, 2025 |                                    |                        |                                                 |               |        |                 | As at 31st March, 2024 |                                    |                        |                                                 |               |        |               |
|---------------------------------------------------------|------------------------|------------------------------------|------------------------|-------------------------------------------------|---------------|--------|-----------------|------------------------|------------------------------------|------------------------|-------------------------------------------------|---------------|--------|---------------|
|                                                         | At Fair Value          |                                    |                        |                                                 |               |        |                 | At Fair Value          |                                    |                        |                                                 |               |        |               |
|                                                         | Amortised cost         | Through Other Comprehensive Income | Through Profit or Loss | Designated at Fair value through Profit or Loss | Subtotal      | Others | Total           | Amortised cost         | Through other Comprehensive Income | Through Profit or Loss | Designated at fair Value through Profit or Loss | Subtotal      | Others | Total         |
| Investments                                             |                        |                                    |                        |                                                 |               |        |                 |                        |                                    |                        |                                                 |               |        |               |
| Debt securities                                         | 18,027                 |                                    | 6,734                  | -                                               | 6,734         | -      | 24,761          | 18,782                 | -                                  | 7,468                  | -                                               | 7,468         | -      | 26,250        |
| Equity instrument other than Joint Venture & Associates | -                      | 17,542                             | 29,998                 | -                                               | 47,540        | -      | 47,540          | -                      | 28,365                             | 17,975                 | -                                               | 46,340        | -      | 46,340        |
| In Units of Trusts and Schemes of Venture Funds         | -                      | 6,883                              | 23,411                 | -                                               | 30,294        | -      | 30,294          | -                      | 5,844                              | 2,787                  | -                                               | 8,631         | -      | 8,631         |
| <b>Total – Gross A</b>                                  | <b>18,027</b>          | <b>24,425</b>                      | <b>60,143</b>          | -                                               | <b>84,568</b> | -      | <b>1,02,595</b> | <b>18,782</b>          | <b>34,209</b>                      | <b>28,230</b>          | -                                               | <b>62,439</b> | -      | <b>81,221</b> |
| (i) Investments outside India                           | -                      | -                                  | -                      | -                                               | -             | -      | -               | -                      | -                                  | -                      | -                                               | -             | -      | -             |
| (ii) Investments in India                               | 18,027                 | 24,425                             | 60,143                 | -                                               | 84,568        | -      | 1,02,595        | 18,782                 | 34,209                             | 28,230                 | -                                               | 62,439        | -      | 81,221        |
| <b>Total – B</b>                                        | <b>18,027</b>          | <b>24,425</b>                      | <b>60,143</b>          | -                                               | <b>84,568</b> | -      | <b>1,02,595</b> | <b>18,782</b>          | <b>34,209</b>                      | <b>28,230</b>          | -                                               | <b>62,439</b> | -      | <b>81,221</b> |
| Less: Impairment loss allowance (C)                     | (9,590)                | -                                  | -                      | -                                               | -             | -      | (9,590)         | (9,590)                | -                                  | (1,648)                | -                                               | (1,648)       | -      | (11,238)      |
| <b>Total – Net D = (A)-(C)</b>                          | <b>8,437</b>           | <b>24,425</b>                      | <b>60,143</b>          | -                                               | <b>84,568</b> | -      | <b>93,005</b>   | <b>9,192</b>           | <b>34,209</b>                      | <b>26,582</b>          | -                                               | <b>60,791</b> | -      | <b>69,983</b> |

(i) 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, 2025, Trinity has supplied NAV for funds as of September 30, 2024, forming the basis for the recognition of fair valuation. However, India Advantage Fund and Infrastructure Project Development Capital has been recognised on the basis of valuation report provided as on 31st March, 2024.

(ii) 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 non-compliance with SEBI Regulations. The fair value of IPCL shares, as quoted on March 31, 2025, 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, 2024, has assessed the value of IPCL shares as Nil, reflecting the ongoing delay in the allotment process.

(iii) 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.

(iv) 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.

(v) Equity instrument includes Compulsory Convertible Debentures (CCD) converted into equity shares of ₹ 14,900 Lacs at the end of the tenor of CCD's i.e. February 28th, 2025 as per Amendment and Supplementary subscription agreement dated March 31st, 2021 between Brace Iron and Steel Private Limited (BISPL) and the Company. Further, as per agreed terms, BISPL had also interest obligation of ₹ 2,79,47 Lacs to be paid to the Company in cash on the maturity date of February 28th, 2025.

However, in contravention to the agreed terms BISPL had purportedly allotted 3,09,87,734 equity shares to the Company at value of ₹ 97.87 per share (including share premium of ₹ 87.87 per share) of ₹ 3,03,27 Lacs including entire unpaid interest. The Company had issued notice of breach to BISPL for wrongful conversion of Compulsory Convertible Debentures under Supplementary subscription agreement as amended.

(vi) Equity instrument includes unquoted equity shares from AMR India Limited, which has been last fair valued as at March 31st, 2024. Due to arbitration proceeding going on with the Company and non-availability of the adequate financial information's from the Company, fair value has been considered same as last year.

(vii) The Board of Directors of the Company at its meeting held on 11.02.2025 approved a scheme of merger of four wholly owned subsidiaries viz Srei Capital Market Ltd (Transferor company no. 1) and Srei Mutual Fund Assets Management Pvt Ltd (Transferor company no. 2) and Srei Mutul Fund Trust Pvt Ltd (Transferor company no. 3) and Srei Assets Leasing Ltd (Transferor company no. 4) and Srei Infrastructure Finance Ltd (Transferee company) have considered and proposed the merger of the entire undertaking and business of the Transferor companies with the Transferee company in order to benefit the stakeholders of all companies, under Sections 233 of the Companies Act, 2013 and other applicable laws and regulations ('the Scheme'), subject to requisite approvals from various regulatory and statutory authorities.

# Notes to the Consolidated Financial Statements

for the year ended 31st March, 2025 (Contd.)

## 7. Other Financial Assets

| Particulars                                                    | (₹ in Lacs)             |                         |
|----------------------------------------------------------------|-------------------------|-------------------------|
|                                                                | As at<br>March 31, 2025 | As at<br>March 31, 2024 |
| Rental accrued but not due                                     | 58                      | 144                     |
| Less: Impairment loss allowance for Rental accrued but not due | (5)                     | (8)                     |
| Loan to employees                                              | 14                      | -                       |
| Security deposits                                              | 1,042                   | 1,106                   |
| Less: Impairment loss allowance for Security deposits          | (822)                   | (740)                   |
| Other Advances and Receivables                                 | 575                     | 338                     |
| Contribution to trust fund                                     | 1                       | 1                       |
| <b>Total</b>                                                   | <b>863</b>              | <b>841</b>              |

## 8. Current Tax Assets (Net)

| Particulars                               | (₹ in Lacs)             |                         |
|-------------------------------------------|-------------------------|-------------------------|
|                                           | As at<br>March 31, 2025 | As at<br>March 31, 2024 |
| Advance Tax (net of income tax provision) | 19,077                  | 23,042                  |
| <b>Total</b>                              | <b>19,077</b>           | <b>23,042</b>           |

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

| Particulars                                                                      | (₹ in Lacs)                              |                                          |
|----------------------------------------------------------------------------------|------------------------------------------|------------------------------------------|
|                                                                                  | For the period ended<br>31st March, 2025 | For the period ended<br>31st March, 2024 |
| <b>Profit Before Tax</b>                                                         | (19,296)                                 | (7,78,804)                               |
| Statutory Income Tax Rate                                                        | 25,168%                                  | 25.168%                                  |
| Expected income tax expense at statutory income tax rate                         | -                                        | -                                        |
| (i) Adjustment against Brought Forward Losses                                    | -                                        | -                                        |
| (ii) Other differences                                                           | (87)                                     | (88)                                     |
| (iii) Income Tax for earlier years                                               | 3                                        | 19                                       |
| <b>Total Tax Expense recognised in Consolidated Statement of Profit and Loss</b> | <b>(84)</b>                              | <b>(69)</b>                              |
| <b>Total Tax Expense recognised in Other Comprehensive Income</b>                | <b>10</b>                                | <b>2</b>                                 |

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

| Particulars                                                                 | (₹ in Lacs)             |                         |
|-----------------------------------------------------------------------------|-------------------------|-------------------------|
|                                                                             | As at<br>March 31, 2025 | As at<br>March 31, 2024 |
| MAT Credit Entitlement                                                      | -                       | -                       |
| Financial Assets and Liabilities at FVTPL                                   | 43,904                  | 51,832                  |
| Receivables, Financial Assets and Liabilities at Amortised Cost             | 15,213                  | 16,088                  |
| Unrealised gain on Investment carried at Fair Value                         | 5,414                   | 7,508                   |
| Carried Forward of Losses & Unabsorbed Depreciation                         | 36,696                  | 5,91,619                |
| Property, Plant and Equipment and Intangible Assets                         | 4,585                   | 1,663                   |
| Loss under Income Tax                                                       | 5,77,364                | 2,547                   |
| Other Timing Differences                                                    | 624                     | (2,470)                 |
| Expenses allowable for tax purpose when paid                                | 152                     | 40,347                  |
| Provisions                                                                  | 36                      | 217                     |
| <b>Net Deferred Tax Assets / (Liabilities)</b>                              | <b>6,83,987</b>         | <b>7,09,351</b>         |
| Net Deferred tax assets not recognised in Statement of Profit & Loss        | 6,83,248                | 7,08,709                |
| <b>Net Deferred tax assets recognised in Statement of Profit &amp; Loss</b> | <b>739</b>              | <b>642</b>              |



## Notes to the Consolidated Financial Statements

for the year ended 31st March, 2025 (Contd.)

### 10. Property, Plant and Equipment

| Particulars                     | Gross Carrying Amount |           |                                 |                                           | Depreciations / Amortisations and Impairment |                       |                                    |                   |                                 | Net Carrying Amount                       |                        |        |
|---------------------------------|-----------------------|-----------|---------------------------------|-------------------------------------------|----------------------------------------------|-----------------------|------------------------------------|-------------------|---------------------------------|-------------------------------------------|------------------------|--------|
|                                 | As at 1st April, 2024 | Additions | Disposals and other adjustments | Transfer to Assets held for Sale (Note12) | As at 31st March, 2025                       | As at 1st April, 2024 | Depreciation / amortisation Charge | Impairment Charge | Disposals and other adjustments | Transfer to Assets held for Sale (Note12) | As at 31st March, 2025 |        |
| Assets for Own use              |                       |           |                                 |                                           |                                              |                       |                                    |                   |                                 |                                           |                        |        |
| Freehold Land                   | 3,316                 | -         | -                               | -                                         | 3,316                                        | -                     | -                                  | 3,303             | -                               | -                                         | 3,303                  | 13     |
| Buildings *                     | 16,382                | -         | -                               | 1,793                                     | 14,589                                       | 2,205                 | 342                                | -                 | -                               | 369                                       | 2,178                  | 12,411 |
| Plant and Machinery             | 22,545                | -         | 24                              | -                                         | 22,521                                       | 7,222                 | 1,025                              | 3,942             | 24                              | -                                         | 12,165                 | 10,356 |
| Furniture and Fixtures          | 3,128                 | -         | 349                             | -                                         | 2,779                                        | 2,625                 | 154                                | 311               | 340                             | -                                         | 2,750                  | 29     |
| Motor Vehicles                  | 359                   | -         | 94                              | -                                         | 265                                          | 313                   | 26                                 | -                 | 86                              | -                                         | 253                    | 12     |
| Computers & Office Equipments   | 641                   | 181       | 109                             | -                                         | 713                                          | 608                   | 17                                 | 2                 | 109                             | -                                         | 518                    | 195    |
| Leasehold Improvements          | 2,325                 | -         | 16                              | -                                         | 2,309                                        | 2,247                 | 62                                 | 11                | 16                              | -                                         | 2,304                  | 5      |
| (A)                             | 48,696                | 181       | 592                             | 1,793                                     | 46,492                                       | 15,220                | 1,526                              | 7,569             | 575                             | 369                                       | 23,471                 | 23,021 |
| Assets given on Operating lease |                       |           |                                 |                                           |                                              |                       |                                    |                   |                                 |                                           |                        |        |
| Plant and Machinery             | 1,40,204              | -         | 11,300                          | -                                         | 1,28,904                                     | 1,05,916              | 8,471                              | 971               | 9,449                           | -                                         | 1,05,909               | 22,995 |
| Earthmoving Equipments          | 80,242                | -         | 12,312                          | -                                         | 67,930                                       | 73,704                | 4,521                              | 449               | 11,281                          | -                                         | 67,393                 | 537    |
| Furniture and Fixtures          | 6,283                 | -         | 2,121                           | -                                         | 4,162                                        | 5,164                 | 257                                | 73                | 1,812                           | -                                         | 3,682                  | 480    |
| Motor Vehicles                  | 56,718                | -         | 6,605                           | -                                         | 50,113                                       | 53,925                | 2,175                              | 178               | 6,343                           | -                                         | 49,935                 | 178    |
| Windmills                       | 7,821                 | -         | -                               | -                                         | 7,821                                        | 5,736                 | 653                                | -                 | -                               | -                                         | 6,389                  | 1,432  |
| Computers & Office Equipments   | 10,077                | -         | 3,419                           | -                                         | 6,658                                        | 10,071                | 6                                  | -                 | 3,419                           | -                                         | 6,658                  | -      |
| (B)                             | 3,01,345              | -         | 35,757                          | -                                         | 2,65,588                                     | 2,54,516              | 16,083                             | 1,671             | 32,304                          | -                                         | 2,39,966               | 25,622 |
| Total (C)= (A+B)                | 3,50,041              | 181       | 36,349                          | -                                         | 3,12,080                                     | 2,69,736              | 17,709                             | 9,240             | 32,879                          | 369                                       | 2,63,437               | 48,643 |

\*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.

Buildings includes ₹ 3,897 Lacs (Net book value of ₹ 3,484 Lacs) in respect of which conveyance is pending. These immovable properties were transferred to the SEFL pursuant to BTA (Refer Note No. 53)

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2025 (Contd.)

11(a). Other Intangible Assets

| Particulars                     | Gross Carrying Amount |           |                                 |                                           | Depreciations / Amortisations and Impairment |                       |                                    |                   |                                 | Net Carrying Amount                       |                        |
|---------------------------------|-----------------------|-----------|---------------------------------|-------------------------------------------|----------------------------------------------|-----------------------|------------------------------------|-------------------|---------------------------------|-------------------------------------------|------------------------|
|                                 | As at 1st April, 2024 | Additions | Disposals and other adjustments | Transfer to Assets held for Sale (Note12) | As at 31st March, 2025                       | As at 1st April, 2024 | Depreciation / amortisation Charge | Impairment Charge | Disposals and other adjustments | Transfer to Assets held for Sale (Note12) | As at 31st March, 2025 |
| Assets for Own use              |                       |           |                                 |                                           |                                              |                       |                                    |                   |                                 |                                           |                        |
| Software                        | 3,124                 | -         | 47                              | -                                         | 3,077                                        | 2,809                 | 266                                | -                 | 46                              | -                                         | 3,029                  |
| Assets given on Operating lease |                       |           |                                 |                                           |                                              |                       |                                    |                   |                                 |                                           | 49                     |
| Software                        | 443                   | -         | -                               | -                                         | 443                                          | 443                   | -                                  | -                 | -                               | -                                         | 443                    |
| Total                           | 3,567                 | -         | 47                              | -                                         | 3,520                                        | 3,252                 | 266                                | -                 | 46                              | -                                         | 3,472                  |
|                                 |                       |           |                                 |                                           |                                              |                       |                                    |                   |                                 |                                           | 49                     |

11(b). Intangible Assets under Development.

| Particulars                         | Gross Carrying Amount |            |                                 |                                           | Depreciations / Amortisations and Impairment |                       |                                    |                   |                                 | Net Carrying Amount                       |                        |
|-------------------------------------|-----------------------|------------|---------------------------------|-------------------------------------------|----------------------------------------------|-----------------------|------------------------------------|-------------------|---------------------------------|-------------------------------------------|------------------------|
|                                     | As at 1st April, 2024 | Additions  | Disposals and other adjustments | Transfer to Assets held for Sale (Note12) | As at 31st March, 2025                       | As at 1st April, 2024 | Depreciation / amortisation Charge | Impairment Charge | Disposals and other adjustments | Transfer to Assets held for Sale (Note12) | As at 31st March, 2025 |
| Intangible Assets under development | 6                     | 634        | -                               | -                                         | 640                                          | -                     | -                                  | -                 | -                               | -                                         | -                      |
| <b>Total</b>                        | <b>6</b>              | <b>634</b> | <b>-</b>                        | <b>-</b>                                  | <b>640</b>                                   | <b>-</b>              | <b>-</b>                           | <b>-</b>          | <b>-</b>                        | <b>-</b>                                  | <b>-</b>               |

Breakup of Depreciation / Amortisation and Impairment for the year ended 31st March, 2025 is as below:

| (₹ in Lacs)                   |        |
|-------------------------------|--------|
| Particulars                   | Total  |
| Property, Plant and Equipment | 26,949 |
| Other Intangible Assets       | 266    |
| Right-of-use Assets           | 188    |
| Total                         | 27,403 |

## Notes to the Consolidated Financial Statements

for the year ended 31st March, 2025 (Contd.)

### 10. Property, Plant and Equipment

| Particulars                            | Gross Carrying Amount    |           |                                       |                              | Depreciations / Amortisations and Impairment |                                          |                      |                                       | Net Carrying Amount       |                           |
|----------------------------------------|--------------------------|-----------|---------------------------------------|------------------------------|----------------------------------------------|------------------------------------------|----------------------|---------------------------------------|---------------------------|---------------------------|
|                                        | As at<br>1st April, 2023 | Additions | Disposals and<br>other<br>adjustments | As at<br>31st March,<br>2024 | As at<br>1st April, 2023                     | Depreciation /<br>amortisation<br>Charge | Impairment<br>Charge | Disposals and<br>other<br>adjustments | As at<br>31st March, 2024 | As at<br>31st March, 2024 |
| <b>Assets for Own use</b>              |                          |           |                                       |                              |                                              |                                          |                      |                                       |                           |                           |
| Freehold Land                          | 3,316                    | -         | -                                     | 3,316                        | -                                            | -                                        | -                    | -                                     | -                         | 3,316                     |
| Buildings*                             | 16,380                   | 2         | -                                     | 16,382                       | 1,862                                        | 343                                      | -                    | -                                     | 2,205                     | 14,177                    |
| Plant and Machinery                    | 22,545                   | -         | -                                     | 22,545                       | 6,196                                        | 1,026                                    | -                    | -                                     | 7,222                     | 15,323                    |
| Furniture and Fixtures                 | 3,172                    | 3         | 47                                    | 3,128                        | 2,301                                        | 365                                      | -                    | 41                                    | 2,625                     | 503                       |
| Motor Vehicles                         | 402                      | -         | 43                                    | 359                          | 320                                          | 36                                       | -                    | 43                                    | 313                       | 46                        |
| Computers & Office Equipments          | 709                      | 26        | 94                                    | 641                          | 685                                          | 15                                       | -                    | 92                                    | 608                       | 33                        |
| Leasehold Improvements                 | 2,325                    | -         | -                                     | 2,325                        | 2,085                                        | 162                                      | -                    | -                                     | 2,247                     | 78                        |
| <b>(A)</b>                             | <b>48,849</b>            | <b>31</b> | <b>184</b>                            | <b>48,696</b>                | <b>13,449</b>                                | <b>1,947</b>                             | <b>-</b>             | <b>176</b>                            | <b>15,220</b>             | <b>33,476</b>             |
| <b>Assets given on Operating lease</b> |                          |           |                                       |                              |                                              |                                          |                      |                                       |                           |                           |
| 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                                    | 560                  | 17,129                                | 73,704                    | 6,538                     |
| Furniture and Fixtures                 | 6,337                    | -         | 54                                    | 6,283                        | 3,739                                        | 600                                      | 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                                      | 597                  | -                                     | 5,736                     | 2,085                     |
| Computers & Office Equipments          | 11,930                   | -         | 1,853                                 | 10,077                       | 11,499                                       | 329                                      | -                    | 1,757                                 | 10,071                    | 6                         |
| <b>(B)</b>                             | <b>3,32,896</b>          | <b>-</b>  | <b>31,551</b>                         | <b>3,01,345</b>              | <b>2,35,112</b>                              | <b>28,201</b>                            | <b>18,941</b>        | <b>27,738</b>                         | <b>2,54,516</b>           | <b>46,829</b>             |
| <b>Total (C) = (A+B)</b>               | <b>3,81,745</b>          | <b>31</b> | <b>31,735</b>                         | <b>3,50,041</b>              | <b>2,48,561</b>                              | <b>30,148</b>                            | <b>18,941</b>        | <b>27,914</b>                         | <b>2,69,736</b>           | <b>80,305</b>             |

\*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.

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.

## Notes to the Consolidated Financial Statements

for the year ended 31st March, 2025 (Contd..)

### 11(a). Other Intangible Assets

| 11(a). Other Intangible Assets              |                          |           |                                       |                                              |                                          |                      |                                       |                           | (₹ in Lacs) |
|---------------------------------------------|--------------------------|-----------|---------------------------------------|----------------------------------------------|------------------------------------------|----------------------|---------------------------------------|---------------------------|-------------|
| Particulars                                 | Gross Carrying Amount    |           |                                       | Depreciations / Amortisations and Impairment |                                          |                      |                                       | Net Carrying Amount       |             |
|                                             | As at<br>1st April, 2023 | Additions | Disposals and<br>other<br>adjustments | As at<br>1st April, 2023                     | Depreciation /<br>amortisation<br>Charge | Impairment<br>Charge | Disposals and<br>other<br>adjustments | As at<br>31st March, 2024 |             |
| Assets for Own use Software                 | 3,062                    | 74        | 12                                    | 2,520                                        | 302                                      | -                    | 13                                    | 2,809                     |             |
| Assets given on Operating lease<br>Software | 443                      | -         | -                                     | 443                                          | -                                        | -                    | -                                     | 443                       |             |
| Total                                       | 3,505                    | 74        | 12                                    | 2,963                                        | 302                                      | -                    | 13                                    | 3,252                     |             |
|                                             |                          |           |                                       |                                              |                                          |                      |                                       | 315                       |             |

### 11(b). Other Intangible Assets

| 11(b). Other Intangible Assets              |                          |           |                                       | (₹ in Lacs)                                  |                                          |                      |                                       |                           |
|---------------------------------------------|--------------------------|-----------|---------------------------------------|----------------------------------------------|------------------------------------------|----------------------|---------------------------------------|---------------------------|
| Particulars                                 | Gross Carrying Amount    |           |                                       | Depreciations / Amortisations and Impairment |                                          |                      | Net Carrying Amount                   |                           |
|                                             | As at<br>1st April, 2023 | Additions | Disposals and<br>other<br>adjustments | As at<br>31st March,<br>2024                 | Depreciation /<br>amortisation<br>Charge | Impairment<br>Charge | Disposals and<br>other<br>adjustments | As at<br>31st March, 2024 |
| Assets given on Operating lease<br>Software | -                        | 6         | -                                     | 6                                            | -                                        | -                    | -                                     | 6                         |
| Total                                       | -                        | 6         | -                                     | 6                                            | -                                        | -                    | -                                     | 6                         |

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

| Particulars                   | Total         |
|-------------------------------|---------------|
| Property, Plant and Equipment | 30,148        |
| Other Intangible Assets       | 302           |
| Right-of-use Assets           | 283           |
| <b>Total</b>                  | <b>30,733</b> |



# Notes to the Consolidated Financial Statements

for the year ended 31st March, 2025 (Contd.)

## 12. Other Non-Financial Assets

| Particulars                                                     | (₹ in Lacs)               |                           |
|-----------------------------------------------------------------|---------------------------|---------------------------|
|                                                                 | As at<br>31st March, 2025 | As at<br>31st March, 2024 |
| Capital Advances                                                | 9                         | 29                        |
| Employee Advances                                               | 24                        | 22                        |
| Advance to Vendors for Operating Expenses                       | 414                       | 339                       |
| Balances with Government Authorities                            | 1,383                     | 1,569                     |
| Repossessed Assets and Assets acquired in satisfaction of debt* | 56                        | 421                       |
| Prepaid expenses                                                | 211                       | 144                       |
| <b>Total</b>                                                    | <b>2,097</b>              | <b>2,524</b>              |

\* Includes repossessed assets (net) amounting to ₹ 56 Lacs (March 31st, 2024: ₹ 422 Lacs). It also includes assets / collaterals acquired in satisfaction of debt amounting to ₹ Nil, the gross value of these assets / collaterals is ₹ 29,570 Lacs (March 31st, 2024: assets / collaterals acquired in satisfaction of debt amounting to ₹ Nil, the gross value of these assets / collaterals is ₹ 30,301 Lacs).

## 13. Non-Current Asset Held for Sale

| Particulars                  | (₹ in Lacs)               |                           |
|------------------------------|---------------------------|---------------------------|
|                              | As at<br>31st March, 2025 | As at<br>31st March, 2024 |
| Buildings                    | 1,424                     | -                         |
| Investment in equity shares* | 111                       | -                         |
| Others                       | 388                       | 388                       |
| <b>Total</b>                 | <b>1,923</b>              | <b>388</b>                |

\* Includes 21178 nos. of equity shares of Ashwath Infra Project Pvt Ltd amounting to ₹ 111 Lacs classified as Asset held for Sale as per Ind AS 105 during the year ended March 31st, 2025. The Company has received a tender for sale of Buildings & the sale is expected to be completed in near future. Accordingly, the carrying amount of buildings ₹ 1,424 Lacs have been classified as Assets held for sale in accordance with Ind AS 105 during the year ended March 31st, 2025.

## 14. Trade Payables

### (i) Total outstanding dues of micro enterprises and small enterprises

| Particulars                                                                                                                                                                                                                                                                                                                   | (₹ in Lacs)               |                           |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------|---------------------------|
|                                                                                                                                                                                                                                                                                                                               | As at<br>31st March, 2025 | As at<br>31st March, 2024 |
| a) The principal amount and interest due thereon remaining unpaid to any supplier                                                                                                                                                                                                                                             | -                         | 6                         |
| 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 | -                         | -                         |
| <b>Total</b>                                                                                                                                                                                                                                                                                                                  | <b>-</b>                  | <b>6</b>                  |

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

| Particulars               | (₹ in Lacs)               |                           |
|---------------------------|---------------------------|---------------------------|
|                           | As at<br>31st March, 2025 | As at<br>31st March, 2024 |
| For Supplies and Services | 238                       | 191                       |
| Others                    | 531                       | 80                        |
| <b>Total</b>              | <b>769</b>                | <b>271</b>                |

### (iii) Trade Payables ageing schedule

Trade Payables ageing schedule as at 31st March, 2025:

| Particulars                   | Outstanding for following periods from due date of payment |           |            |                   | Total      |
|-------------------------------|------------------------------------------------------------|-----------|------------|-------------------|------------|
|                               | Less than 1 year                                           | 1-2 years | 2-3 years  | More than 3 years |            |
| (i) MSME                      | -                                                          | -         | -          | -                 | -          |
| (ii) Others                   | 628                                                        | 31        | 104        | 6                 | 769        |
| (iii) Disputed dues-MSMEs and | -                                                          | -         | -          | -                 | -          |
| (iv) Disputed dues-Others     | -                                                          | -         | -          | -                 | -          |
| <b>Total</b>                  | <b>628</b>                                                 | <b>31</b> | <b>104</b> | <b>-</b>          | <b>769</b> |

Trade Payables ageing schedule as at 31st March, 2024:

| Particulars                   | Outstanding for following periods from due date of payment |            |           |                   | Total      |
|-------------------------------|------------------------------------------------------------|------------|-----------|-------------------|------------|
|                               | Less than 1 year                                           | 1-2 years  | 2-3 years | More than 3 years |            |
| (i) MSME                      | 6                                                          | -          | -         | -                 | 6          |
| (ii) Others                   | 161                                                        | 104        | 6         | -                 | 271        |
| (iii) Disputed dues-MSMEs and | -                                                          | -          | -         | -                 | -          |
| (iv) Disputed dues-Others     | -                                                          | -          | -         | -                 | -          |
| <b>Total</b>                  | <b>167</b>                                                 | <b>104</b> | <b>6</b>  | <b>-</b>          | <b>277</b> |

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2025 (Contd.)

15. Debt Securities

| Particulars                                  | As at 31st March, 2025 |                                       |                                                 |          | As at 31st March, 2024 |                                       |                                                 |
|----------------------------------------------|------------------------|---------------------------------------|-------------------------------------------------|----------|------------------------|---------------------------------------|-------------------------------------------------|
|                                              | 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 |
|                                              |                        |                                       |                                                 |          |                        |                                       |                                                 |
| Secured (Refer Note No. 52)                  |                        |                                       |                                                 |          |                        |                                       |                                                 |
| Non-Convertible Debentures (Refer Note 15.1) | 2,02,325               | -                                     | -                                               | 2,02,325 | 2,97,597               | -                                     | -                                               |
| Total                                        | 2,02,325               | -                                     | -                                               | 2,02,325 | 2,97,597               | -                                     | 2,97,597                                        |
| Debt securities in India                     | 2,02,325               |                                       |                                                 | 2,02,325 | 2,97,597               |                                       | 2,97,597                                        |
| Debt securities outside India                | -                      | -                                     | -                                               | -        | -                      | -                                     | -                                               |
| Total                                        | 2,02,325               | -                                     | -                                               | 2,02,325 | 2,97,597               | -                                     | 2,97,597                                        |

(₹ in Lacs)

# Notes to the Consolidated Financial Statements

for the year ended 31st March, 2025 (Contd.)

## 15.1 Secured Non-Convertible Debentures

| Date of Allotment  | Face value per debenture (₹) | Amount outstanding (₹ in Lacs) ## |                        | Interest rate (%)* | Earliest redemption date / Balance tenure (years)* |
|--------------------|------------------------------|-----------------------------------|------------------------|--------------------|----------------------------------------------------|
|                    |                              | As at March 31st, 2025            | As at March 31st, 2024 |                    |                                                    |
| Private Placement: |                              |                                   |                        |                    |                                                    |
| 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                          | 1,93,823               | 0.00%              | 26 December, 2027                                  |
| 26 December, 2023  | 1,000                        | 92,066                            | 92,066                 | 0.00%              | 26 December, 2028                                  |
| Total              |                              | 2,85,889                          | 4,31,256               |                    |                                                    |

## Includes Deferred Interest of NCD of ₹ 83,557 Lacs (March 31st, 2024: ₹ 1,33,639 Lacs), effective interest adjustment of ₹ 10 Lacs (March 31st, 2024: ₹ 20 Lacs) and does not includes Interest Accrued and not due of ₹ 4 Lacs (March 31st, 2024: ₹ 1 Lacs) and overdue interest ₹ Nil (March 31st, 2024: ₹ Nil)

\* 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 full redemption of NCD 1 (Face value of ₹ 19,382 Lacs) basis NPV @8% for ₹ 18,291 Lacs on March 27th, 2024.

\*\*\* In terms of the approved resolution Plan accelerated payment made to NARCL Trust - 0007 against full redemption of NCD 2 ( Face value ₹ 58,147 Lacs) basis NPV @ 10% for ₹ 50,195 Lacs and full redemption of NCD 3 (Face Value ₹ 87,220 Lacs) basis NPV @ 10% for ₹ 71,431 Lacs on various dates during year ended March 31st, 2025.

### 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.

## 16. Borrowings (Other than Debt Securities)

(₹ in Lacs)

| Particulars                                 | As at 31st March, 2025 |                                       |                                                 |            | As at 31st March, 2024 |                                       |                                                 |            |
|---------------------------------------------|------------------------|---------------------------------------|-------------------------------------------------|------------|------------------------|---------------------------------------|-------------------------------------------------|------------|
|                                             | 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      |
| <b>Secured (Refer Note No. 1(a) and 52)</b> |                        |                                       |                                                 |            |                        |                                       |                                                 |            |
| Collateral Borrowings (Refer Note No. 16.1) | 112                    | -                                     | -                                               | 112        | 525                    | -                                     | -                                               | 525        |
| <b>Total</b>                                | <b>112</b>             | <b>-</b>                              | <b>-</b>                                        | <b>112</b> | <b>525</b>             | <b>-</b>                              | <b>-</b>                                        | <b>525</b> |
| Borrowings in India                         | 112                    | -                                     | -                                               | 112        | 525                    | -                                     | -                                               | 525        |
| Borrowings outside India                    | -                      | -                                     | -                                               | -          | -                      | -                                     | -                                               | -          |
| <b>Total</b>                                | <b>112</b>             | <b>-</b>                              | <b>-</b>                                        | <b>112</b> | <b>525</b>             | <b>-</b>                              | <b>-</b>                                        | <b>525</b> |

# Notes to the Consolidated Financial Statements

for the year ended 31st March, 2025 (Contd.)

## 16.1 Secured Collateralised Borrowings

| Particulars               | Outstanding<br>(₹ in Lacs) | Repayment terms |             |           | Balance<br>tenure<br>(years) | Rate of<br>Interest<br>per annum | Nature of security                                                |
|---------------------------|----------------------------|-----------------|-------------|-----------|------------------------------|----------------------------------|-------------------------------------------------------------------|
|                           |                            | Overdue#        | (₹ in Lacs) |           |                              |                                  |                                                                   |
|                           |                            |                 | Monthly     | Quarterly |                              |                                  |                                                                   |
|                           |                            |                 |             |           |                              |                                  |                                                                   |
| Collateralised Borrowings | 112                        | -               | 112         | -         | 0-1                          | 13%                              | The represents amount against assignment of future lease rentals. |
| Total                     | 112                        | -               | 112         | -         |                              |                                  |                                                                   |

| Particulars               | Outstanding            | Repayment terms |         |           | Balance tenure (years) | Rate of Interest per annum | Nature of security                                                |                   |
|---------------------------|------------------------|-----------------|---------|-----------|------------------------|----------------------------|-------------------------------------------------------------------|-------------------|
|                           | (₹ in Lacs)            | (₹ in Lacs)     |         |           |                        |                            |                                                                   |                   |
|                           | As at 31st March, 2024 | Overdue#        | Monthly | Quarterly |                        |                            |                                                                   | Single instalment |
|                           |                        |                 |         |           |                        |                            |                                                                   |                   |
| Collateralised Borrowings | 525                    | -               | 525     | -         | 0-2                    | 13%                        | The represents amount against assignment of future lease rentals. |                   |
| Total                     | 525                    | -               | 525     | -         |                        |                            |                                                                   |                   |

Does not include effective interest rate adjustment ₹ Nil and Interest accrued and not due ₹ 0.17 Lacs.

# The balance lying in escrow bank accounts in lieu of court injunction order has been adjusted with overdue amount.



## Notes to the Consolidated Financial Statements

for the year ended 31st March, 2025 (Contd.)

### 17. Subordinated Liabilities

| Particulars                                  | As at 31st March, 2025 |                                       |                                                 | As at 31st March, 2024 |                   |                                       | Total        |
|----------------------------------------------|------------------------|---------------------------------------|-------------------------------------------------|------------------------|-------------------|---------------------------------------|--------------|
|                                              | 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 |              |
| Unsecured                                    |                        |                                       |                                                 |                        |                   |                                       |              |
| Redeemable Optionally Convertible Debenture- |                        |                                       |                                                 |                        |                   |                                       |              |
| Unsecured (Tier II Capital)(Refer Note 17.4) | 6,988                  | -                                     | -                                               | 6,988                  | 6,236             | -                                     | 6,236        |
| <b>Total</b>                                 | <b>6,988</b>           |                                       |                                                 | <b>6,988</b>           | <b>6,236</b>      |                                       | <b>6,236</b> |
| Subordinated Liabilities in India            | 6,988                  | -                                     | -                                               | 6,988                  | 6,236             | -                                     | 6,236        |
| Subordinated Liabilities outside India       | -                      | -                                     | -                                               | -                      | -                 | -                                     | -            |
| <b>Total</b>                                 | <b>6,988</b>           | -                                     | -                                               | <b>6,988</b>           | <b>6,236</b>      | -                                     | <b>6,236</b> |

(₹ in Laos)

#### 17.1 Subordinated Perpetual bonds/debentures (Tier I Capital)

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. Hence, the outstanding amount of Subordinated Perpetual Debentures became ₹ Nil as on 31st March, 2024.

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 in respect of SIFL's obligation for interest on Non-convertible Perpetual Bond.

#### 17.2 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, 2025 and year ended 31st March, 2024.

#### 17.3 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, 2025 and year ended 31st March, 2024.

# Notes to the Consolidated Financial Statements

for the year ended 31st March, 2025 (Contd.)

## 17.4 Unsecured subordinated optionally convertible debentures (OCD-Tier II Capital)

During the year ended March 31st, 2025, in terms of the approved resolution plan, the Company has issued subordinated optionally convertible debentures qualifying for Tier II Capital amounting ₹ Nil (March 31st, 2024 ₹ 8,00,000 Lacs). The following table sets forth, outstanding as at the Balance Sheet date:

|                       | Amount outstanding (₹ in Lacs) # |                         |                                                     | Interst rate (%)* | Earliest redemption date / Balance tenure (years)* |
|-----------------------|----------------------------------|-------------------------|-----------------------------------------------------|-------------------|----------------------------------------------------|
|                       | Face value per debenture (₹)     | As at March 31st, 2025@ | As at March 31st, 2024 (Refer Note No. 1(a) and 52) |                   |                                                    |
| Private Placement:    |                                  |                         |                                                     |                   |                                                    |
| 19 December , 2023 ** | 1,000                            | 6,96,882                | 6,96,882                                            | 0.001%            | 18 December, 2031                                  |
| 19 December, 2023     | 1,000                            | 25,716                  | 25,716                                              | 0.001%            | 18 December, 2031                                  |
| 19 December, 2023     | 1,000                            | 77,402                  | 77,402                                              | 0.001%            | 18 December, 2031                                  |
| Total                 |                                  | 8,00,000                | 8,00,000                                            |                   |                                                    |

@ In terms of the approved resolution plan, the Company has issued OCD on December 19th, 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 ₹ 960 Lacs (March 31st, 2024: ₹ 208 Lacs) and overdue interest ₹ Nil (March 31st, 2024: ₹ Nil).

\*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.

\*\*OCDs of ₹ 151 Lacs pending for allotment as the application for allotment has not been made by Candor Kolkata One Hi-Tech Structures Pvt Ltd.

## 18. Other Financial Liabilities

| Particulars                                            | (₹ in Lacs)            |                        |
|--------------------------------------------------------|------------------------|------------------------|
|                                                        | As at 31st March, 2025 | As at 31st March, 2024 |
| Unpaid Dividends                                       | 9                      | 14                     |
| Unpaid Matured Debentures and Interest Accrued thereon | 326                    | 302                    |
| Trade Deposits received                                | 5,119                  | 7,176                  |
| Security Deposits & Retentions                         | 78                     | 37                     |
| Payable to Employees                                   | 334                    | 346                    |
| Liability for Operating Expenses                       | 855                    | 1,358                  |
| Advance from Operating Lease Customers                 | 1,526                  | 2,121                  |
| Advances and Due to Others                             | 1                      | -                      |
| <b>Total</b>                                           | <b>8,248</b>           | <b>11,354</b>          |

## 19. Provisions

| Particulars                                          | (₹ in Lacs)            |                        |
|------------------------------------------------------|------------------------|------------------------|
|                                                      | As at 31st March, 2025 | As at 31st March, 2024 |
| Provision for employee benefits (Refer Note No. 46)  |                        |                        |
| Provision for Gratuity                               | 101                    | 17                     |
| Provision for Unavailed Leave (including sick leave) | 151                    | 144                    |
| <b>Total</b>                                         | <b>252</b>             | <b>161</b>             |

## 20. Other Non-Financial Liabilities

| Particulars                                             | (₹ in Lacs)            |                        |
|---------------------------------------------------------|------------------------|------------------------|
|                                                         | As at 31st March, 2025 | As at 31st March, 2024 |
| Deferred Interest on Secured Non Convertible Debentures | 83,557                 | 1,33,639               |
| Advance from Customers                                  | -                      | 9                      |
| Statutory Liabilities                                   | 546                    | 1,304                  |
| Pre-received amount for lease contracts                 | 98                     | 33                     |
| <b>Total</b>                                            | <b>84,201</b>          | <b>1,34,985</b>        |

# Notes to the Consolidated Financial Statements

for the year ended 31st March, 2025 (Contd.)

## 21. Equity Share Capital

| Particulars                                                             | As at 31st March, 2025 |                 | As at 31st March, 2024 |                 |
|-------------------------------------------------------------------------|------------------------|-----------------|------------------------|-----------------|
|                                                                         | No. of Shares          | ₹ in Lacs       | No. of Shares          | ₹ in Lacs       |
| <b>Authorised</b>                                                       |                        |                 |                        |                 |
| Equity Shares, ₹ 1/- par value per share (Previous year ₹ 10 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          |
|                                                                         |                        | <b>1,50,000</b> |                        | <b>1,50,000</b> |
| <b>Issued and subscribed</b>                                            |                        |                 |                        |                 |
| Equity Shares, ₹ 1/- par value per share (Previous year ₹ 10 per share) | 10,00,000              | 100             | 10,00,000              | 100             |
|                                                                         |                        | <b>100</b>      |                        | <b>100</b>      |
| Fully Paid-up                                                           |                        |                 |                        |                 |
| Equity Shares, ₹ 1/- par value per share (Previous year ₹ 10 per share) | 10,00,000              | 100             | 10,00,000              | 100             |
|                                                                         |                        | <b>100</b>      |                        | <b>100</b>      |

### 21.1 Reconciliation of the number of equity shares outstanding

The reconciliation of the number of equity shares outstanding and the corresponding amount thereof, as at the Balance Sheet date is set out below:

| Equity Shares                   | As at 31st March, 2025 |           | As at 31st March, 2024 |           |
|---------------------------------|------------------------|-----------|------------------------|-----------|
|                                 | No. of Shares          | ₹ in Lacs | No. of Shares          | ₹ in Lacs |
| At the beginning of the year*   | 1000000                | 100       | 503086333              | 50,309    |
| Add: Issued during the year     | 0                      | -         | 491006197              | 49,101    |
| Less: Reduction during the year | 0                      | -         | 993092530              | 99,309    |
| At the end of the year          | 1000000                | 100       | 1000000                | 100       |

\*The par value of equity shares has been reduced from ₹ 1 on May 7, 2024.

### 21.2 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:

| Equity Shares                                                        | As at 31st March, 2025 |                  | As at 31st March, 2024 |                  |
|----------------------------------------------------------------------|------------------------|------------------|------------------------|------------------|
|                                                                      | 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        | 1,16,91,68,206         | 11,69,168        |
| <b>At the end of the year</b>                                        | <b>1,16,91,68,206</b>  | <b>11,69,168</b> | <b>1,16,91,68,206</b>  | <b>11,69,168</b> |

### 21.3 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 ₹ 1/- (Previous year ₹ 10/-) and ₹ 100/- each respectively. 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.

### 21.4 Shares allotted as fully paid-up without payment being received in cash/by way of bonus shares (during 5 years preceding 31st March, 2025)

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 Intercompany Deposit from SEFL (Refer Note 15). The Company had also issued 100000 equity shares to ESOP Trust during this period without payment being received in cash. The par value of equity shares has been reduced from ₹ 10 to ₹ 1 on May 7, 2024. Apart from aforesaid, 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.

# Notes to the Consolidated Financial Statements

for the year ended 31st March, 2025 (Contd.)

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

| Name of the Shareholders                      | As at 31st March, 2025 |                   | As at 31st March, 2024 |                   |
|-----------------------------------------------|------------------------|-------------------|------------------------|-------------------|
|                                               | No. of Shares          | % of Shareholding | No. of Shares          | % of Shareholding |
| National Asset Reconstruction Company Limited | 4,60,000               | 46.00             | 4,60,000               | 46.00             |
| India Debt Resolution Company Limited         | 2,40,000               | 24.00             | 2,40,000               | 24.00             |
| Kairos ESOP Welfare Trust                     | 1,00,000               | 10.00             | 1,00,000               | 10.00             |

\*The par value of equity shares has been reduced from ₹ 10 to ₹ 1 on May 7, 2024.

21.6 Shareholding of promoters as at 31st March, 2025:

Shares held by promoters at the end of the year

| Sl. Promoter name | No. of shares | % of total shares | % Change during the year |
|-------------------|---------------|-------------------|--------------------------|
| Nil               | -             | 0%                | 0.00%                    |
| <b>Total</b>      | <b>-</b>      | <b>0%</b>         |                          |

Shareholding of promoters as at 31st March, 2024:

| Sl. Promoter name                                       | No. of shares | % of total shares | % Change during the year |
|---------------------------------------------------------|---------------|-------------------|--------------------------|
| (i) Adisri Commercial Private Limited (Holding Company) | -             | 0.00%             | -60.36%                  |
| (ii) Sunil Kanoria                                      | -             | 0.00%             | -0.36%                   |
| (iii) Hemant Kanoria                                    | -             | 0.00%             | -0.08%                   |
| <b>Total</b>                                            | <b>-</b>      | <b>0.00%</b>      |                          |

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

21.7 Refer Note No. 42 - for Company's capital management objectives, policies and processes.



# Notes to the Consolidated Financial Statements

for the year ended 31st March, 2025 (Contd.)

## 22. Other Equity

| Particulars                                                                                                              | As at<br>31st March, 2025 | As at<br>31st March, 2024 |
|--------------------------------------------------------------------------------------------------------------------------|---------------------------|---------------------------|
| <b>Treasury Shares</b>                                                                                                   |                           |                           |
| Shares issued to Kairos ESOP Welfare Trust                                                                               | (10)                      | (10)                      |
| <b>Closing balance</b>                                                                                                   | <b>(10)</b>               | <b>(10)</b>               |
| <b>Special Reserve (pursuant to Section 45IC of the Reserve Bank of India Act, 1934 )</b>                                |                           |                           |
| Opening balance                                                                                                          | 37,137                    | 55,219                    |
| Add: Transfer from retained earnings                                                                                     | 2,007                     | 9,625                     |
| Less: Transferred to Restructuring reserve and subsequently to Retained Earnings as per the terms of the resolution plan | -                         | (27,707)                  |
| <b>Closing balance</b>                                                                                                   | <b>39,144</b>             | <b>37,137</b>             |
| <b>Income Tax Special Reserve (created pursuant to Section 36(1)(viii) of the Income Tax Act, 1961)</b>                  |                           |                           |
| Opening balance                                                                                                          | -                         | 25,834                    |
| Less: Transferred to Restructuring reserve and subsequently to Retained Earnings as per the terms of the resolution plan | -                         | (25,834)                  |
| <b>Closing balance</b>                                                                                                   | <b>-</b>                  | <b>-</b>                  |
| <b>Capital Reserve</b>                                                                                                   |                           |                           |
| Opening balance                                                                                                          | -                         | 1,04,744                  |
| Less: Transferred to Restructuring reserve and subsequently to Retained Earnings as per the terms of the resolution plan | -                         | (1,04,744)                |
| <b>Closing balance</b>                                                                                                   | <b>-</b>                  | <b>-</b>                  |
| <b>Securities Premium</b>                                                                                                |                           |                           |
| Opening balance                                                                                                          | -                         | 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 | -                         | (88,092)                  |
| <b>Closing balance</b>                                                                                                   | <b>-</b>                  | <b>-</b>                  |
| <b>Bond / Debenture Redemption Reserve</b>                                                                               |                           |                           |
| Opening balance                                                                                                          | -                         | 10,222                    |
| Less: Transferred to Restructuring reserve and subsequently to Retained Earnings as per the terms of the resolution plan | -                         | (10,222)                  |
| <b>Closing balance</b>                                                                                                   | <b>-</b>                  | <b>-</b>                  |
| <b>General Reserve</b>                                                                                                   |                           |                           |
| Opening balance                                                                                                          | -                         | 1,36,801                  |
| Less: Transferred to Restructuring reserve and subsequently to Retained Earnings as per the terms of the resolution plan | -                         | (1,36,801)                |
| <b>Closing balance</b>                                                                                                   | <b>-</b>                  | <b>-</b>                  |
| <b>Equity Instruments through Other Comprehensive Income</b>                                                             |                           |                           |
| Opening balance                                                                                                          | (20,644)                  | (11,795)                  |
| Add: Additions during the year                                                                                           | (7,370)                   | (8,849)                   |
| Less: Reclassification to Retained Earnings (net of tax)                                                                 | (462)                     | -                         |
| <b>Closing balance</b>                                                                                                   | <b>(28,476)</b>           | <b>(20,644)</b>           |
| <b>Impairment Reserve</b>                                                                                                |                           |                           |
| Opening balance                                                                                                          | -                         | 6,15,995                  |
| Add: Additions during the year                                                                                           | -                         | 5,380                     |
| Less: Transferred to Restructuring reserve and subsequently to Retained Earnings as per the terms of the resolution plan | -                         | (6,21,375)                |
| <b>Closing balance</b>                                                                                                   | <b>-</b>                  | <b>-</b>                  |
| <b>Debt Instruments through Other Comprehensive Income</b>                                                               |                           |                           |
| Opening balance                                                                                                          | -                         | 233                       |
| Add: Addition during the year                                                                                            | -                         | (229)                     |
| Less: Transferred to Restructuring reserve and subsequently to Retained Earnings as per the terms of the resolution plan | -                         | (4)                       |
| <b>Closing balance</b>                                                                                                   | <b>-</b>                  | <b>-</b>                  |
| <b>Effective portion of Cash Flow Hedges</b>                                                                             |                           |                           |
| Opening balance                                                                                                          | -                         | 1                         |
| Less: Transferred to Restructuring reserve and subsequently to Retained Earnings as per the terms of the resolution plan | -                         | (1)                       |
| <b>Closing balance</b>                                                                                                   | <b>-</b>                  | <b>-</b>                  |
| <b>Restructuring Reserve</b>                                                                                             |                           |                           |
| <b>Add: Transfer from following reserves:</b>                                                                            |                           |                           |
| Special Reserve (pursuant to Section 45IC of the Reserve Bank of India Act, 1934 )                                       | -                         | 27,707                    |
| Capital Reserve                                                                                                          | -                         | 1,04,744                  |
| Securities Premium Reserve                                                                                               | -                         | 88,092                    |
| General Reserve                                                                                                          | -                         | 1,36,801                  |
| Bond / Debenture Redemption Reserve                                                                                      | -                         | 10,222                    |
| Impairment Reserve                                                                                                       | -                         | 6,21,375                  |
| Transfer from Debt Instruments through Other Comprehensive Income                                                        | -                         | 4                         |
| Transfer from Effective portion of Cash Flow Hedges as per the terms of the resolution plan                              | -                         | 1                         |
| Income Tax Special Reserve (created pursuant to Section 36(1)(viii) of the Income Tax Act, 1961)                         | -                         | 25,834                    |
| Capital reduction, extinguishment of liabilities and other impacts as per the terms of the resolution plan               | 14,39,817                 | 14,39,817                 |
| <b>Less: Transfer to Retained Earnings</b>                                                                               | <b>(14,39,817)</b>        | <b>(24,54,597)</b>        |
| <b>Closing balance</b>                                                                                                   | <b>-</b>                  | <b>-</b>                  |
| <b>Retained Earnings</b>                                                                                                 |                           |                           |
| Opening balance                                                                                                          | (10,91,239)               | (27,52,019)               |
| Add: Profit / (Loss) for the year                                                                                        | (19,212)                  | (7,78,734)                |
| Add: Other Comprehensive Income (net of tax)                                                                             | (4)                       | (78)                      |
| Add: Transfer from restructure reserve account as per the terms of the resolution plan                                   | -                         | 24,54,597                 |
|                                                                                                                          | <b>(11,10,455)</b>        | <b>(10,76,234)</b>        |
| <b>Add / Less: Appropriations</b>                                                                                        |                           |                           |
| Transferred to Special Reserve                                                                                           | (2,007)                   | (9,625)                   |
| Transferred to Impairment Reserve                                                                                        | -                         | (5,380)                   |
| Reclassification from Other Comprehensive Income                                                                         | 462                       | -                         |
| <b>Total appropriations</b>                                                                                              | <b>(1,545)</b>            | <b>(15,005)</b>           |
| <b>Closing balance</b>                                                                                                   | <b>(11,12,000)</b>        | <b>(10,91,239)</b>        |
| <b>Total</b>                                                                                                             | <b>(11,01,342)</b>        | <b>(10,74,756)</b>        |

# Notes to the Consolidated Financial Statements

for the year ended 31st March, 2025 (Contd.)

## (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.

# Notes to the Consolidated Financial Statements

for the year ended 31st March, 2025 (Contd.)

## 23. Interest Income

(₹ in Lacs)

| Particulars                      | For the year ended 31st March, 2025                    |                                                |                                                                                     |               | For the year ended 31st March, 2024                    |                                                |                                                                                   |               |
|----------------------------------|--------------------------------------------------------|------------------------------------------------|-------------------------------------------------------------------------------------|---------------|--------------------------------------------------------|------------------------------------------------|-----------------------------------------------------------------------------------|---------------|
|                                  | On Financial Assets measured at fair value through OCI | On Financial Assets measured at Amortised Cost | Interest Income on Financial Assets classified at fair value through profit or loss | Total         | On Financial Assets measured at fair value through OCI | On Financial Assets measured at Amortised cost | Interest Income on Financial Assets measured at fair value through profit or loss | Total         |
| Interest on Loans                | -                                                      | 23,541                                         | -                                                                                   | 23,541        | -                                                      | 31,485                                         | 3,008                                                                             | 34,493        |
| Interest income from investments | -                                                      | 519                                            | 1,238                                                                               | 1,757         | -                                                      | 528                                            | 522                                                                               | 1,050         |
| Interest on deposits with Banks  | -                                                      | 2,142                                          | -                                                                                   | 2,142         | -                                                      | 10,226                                         | -                                                                                 | 10,226        |
| <b>Total</b>                     | <b>-</b>                                               | <b>26,202</b>                                  | <b>1,238</b>                                                                        | <b>27,440</b> | <b>-</b>                                               | <b>42,239</b>                                  | <b>3,530</b>                                                                      | <b>45,769</b> |

## 24. Net gain / ( loss) on fair value changes

(₹ in Lacs)

| Particulars                                                                         | For the year ended 31st March, 2025 | For the year ended 31st March, 2024 |
|-------------------------------------------------------------------------------------|-------------------------------------|-------------------------------------|
| (A) Net gain / (loss) on financial instruments at fair value through profit or loss |                                     |                                     |
| (i) On trading portfolio                                                            |                                     |                                     |
| - Derivatives                                                                       | -                                   | -                                   |
| - Investments                                                                       | (549)                               | (23,082)                            |
| - Loans                                                                             | (4,068)                             | (3,130)                             |
| - Claims Receivable                                                                 | 1,856                               | (62,196)                            |
| <b>Total Net gain / (loss) on fair value changes (A)</b>                            | <b>(2,761)</b>                      | <b>(88,408)</b>                     |
| Fair Value changes:                                                                 |                                     |                                     |
| - Realised                                                                          | 3,360                               | (15,681)                            |
| - Unrealised                                                                        | (6,121)                             | (73,727)                            |
| <b>Total Net gain / (loss) on fair value changes (B) to tally with (A)</b>          | <b>(2,761)</b>                      | <b>(88,408)</b>                     |

## 25. Other

(₹ in Lacs)

| Particulars                            | For the year ended 31st March, 2025 | For the year ended 31st March, 2024 |
|----------------------------------------|-------------------------------------|-------------------------------------|
| Income from joint controlled operation | 1,045                               | 1,874                               |
| Income from Sale of Power              | 470                                 | -                                   |
| Unwinding of interest income on NCD    | 50,082                              | 10,048                              |
| Other                                  | 443                                 | 202                                 |
| <b>Total</b>                           | <b>52,040</b>                       | <b>12,124</b>                       |

### 25.1 Other Income

(₹ in Lacs)

| Particulars                                                | For the year ended 31st March, 2025 | For the year ended 31st March, 2024 |
|------------------------------------------------------------|-------------------------------------|-------------------------------------|
| Liability No Longer Required written back                  | 3,211                               | 396                                 |
| Interest on Income Tax Refund                              | 360                                 | 3                                   |
| Net gain on derecognition of Property, Plant and Equipment | 1,525                               | 988                                 |
| Others                                                     | 224                                 | 59                                  |
| <b>Total</b>                                               | <b>5,220</b>                        | <b>1,446</b>                        |

# Notes to the Consolidated Financial Statements

for the year ended 31st March, 2025 (Contd.)

## 26. Finance Costs

(₹ in Lacs)

| Particulars                          | For the year ended 31st March, 2025                                    |                                                     | For the year ended 31st March, 2024                                    |                                                     |
|--------------------------------------|------------------------------------------------------------------------|-----------------------------------------------------|------------------------------------------------------------------------|-----------------------------------------------------|
|                                      | 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               | -                                                                      | 166                                                 | -                                                                      | 4,925                                               |
| Interest on debt securities          | -                                                                      | 26,347                                              | -                                                                      | 8,958                                               |
| Interest on subordinated liabilities | -                                                                      | 752                                                 | -                                                                      | 208                                                 |
| Other interest expense               | -                                                                      | 58                                                  | -                                                                      | 126                                                 |
| <b>Total</b>                         | <b>-</b>                                                               | <b>27,323</b>                                       | <b>-</b>                                                               | <b>14,217</b>                                       |

## 27. Impairment on Financial Instruments (Net)

(₹ in Lacs)

| Particulars            | For the year ended 31st March, 2025                         |                                                     | For the year ended 31st March, 2024                         |                                                     |
|------------------------|-------------------------------------------------------------|-----------------------------------------------------|-------------------------------------------------------------|-----------------------------------------------------|
|                        | 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                  | -                                                           | 26,988                                              | (229)                                                       | 6,71,968                                            |
| Other financial assets | -                                                           | (23)                                                | -                                                           | 2,823                                               |
| <b>Total</b>           | <b>-</b>                                                    | <b>26,965</b>                                       | <b>(229)</b>                                                | <b>6,74,791</b>                                     |

## 28. Employee Benefits Expenses

(₹ in Lacs)

| Particulars                               | For the year ended 31st March, 2025 | For the year ended 31st March, 2024 |
|-------------------------------------------|-------------------------------------|-------------------------------------|
| Salaries and wages                        | 6,493                               | 5,886                               |
| Contribution to provident and other funds | 414                                 | 472                                 |
| Staff welfare expenses                    | 132                                 | 111                                 |
| <b>Total</b>                              | <b>7,039</b>                        | <b>6,469</b>                        |

## 29. Administrative and Other Expenses

(₹ in Lacs)

| Particulars                                                | For the year ended 31st March, 2025 | For the year ended 31st March, 2024 |
|------------------------------------------------------------|-------------------------------------|-------------------------------------|
| Rent, Taxes and Energy Costs                               | 407                                 | 372                                 |
| Repairs and Maintenance                                    | 2,424                               | 2,305                               |
| Communication Costs                                        | 150                                 | 169                                 |
| Printing and Stationery                                    | 58                                  | 50                                  |
| Advertisement and Publicity                                | 33                                  | 35                                  |
| Director's Fees, Allowances and Expenses                   | 99                                  | 26                                  |
| Auditor's Fees and Expenses                                | 101                                 | 299                                 |
| Legal and Professional Charges                             | 3,726                               | 3,896                               |
| Insurance                                                  | 318                                 | 382                                 |
| Travelling & Conveyance                                    | 845                                 | 942                                 |
| Net loss on derecognition of Property, Plant and Equipment | 1                                   | -                                   |
| Impairment on capital advance                              | 29                                  | -                                   |
| Other Expenditure                                          | 318                                 | 336                                 |
| CIRP Cost (Refer Note No. 29.1)                            | -                                   | 6,342                               |
| <b>Total</b>                                               | <b>8,509</b>                        | <b>15,154</b>                       |

### 29.1 CIRP Expense

(₹ in Lacs)

| Particulars                                                      | For the year ended 31st March, 2025 | For the year ended 31st March, 2024 |
|------------------------------------------------------------------|-------------------------------------|-------------------------------------|
| Fees to Resolution professional                                  | -                                   | 1,772                               |
| Fees to Insolvency and Bankruptcy board of India as per IBC Code | -                                   | 4,073                               |
| Manpower Cost                                                    | -                                   | 76                                  |
| Reimbursement of expenses                                        | -                                   | 6                                   |
| Other Expenses                                                   | -                                   | 415                                 |
| <b>Total</b>                                                     | <b>-</b>                            | <b>6,342</b>                        |



# Notes to the Consolidated Financial Statements

for the year ended 31st March, 2025 (Contd.)

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

| Particulars                                                                 |              | For the year ended<br>31st March, 2025 | For the year ended<br>31st March, 2024 |
|-----------------------------------------------------------------------------|--------------|----------------------------------------|----------------------------------------|
| <b>Profit after Tax attributable to the Equity Shareholders (₹ in Lacs)</b> | <b>(A)</b>   | (19,212)                               | (7,78,735)                             |
| (a) Number of Equity Shares at the beginning of the year                    |              | 1,00,00,000                            | 50,30,86,333                           |
| (b) Number of Equity Shares issued during the year                          |              | -                                      | 49,10,06,197                           |
| (c) Number of Equity Shares reduced during the year                         |              | -                                      | 99,30,92,530                           |
| (d) Number of Equity Shares at the end of the year                          |              | 1,00,00,000                            | 10,00,000                              |
| (e) Weighted average number of Equity Shares outstanding during the year    | <b>(B)</b>   | 1,00,00,000                            | 36,04,16,992                           |
| (f) Nominal Value of each Equity Share (₹)                                  |              | 1                                      | 10                                     |
| <b>Earnings per share (₹ per share of ₹ 10 each)</b>                        |              |                                        |                                        |
| <b>Basic</b>                                                                | <b>(A/B)</b> | <b>(192.12)</b>                        | <b>(216.07)</b>                        |
| <b>Diluted #</b>                                                            | <b>(A/B)</b> | <b>(192.12)</b>                        | <b>(216.07)</b>                        |

# Net profit attributable to equity shareholders is negative in the both the financial year ended March 31st, 2025 and March 31st 2024. Consequently, potential equity shares are anti-dilutive and have not been considered in the computation of diluted earnings per share. Therefore, basic and diluted earnings per share are the same as per Ind As 33.

## 31. Contingent Liabilities and Commitments (To the Extent Not Provided For)

| Particulars                                                                                              | As at<br>31st March, 2025 | As at<br>31st March, 2024 |
|----------------------------------------------------------------------------------------------------------|---------------------------|---------------------------|
| <b>A. Contingent Liabilities @</b>                                                                       |                           |                           |
| (a) Claims against the Group not acknowledged as debts:*                                                 |                           |                           |
| Disputed Demands:                                                                                        |                           |                           |
| Income Tax                                                                                               | 49                        | 49                        |
| Service Tax                                                                                              | 76                        | 76                        |
| (b) Guarantees:                                                                                          |                           |                           |
| Bank Guarantees                                                                                          | 47                        | 47                        |
| (c) Uncalled money for paid up capital towards investments                                               | 620                       | 620                       |
| (d) Others**                                                                                             | 33                        | -                         |
| <b>Total</b>                                                                                             | <b>825</b>                | <b>792</b>                |
| <b>B. Commitments</b>                                                                                    |                           |                           |
| Estimated amount of capital contracts remaining to be executed and not provided for (Net of advances)*** | 335                       | 9                         |
| Capital 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).

\* The management believes that the ultimate outcome of these proceedings will not have a material adverse effect on the Company's financial position and result of operations.

\*\* The Group has received Property Tax demand from Kolkata Municipality Corporation amounting to ₹ 68 Lacs for the period April, 2017 till March, 2025. The Company has filed writ petition in the High Court against this demand. As per direction of the Hon'ble High Court, the Company has deposited ₹ 35 Lacs advance against the aforesaid litigation. Recoverability of this advance is subject to outcome of the case.

\*\*\*The Group has a capital commitment of ₹ 327 Lacs (Previous year: ₹ Nil) towards the development of Oracle Software. These commitments represent contracts entered into for ongoing development efforts, which are expected to be capitalized as intangible assets upon completion.

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.

## Notes to the Consolidated Financial Statements

for the year ended 31st March, 2025 (Contd.)

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, 2025 and 31st March, 2024.

### 33. 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 / director | Property held since which date \$                          | Reason for not being held in the name of the Company                                                                         |
|----------------------------------------------------------------------|---------------------------------|------------------------------------|------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------|------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------|
|                                                                      |                                 | As at 31st March, 2025             | As at 31st March, 2024 |                                                                                                                                                                                                                                                                                            |                                                                                     |                                                            |                                                                                                                              |
| Property, Plant & Equipment                                          | 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                                             | **                                                                                                                           |
| Other Non-Financial Assets - Assets acquired in satisfaction of debt | Land                            | 11,800                             | 11,800                 | Murti Housing and Finance Private Limited                                                                                                                                                                                                                                                  | No                                                                                  | September-2017                                             | The immovable property was transferred to the SEFL pursuant to the BTA (Refer Note No. 62) entered by the Company with SIFL. |
|                                                                      | Land                            | 334                                | 1,065                  | Deccan Chronicle Secunderabad Private Limited and Deccan Chronicle Rajahmundry Private Limited                                                                                                                                                                                             | No                                                                                  | June-2018                                                  | Title deeds are not registered in the name of SEFL.                                                                          |
|                                                                      | Land                            | 1,255                              | 1,255                  | Krystine Vintrade Pvt Ltd<br>Balanced Dealers Pvt Ltd<br>Shivdhan Sales Pvt Ltd<br>Wellknown Vinimay Pvt Ltd<br>Malank Dealtrade Pvt Ltd<br>Balanced Commotrade Pvt Ltd<br>Kavya Dealmark Pvt Ltd<br>Alaukik Commercial Pvt Ltd<br>Kripa Dealmark Pvt Ltd                                  | No                                                                                  | March-2016                                                 |                                                                                                                              |
|                                                                      | Land and Building               | 2,400                              | 2,400                  | Kakarlupudi Venkata Madhava Varma                                                                                                                                                                                                                                                          | No                                                                                  | September-2015                                             |                                                                                                                              |
|                                                                      | 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<br>December-2017<br>March-2018<br>June-2018 |                                                                                                                              |
|                                                                      | Land                            | 342                                | 342                    | Apex Encon Projects Pvt Ltd                                                                                                                                                                                                                                                                | No                                                                                  | March-2014<br>September-2014                               |                                                                                                                              |
|                                                                      | Land                            | 1,031                              | 1,031                  | Yatin Vintrade Pvt Ltd<br>Sanyam Tradelink Pvt Ltd<br>SPK Food Product Pvt Ltd<br>Original Distributors Pvt Ltd<br>Jalram Tradeling Pvt Ltd<br>Amardhan Mercantile Pvt Ltd<br>Shivdhara Vintrade Pvt Ltd<br>Overtop Vincom Pvt Ltd<br>Ovation Marketing Pvt Ltd<br>Safal Commodity Pvt Ltd | No                                                                                  | December-2014<br>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<br>Preview Dealers Pvt Ltd<br>Famous Suppliers Pvt Ltd<br>Juhi Telecom Pvt Ltd<br>Sarvopriya Tradecom Pvt Ltd<br>Swarnabhumi Vanijya Pvt Ltd<br>Shaktiman Commercials Pvt Ltd                                                                                       | No                                                                                  | December-2014<br>June-2015<br>September-2015               |                                                                                                                              |

# Notes to the Consolidated Financial Statements

for the year ended 31st March, 2025 (Contd.)

## 33. Title deeds of Immovable Properties not held in name of the Company (Contd.)

| 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 / director | Property held since which date \$ | Reason for not being held in the name of the Company                          |
|----------------------------------------------------------------------|---------------------------------|------------------------------------|------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------|-----------------------------------|-------------------------------------------------------------------------------|
|                                                                      |                                 | As at 31st March, 2025             | As at 31st March, 2024 |                                                                                                                                                                                                   |                                                                                     |                                   |                                                                               |
| Other Non-Financial Assets - Assets acquired in satisfaction of debt | Land                            | 1,050                              | 1,050                  | Navaj Constructions Pvt Ltd<br>Kripa Educational Institutions Pvt Ltd<br>Aparajitha Institutions<br>Swatantra Infrastructure Pvt Ltd<br>Jeeet Projects                                            | No                                                                                  | December-2014                     | Due to procedural issues, title deeds are not registered in the name of SEFL. |
|                                                                      | Land                            | 335                                | 335                    | Kodur Developers<br>Suhas Infradevelopers<br>Trigya Infradevelopers<br>Darpan House Pvt Ltd<br>Lahar Infrastructure Pvt Ltd<br>Marg Properties Pvt Ltd<br>Trijal Infrastructures Pvt Ltd          | No                                                                                  | December-2014                     |                                                                               |
|                                                                      | Land                            | 115                                | 115                    | Pathang Constructions Pvt Ltd<br>Kodure Deveopers Pvt Ltd                                                                                                                                         | No                                                                                  | December-2014                     |                                                                               |
|                                                                      | Land                            | 1,209                              | 1,209                  | Udant Vintrade Pvt Ltd<br>Pinkrose Vinimay Pvt Ltd<br>Linkplan Shoppers Pvt Ltd<br>Swarnaganga Vinimay Pvt Ltd<br>Virat Vintrade Pvt Ltd<br>Memorable Vincom Pvt Ltd<br>Forever Tradecomm Pvt Ltd | No                                                                                  | December-2014<br>June-2015        |                                                                               |
|                                                                      | Building                        | 835                                | 835                    | B Ravi Kalyan Reddy                                                                                                                                                                               | No                                                                                  | June-2013                         |                                                                               |
|                                                                      | Land                            | 440                                | 440                    | Sudesh Shriram Mallik<br>Siddharth Sriram Malik                                                                                                                                                   | No                                                                                  | December-2014                     |                                                                               |
|                                                                      | Land and Building               | 98                                 | 98                     | Binod Kumar Singh<br>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. (Refer Note No.10).

## 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, 2025 ₹ in Lacs \$ | Balance outstanding as on off 31st March, 2024 ₹ in Lacs | Relationship with the struck - off Company, if any, to be disclosed # |
|---------------------------------------------------|--------------------------------------------------|-------------------------------------------------------------|----------------------------------------------------------|-----------------------------------------------------------------------|
| Anjad Construction Company                        | Payable(TDS receivable)**                        | -                                                           | NA                                                       | Not Applicable                                                        |
| Midwest Granite Private Limited                   | Payable(TDS receivable)***                       | -                                                           | NA                                                       | Not Applicable                                                        |
| Vishal Packaging Private Limited                  | Receivables (Loans outstanding) *                | -                                                           | 24                                                       | Not Applicable                                                        |
| Uday Associates Private Limited                   | Receivables (Loans outstanding) *                | -                                                           | 7                                                        | Not Applicable                                                        |
| Bhatti Automobiles Private Limited                | Receivables (Loans outstanding) *                | -                                                           | 38                                                       | Not Applicable                                                        |
| Ishanika Plywoods Private Limited                 | Receivables (Loans outstanding) *                | -                                                           | 34                                                       | Not Applicable                                                        |
| Shakti Infraestate And Trade Mart Private Limited | Receivables (Loans outstanding) * @              | -                                                           | -                                                        | Not Applicable                                                        |
| Rajbala RBR Realcon Private Limited               | Receivables (Loans outstanding) *                | -                                                           | 4                                                        | Not Applicable                                                        |
| Highway Roadlines Private Limited ***             | Receivables (Loans outstanding) *                | -                                                           | 31                                                       | Not Applicable                                                        |
| Raffle Supply Chain Solutions Private Limited     | Receivables (Loans outstanding) *                | -                                                           | NA                                                       | Not Applicable                                                        |
|                                                   | <b>Gross Outstanding</b>                         | -                                                           | <b>138</b>                                               |                                                                       |
|                                                   | <b>Less: Provision</b>                           | -                                                           | <b>(76)</b>                                              |                                                                       |
|                                                   | <b>Net Outstanding</b>                           | -                                                           | <b>62</b>                                                |                                                                       |

\*\* ₹ 1,382/-

\*\*\* ₹ 281

@ (as at March 31st, 2024 ₹ 48,983 less provision March 31, 2024 ₹ 29,448)

# As per the definition of 'related party' under Section 2(76) of the Act.

\* Reduction in balance outstanding amount is due to collection, written off etc.

\$ The current year and previous year figures are shown net of liability towards assignments.

# Notes to the Consolidated Financial Statements

for the year ended 31st March, 2025 (Contd.)

## 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

(₹ in Lacs)

| Facility Name             | Charge ID | Date of charge Creation / Modification | Name of charge holder                                                                   | Charge amount          |                        |
|---------------------------|-----------|----------------------------------------|-----------------------------------------------------------------------------------------|------------------------|------------------------|
|                           |           |                                        |                                                                                         | As at March 31st, 2025 | As at March 31st, 2024 |
| Collateralised Borrowings | 100369351 | 25/08/2020                             | The Karur Vysya Bank Limited                                                            | 5,606                  | 5,606                  |
| Collateralised Borrowings | 100291065 | 30/08/2019                             | The Karur Vysya Bank Limited                                                            | 4,737                  | 4,737                  |
| Term Loans **             | 100142934 | 21-12-2017                             | IFCI Limited                                                                            | 22,500                 | 22,500                 |
| 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                 | 30,000                 |
| Term Loans                | 100204762 | 28/08/2018                             | National Bank for Agriculture and Rural Development                                     | 17,500                 | 17,500                 |
| Term Loans                | 100190577 | 28/06/2018                             | National Bank for Agriculture and Rural Development                                     | 8,750                  | 8,750                  |
| Term Loans                | 100180713 | 11/05/2018                             | National Bank for Agriculture and Rural Development                                     | 50,000                 | 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 Entwicklungsgesellschaft MBH                              | -                      | 9,771                  |
| Term Loans                | 100111137 | 23/06/2017                             | National Bank for Agriculture and Rural Development                                     | 65,000                 | 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                 | 50,000                 |
| Term Loans                | 100076643 | 25/01/2017                             | DEG-Deutsche Investitions-UND Entwicklungsgesellschaft MBH                              | -                      | 17,039                 |
| <b>Total</b>              |           |                                        |                                                                                         | <b>2,54,093</b>        | <b>4,69,919</b>        |

\*\* Term loan transferred under Busniess Transfer Agreement to Srei Equipment Finance Limited (SEFL), however charge registered in the name of Srei Infrastructure Finance Limited (SIFL) yet to be transferred in the name of SEFL.

### Charges not yet registered with ROC

(₹ in Lacs)

| Facility Name   | Name of charge holder            | Reason for Non-registration                      | Charge Amount          |                        |
|-----------------|----------------------------------|--------------------------------------------------|------------------------|------------------------|
|                 |                                  |                                                  | As at March 31st, 2025 | As at March 31st, 2024 |
| Debt Securities | PNB Investment Services Limited. | Form CHG-9 filed with ROC but yet to be approved | -                      | 4,50,638               |
| <b>Total</b>    |                                  |                                                  | <b>-</b>               | <b>4,50,638</b>        |

The Location of ROC is Kolkata.

\* This represents amount outstanding and does not include effective interest rate adjustment and interest accrued and not due.

## 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, 2025 and March 31st, 2024 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, 2025 and March 31st, 2024.

**37.** The Company has received Show Cause Notices (SCNs) from some of the Banks / Financial Institutions to show cause as to why the account of the Bank should not be continued as fraud. The same has been duly replied by stating Section 32A of IBC and further affirming that post the approval of the Resolution Plan, NARCL has taken over the Company (only the company and not the ex-promoters) with a "clean / fresh" slate. The reply made has further reiterated relevant provision of the resolution plan which states as follows:-

" 3.3.15 The Financial Creditors shall take all necessary actions for regularisation of all accounts of the Corporate Debtors and their asset



# Notes to the Consolidated Financial Statements

for the year ended 31st March, 2025 (Contd.)

classification as "standard" and declassification from list of defaulters (wilful or otherwise), non-compliant, irregular, red flag account, fraud and non-cooperative borrower for the purpose of and in compliance with Applicable Laws and intimate the relevant credit information companies and information utilities (as applicable) of this provision of the Resolution Plan. For avoidance of doubt, the Corporate Debtor shall be deemed to be declassified from the list of defaulters (wilful or otherwise), non-compliant, irregular, red flag account, fraud and non-cooperative borrower of all banks and financial institutions or consortiums on and from the Effective Date and any adverse action against the Corporate Debtor shall be null and void and expunged from all records. The Financial Creditors Shall within 30 (thirty) Business Days from the effective date, intimate the relevant credit information companies and information utilities (as applicable) of this provision of Resolution Plan."

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 Holding Company has not raised any borrowings from banks and financial institutions on the basis of security of current assets.

The Hon'ble NCLT has approved the resolution plan on August 11th, 2023, accordingly in terms of the approved resolution plan (Refer Note No. 1.2 and 62 of the Financial Statements for the year ended March 31st, 2024) 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 June 30th 2024, September 30th, 2024, December 31st, 2024 and March 31st, 2025 are not applicable.

During the previous year, pursuant to initiation of CIRP (Refer Note No. 1.2 to the Financial Statements for the year ended March 31st, 2024), the Company has not filed quarterly returns or statements of current assets with banks or financial institutions for the quarters ended June 30th, 2023, September 30th, 2023, December 31st, 2023 and March 31st, 2024.

## 40. Utilisation of Borrowed funds and share premium:

(A) During the year ended 31st March, 2025 and year ended 31st March, 2024, 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, 2025 and yearended 31st March, 2024, 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, 2025 & March 31st, 2024.

## 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.

# Notes to the Consolidated Financial Statements

for the year ended 31st March, 2025 (Contd.)

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.

### 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 March, 2025 |                 | As at 31st March, 2024 |                 |
|---------------------------------------------------------------------|------------------------|-----------------|------------------------|-----------------|
|                                                                     | Carrying Value         | Fair Value      | Carrying Value         | Fair Value      |
| <b>Financial Assets</b>                                             |                        |                 |                        |                 |
| <b>a) Measured at Amortised Cost</b>                                |                        |                 |                        |                 |
| i) Cash and Cash Equivalents                                        | 28,353                 | 28,353          | 63,884                 | 63,884          |
| ii) Bank Balance other than (i) above                               | 649                    | 649             | 3,107                  | 3,107           |
| iii) Trade Receivables                                              | 1,540                  | 1,540           | 2,098                  | 2,098           |
| iv) Other Receivables                                               | -                      | -               | -                      | -               |
| v) Loans                                                            | 1,73,251               | 1,83,237        | 2,79,596               | 2,84,021        |
| vi) Investments                                                     | 8,437                  | 8,439           | 9,192                  | 9,226           |
| vii) Other Financial Assets                                         | 863                    | 863             | 841                    | 841             |
| <b>Sub-total</b>                                                    | <b>2,13,093</b>        | <b>2,23,081</b> | <b>3,58,718</b>        | <b>3,63,177</b> |
| <b>b) Measured at Fair value through Profit or Loss</b>             |                        |                 |                        |                 |
| ii) Loans                                                           | -                      | -               | 18,968                 | 18,968          |
| iii) Investments                                                    | 60,143                 | 60,143          | 26,582                 | 26,582          |
| iv) Other financial assets                                          | -                      | -               | -                      | -               |
| <b>Sub-total</b>                                                    | <b>60,143</b>          | <b>60,143</b>   | <b>45,550</b>          | <b>45,550</b>   |
| <b>c) Measured at Fair value through Other Comprehensive Income</b> |                        |                 |                        |                 |
| i) Investments                                                      | 24,425                 | 24,425          | 34,209                 | 34,209          |
| ii) Loans                                                           | -                      | -               | -                      | -               |
| <b>Sub-total</b>                                                    | <b>24,425</b>          | <b>24,425</b>   | <b>34,209</b>          | <b>34,209</b>   |
| <b>Total Financial Assets</b>                                       | <b>2,97,661</b>        | <b>3,07,649</b> | <b>4,38,477</b>        | <b>4,42,936</b> |
| <b>Financial Liabilities</b>                                        |                        |                 |                        |                 |
| <b>a) Measured at Amortised Cost</b>                                |                        |                 |                        |                 |
| i) Trade Payables                                                   | 769                    | 769             | 277                    | 277             |
| ii) Debt Securities                                                 | 2,02,325               | 2,02,340        | 2,97,597               | 2,97,597        |
| iii) Borrowings (Other than Debt Securities)                        | 112                    | 112             | 525                    | 608             |
| iv) Subordinated Liabilities                                        | 6,988                  | 6,988           | 6,236                  | 6,236           |
| v) Lease Liabilities                                                | 441                    | 441             | 353                    | 353             |
| vi) Other Financial Liabilities                                     | 8,248                  | 8,248           | 11,354                 | 11,354          |
| <b>Sub-total</b>                                                    | <b>2,18,883</b>        | <b>2,18,898</b> | <b>3,16,342</b>        | <b>3,16,425</b> |
| <b>Total Financial Liabilities</b>                                  | <b>2,18,883</b>        | <b>2,18,898</b> | <b>3,16,342</b>        | <b>3,16,425</b> |

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.

# Notes to the Consolidated Financial Statements

for the year ended 31st March, 2025 (Contd.)

## 43. Financial Instruments and Related Disclosures (Contd.)

### Other financial assets measured at amortised cost

Other financial assets have assets with short-term maturity (Includes ₹ 166 Lacs maturing in 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 future cash flows based on terms considering net present value (NPV) for NCD-4 & NCD-5 @ 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 (Includes ₹ 7,835 Lacs maturing in 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.

| Particulars             | (₹ in Lacs)            |            |               |               |
|-------------------------|------------------------|------------|---------------|---------------|
|                         | As at 31st March, 2025 |            |               |               |
|                         | Level 1                | Level 2    | Level 3       | Total         |
| <b>Financial Assets</b> |                        |            |               |               |
| Investments             | 44,233                 | 314        | 40,550        | 85,097        |
| Other Financial Assets  | -                      | -          | -             | -             |
|                         | <b>44,233</b>          | <b>314</b> | <b>40,550</b> | <b>85,097</b> |

| Particulars             | (₹ in Lacs)            |            |               |               |
|-------------------------|------------------------|------------|---------------|---------------|
|                         | As at 31st March, 2024 |            |               |               |
|                         | Level 1                | Level 2    | Level 3       | Total         |
| <b>Financial Assets</b> |                        |            |               |               |
| Loans                   | -                      | -          | 18,968        | 18,968        |
| Investments             | 33,752                 | 306        | 27,259        | 61,317        |
| Other Financial Assets  | -                      | -          | -             | -             |
|                         | <b>33,752</b>          | <b>306</b> | <b>46,227</b> | <b>80,285</b> |

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

# Notes to the Consolidated Financial Statements

for the year ended 31st March, 2025 (Contd.)

## 43. Financial Instruments and Related Disclosures (Contd.)

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

(₹ in Lacs)

| Particulars             | Fair Value As at |                  | Fair Value Hierarchy | Valuation Technique and Key Input | Significant Unobservable Input |
|-------------------------|------------------|------------------|----------------------|-----------------------------------|--------------------------------|
|                         | 31st March, 2025 | 31st March, 2024 |                      |                                   |                                |
| <b>Financial Assets</b> |                  |                  |                      |                                   |                                |
| Loans                   | -                | 18,968           | Level 3              | Note (i)                          | Note (v), (vi) & (viii)        |
| Investments             | 44,233           | 33,752           | Level 1              | Note (ii)                         | Not Applicable                 |
| Investments             | 314              | 306              | Level 2              | Note (iii) & (iv)                 | Not Applicable                 |
| Investments             | 40,550           | 27,259           | Level 3              | Note (i) & (v)                    | Note (vi) & (vii)              |

### (i) Income Approach

The discounted cash flow method was used to capture the present value of the the expected future benefits (including contractual cash flows) to be derived from the Loans, Investments and Other Financial Assets.

### (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.

### Reconciliation of Level 3 fair value measurements

| Reconciliation                                           | Loans    |               | Investments   |               | Other Financial Assets @ |          |
|----------------------------------------------------------|----------|---------------|---------------|---------------|--------------------------|----------|
|                                                          | 2024-25  | 2023-24       | 2024-25       | 2023-24       | 2024-25                  | 2023-24  |
| Opening Balance                                          | 18,968   | 21,778        | 27,259        | 75,338        | -                        | 62,196   |
| Purchases / Addition                                     | -        | 3,007         | 15,764        | -             | -                        | -        |
| Sales / Repayments / Transfers to amortised cost *       | (14,900) | (2,687)       | (1,135)       | (6,226)       | -                        | -        |
| Transfers into Level 3                                   | -        | -             | -             | -             | -                        | -        |
| Transfers from Level 3                                   | -        | -             | -             | -             | -                        | -        |
| Net interest income, net trading income and other income | (4,068)  | (3,130)       | 380           | (15,681)      | -                        | -        |
| Unrealised income / (loss) #                             | -        | -             | (1,658)       | (26,172)      | -                        | (62,196) |
| Other Comprehensive Income                               | -        | -             | (62)          | -             | -                        | -        |
| <b>Closing Balance</b>                                   | <b>-</b> | <b>18,968</b> | <b>40,548</b> | <b>27,259</b> | <b>-</b>                 | <b>-</b> |

\* includes write off

# includes Exceptional Items

@ Represents net of fair value change of claim receivables amounting to ₹ 56,167 Lacs ( March 31st, 2024 : ₹ 84,653 Lacs )

### 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.

# Notes to the Consolidated Financial Statements

for the year ended 31st March, 2025 (Contd.)

## 43. Financial Instruments and Related Disclosures (Contd.)

Below table shows impact of increase / decrease in fair valuation measurement at 2%

| Reconciliation         | As at 31st March, 2025 |                      | As at 31st March, 2024 |                      |
|------------------------|------------------------|----------------------|------------------------|----------------------|
|                        | Favourable Changes     | Unfavourable Changes | Favourable Changes     | Unfavourable Changes |
| Loans at FVTPL         | -                      | -                    | 362                    | (349)                |
| Investments @          | 434                    | (384)                | 416                    | (365)                |
| Other Financial Assets | -                      | -                    | -                      | -                    |
| <b>Total</b>           | <b>434</b>             | <b>(384)</b>         | <b>778</b>             | <b>(714)</b>         |

@ 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.

### 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 Executives 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:

- Foreign Currency Risk
- Interest Rate Risk
- 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 Foreign Currency Exposure of USD 76,728 as on 31st March, 2025 (USD 245,529 as on 31 March, 2024). Hence, the Group's profit and loss and equity is exposed to such foreign currency risk.

#### Foreign currency sensitivity

There is outstanding receivable of USD 76,728 in foreign currency as at 31st March, 2025 (USD 245,529 as on 31st March, 2024), which will have sensitivity impact.

#### ii. Interest rate risk

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. 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, 2025.

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)                             |          |      |     |          |
|-----------------------------------------|----------|------|-----|----------|
| As at 31st March, 2024                  | INR      | Euro | USD | Total    |
| <b>Financial Asstes</b>                 |          |      |     |          |
| Loans                                   | 2,19,120 | -    | -   | 2,19,120 |
| <b>Financial Liabilities</b>            |          |      |     |          |
| Borrowings (Other than Debt Securities) | -        | -    | -   | -        |
| Subordinated Liabilities                | -        | -    | -   | -        |
| As at 31st March, 2023                  | INR      | Euro | USD | Total    |
| <b>Financial Asstes</b>                 |          |      |     |          |
| Loans                                   | 3,47,608 | -    | -   | 3,47,608 |
| <b>Financial Liabilities</b>            |          |      |     |          |
| Borrowings (Other than Debt Securities) | -        | -    | -   | -        |
| Subordinated Liabilities                | -        | -    | -   | -        |



# Notes to the Consolidated Financial Statements

for the year ended 31st March, 2025 (Contd.)

## 43. Financial Instruments and Related Disclosures (Contd.)

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) |
|---------------------------------------------------------------------------------|------------------------|------------------------|-------------|
| Currency                                                                        | As at 31st March, 2025 | As at 31st March, 2024 |             |
| INR                                                                             | 4,382                  | 6,952                  |             |

| Interest Rate Sensitivities for outstanding exposure (impact on decrease in 2%) |                        |                        | (₹ in lacs) |
|---------------------------------------------------------------------------------|------------------------|------------------------|-------------|
| Currency                                                                        | As at 31st March, 2025 | As at 31st March, 2024 |             |
| INR                                                                             | (4,382)                | (6,952)                |             |

Figures in brackets indicate decrease in profit.

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, 2025 is ₹ 39,341 Lacs (31st March, 2024: ₹ 28,607 Lacs).

A 10% change in equity prices of such securities held as at 31st March, 2025 and 31st March, 2024 would result in an impact of ₹ 3,934 Lacs in 31st March, 2025 (31st March, 2024 ₹ 2,861 Lacs).

# Notes to the Consolidated Financial Statements

## for the year ended 31st March, 2025 (Contd.)

### 43. Financial Instruments and Related Disclosures (Contd.)

#### b) Liquidity risk

Liquidity Risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's ALCO lays down a broad framework for liquidity risk management to ensure that it is in a position to meet its daily liquidity obligations as well as to withstand a period of liquidity stress from industry, market or a combination of them. The liquidity profile is analyzed on a static as well as on a dynamic basis by using the gap analysis technique supplemented by monitoring of key liquidity ratios and conduct of liquidity stress tests periodically.

The 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 need to be realigned and revisited in line with the new business plan in terms of implementation of the approved resolution plan.

#### Liquidity risk management:

| Particulars                           | As at 31st March, 2025 |                    |                |                  | Total            | As at 31st March, 2024 |                    |                |                  |                  |
|---------------------------------------|------------------------|--------------------|----------------|------------------|------------------|------------------------|--------------------|----------------|------------------|------------------|
|                                       | On demand              | Less than 3 months | 3 to 12 months | >12 months       |                  | On demand              | Less than 3 months | 3 to 12 months | >12 months       | Total            |
| <b>A: Financial Assets</b>            |                        |                    |                |                  |                  |                        |                    |                |                  |                  |
| i) Cash and Cash Equivalents          | 5,529                  | 22,824             | -              | -                | 28,353           | 23,506                 | 40,378             | -              | -                | 63,884           |
| ii) Bank Balance other than (i) above | 332                    | -                  | 262            | 55               | 649              | 318                    | 307                | 1,750          | 732              | 3,107            |
| iii) Trade & Other Receivables        | 5                      | 3,141              | 309            | 45               | 3,500            | 114                    | 4,243              | 230            | 151              | 4,738            |
| iv) Loans \$ #                        | 9,514                  | 1,095              | 38,729         | 24,51,156        | 25,00,494        | 995                    | 1,387              | 18,178         | 27,09,602        | 27,30,162        |
| v) Investments                        | 2,528                  | 75                 | 1,897          | 78,095           | 1,02,595         | -                      | 73                 | 15,379         | 54,531           | 69,983           |
| vi) Other Financial Assets            | 62                     | 2,452              | 203            | 2,074            | 4,791            | 978                    | 9                  | 2,629          | 1,052            | 4,668            |
| <b>Total</b>                          | <b>37,970</b>          | <b>29,587</b>      | <b>41,400</b>  | <b>25,31,425</b> | <b>26,40,382</b> | <b>25,911</b>          | <b>46,397</b>      | <b>38,166</b>  | <b>27,66,068</b> | <b>28,76,542</b> |
| <b>B: Financial Liabilities</b>       |                        |                    |                |                  |                  |                        |                    |                |                  |                  |
| i) Debt Securities *                  | -                      | -                  | -              | 2,02,335         | 2,02,335         | -                      | -                  | -              | 2,97,618         | 2,97,618         |
| ii) Trade Payables                    | 531                    | 238                | -              | -                | 769              | 80                     | 197                | 0              | -                | 277              |
| iii) Borrowings **                    | 37                     | 75                 | -              | -                | 112              | 33                     | 66                 | 315            | 111              | 525              |
| iv) Lease Liability                   | 8                      | 39                 | 129            | 269              | 445              | 33                     | 66                 | 247            | 274              | 620              |
| v) Other Financial Liabilities        | 6,573                  | 831                | 431            | 413              | 8,248            | 9,351                  | 907                | 751            | 345              | 11,354           |
| vi) Subordinated Liabilities ***      | -                      | -                  | -              | 6,988            | 6,988            | -                      | -                  | -              | 6,236            | 6,236            |
| <b>Total</b>                          | <b>7,149</b>           | <b>1,183</b>       | <b>560</b>     | <b>2,10,005</b>  | <b>2,18,897</b>  | <b>9,497</b>           | <b>1,236</b>       | <b>1,313</b>   | <b>730</b>       | <b>3,16,630</b>  |

\$ 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 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.

\*\* Repayments of borrowings have been considered as per the contractual obligations.

\*\*\* In terms of approved resolution plan, any recovery from underlying assets of the SEFL after payments of all NCDs shall be used to repay the OCDs.

In case of early recoveries from the underlying assets, SEFL shall have option to make accelerated payment on the OCDs at a 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 SEFL at the end of 8 years. Any outstanding amount at the end of year 8 shall be converted into equity at fair value.

# Notes to the Consolidated Financial Statements

## for the year ended 31st March, 2025 (Contd.)

### 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 Group is in the process of commencing its lending business. The management has approved credit policies 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 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.

The Operational Risk Framework includes framework on risk control self-assessment.

### 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, 2025 and financial year ended 31st March, 2024. 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, 2025 and March 31, 2024.

### 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:

| Particulars                                                     | (₹ in Lacs)            |                        |
|-----------------------------------------------------------------|------------------------|------------------------|
|                                                                 | As at 31st March, 2025 | As at 31st March, 2024 |
| Land                                                            | -                      | -                      |
| Others                                                          | 465                    | 908                    |
| <b>Total assets obtained by taking possession of collateral</b> | <b>465</b>             | <b>908</b>             |

### 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, 2025 an amount of ₹ 340 Lacs (Previous year ₹ 383 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).

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.

# Notes to the Consolidated Financial Statements

for the year ended 31st March, 2025 (Contd.)

## 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, 2025.

### 46.1 Particulars in respect of employee benefits of the Group are as follows:

| Description                                                 | Gratuity               |                        | Leave                  |                        |
|-------------------------------------------------------------|------------------------|------------------------|------------------------|------------------------|
|                                                             | As at 31st March, 2025 | As at 31st March, 2024 | As at 31st March, 2025 | As at 31st March, 2024 |
| <b>Authorised</b>                                           |                        |                        |                        |                        |
| <b>Change in the defined benefit obligation</b>             |                        |                        |                        |                        |
| Present Value of Obligation at the Beginning of the year    | 1,204                  | 1,281                  | 61                     | 85                     |
| Current Service Cost                                        | 79                     | 100                    | 94                     | 103                    |
| Interest Cost                                               | 76                     | 79                     | 4                      | 5                      |
| Employer Contribution                                       | -                      | -                      | -                      | -                      |
| Settlement (Credit) / cost                                  | -                      | -                      | -                      | -                      |
| Acquisitions Cost / credit                                  | -                      | -                      | -                      | -                      |
| Actuarial (gain) / loss                                     | (3)                    | 57                     | 20                     | (4)                    |
| Actuarial (gain) / loss - financial assumptions             | 10                     | 5                      | 1                      | -                      |
| Actuarial (gain) / loss - demographic assumptions           | -                      | 16                     | -                      | (1)                    |
| Benefits paid                                               | (226)                  | (334)                  | (122)                  | (127)                  |
| <b>Present Value of Obligation at the end of the year</b>   | <b>1,140</b>           | <b>1,204</b>           | <b>58</b>              | <b>61</b>              |
| <b>Change in plan assets</b>                                |                        |                        |                        |                        |
| Fair value of Plan Assets at the Beginning of the year      | 1,179                  | 1,390                  | NA                     | NA                     |
| Expected return on Plan Assets                              | 13                     | 3                      | NA                     | NA                     |
| Interest income on Plan Assets                              | 62                     | 85                     | NA                     | NA                     |
| Contributions by the Employer                               | 1                      | 6                      | NA                     | NA                     |
| Return on Plan assets greater / (lesser) than discount rate | 2                      | -                      | NA                     | NA                     |
| Benefits paid                                               | (226)                  | (304)                  | NA                     | NA                     |
| <b>Fair value of Plan Assets at the end of the year</b>     | <b>1,031</b>           | <b>1,180</b>           | <b>NA</b>              | <b>NA</b>              |

### 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)

| Description                                                                                           | Gratuity               |                        | Leave                  |                        |
|-------------------------------------------------------------------------------------------------------|------------------------|------------------------|------------------------|------------------------|
|                                                                                                       | As at 31st March, 2025 | As at 31st March, 2024 | As at 31st March, 2025 | As at 31st March, 2024 |
| <b>Amount recognised in Consolidated Balance Sheet consists of:</b>                                   |                        |                        |                        |                        |
| Fair value of Plan Assets at the end of the period / year                                             | 1,031                  | 1,180                  | -                      | -                      |
| Present Value of Obligation at the end of the period / year                                           | 1,140                  | 1,204                  | 58.00                  | 39.00                  |
| Net (Asset) / Liabilities recognised in the Consolidated Balance Sheet in respect of defined benefits | 109                    | 24                     | 58.00                  | 39.00                  |

# Notes to the Consolidated Financial Statements

for the year ended 31st March, 2025 (Contd.)

## 46.1 Particulars in respect of employee benefits of the Group are as follows: (Contd.)

(₹ in Lacs)

| Description                                                                              | Gratuity               |                        | Leave                  |                        |
|------------------------------------------------------------------------------------------|------------------------|------------------------|------------------------|------------------------|
|                                                                                          | As at 31st March, 2025 | As at 31st March, 2024 | As at 31st March, 2025 | As at 31st March, 2024 |
| <b>Expenses recognised in the consolidated statement of profit and loss consists of:</b> |                        |                        |                        |                        |
| <b>Employee benefits expenses:</b>                                                       |                        |                        |                        |                        |
| Current Service cost                                                                     | 79                     | 100                    | 94                     | 103                    |
| Net Interest cost                                                                        | -                      | (11)                   | 3                      | 5                      |
| Net Actuarial (gain) / loss                                                              | -                      | -                      | 20                     | (7)                    |
| <b>Total [A]</b>                                                                         | <b>79</b>              | <b>89</b>              | <b>117</b>             | <b>101</b>             |
| <b>Other Comprehensive Income</b>                                                        |                        |                        |                        |                        |
| Actuarial (Gain) / Loss from experience adjustments                                      | (1)                    | 50                     | 1                      | 2                      |
| Actuarial (Gain) / Loss from financial assumptions                                       | 10                     | 22                     | -                      | -                      |
| Return on plan assets (excluding amounts included in net interest cost)                  | (2)                    | -                      | -                      | -                      |
| <b>Total [B]</b>                                                                         | <b>7</b>               | <b>72</b>              | <b>1</b>               | <b>2</b>               |
| <b>Expense recognised during the year [A+B]</b>                                          | <b>86</b>              | <b>161</b>             | <b>118</b>             | <b>103</b>             |

## 46.2 Particulars of Investment Details of Plan Assets are as follows:

(₹ in Lacs)

| Description                                  | Gratuity % Invested    |                        | Leave % Invested       |                        |
|----------------------------------------------|------------------------|------------------------|------------------------|------------------------|
|                                              | As at 31st March, 2025 | As at 31st March, 2024 | As at 31st March, 2025 | As at 31st March, 2024 |
| <b>Investment Details of Plan Assets</b>     |                        |                        |                        |                        |
| Schemes of insurance - conventional products | 100%                   | 100%                   | Not Applicable         | Not Applicable         |

## 46.3 Principal Assumptions used are as follows:

|                                  |       |       |       |       |
|----------------------------------|-------|-------|-------|-------|
| Discount rate per annum          | 6.50% | 7.00% | 6.50% | 7.00% |
| 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.

(₹ in Lacs)

| Description                      | As at 31st March, 2025 |             |        |             | As at 31st March, 2024 |             |        |             |
|----------------------------------|------------------------|-------------|--------|-------------|------------------------|-------------|--------|-------------|
|                                  | Gratuity               |             | Leave  |             | Gratuity               |             | Leave  |             |
|                                  | %                      | (₹ in Lacs) | %      | (₹ in Lacs) | %                      | (₹ in Lacs) | %      | (₹ in Lacs) |
| Discount Rate + 100 basis points | -3.68%                 | (42)        | -5.04% | (3)         | -2.44%                 | (29)        | -1.61% | (1)         |
| Discount Rate - 100 basis points | 4.05%                  | 46          | 5.56%  | 3           | 2.57%                  | 31          | 3.23%  | 2           |
| Salary Increase Rate + 1%        | 3.42%                  | 39          | 5.49%  | 3           | 2.24%                  | 27          | 3.23%  | 2           |
| Salary Increase Rate - 1%        | -3.28%                 | (37)        | -5.04% | (3)         | -2.08%                 | (25)        | -1.61% | (1)         |



# Notes to the Consolidated Financial Statements

for the year ended 31st March, 2025 (Contd.)

## 46.6 Maturity Analysis of The Benefit Payments

(₹ in Lacs)

| Expected payment for future years | As at<br>31st March, 2025 |       | As at<br>31st March, 2024 |       |
|-----------------------------------|---------------------------|-------|---------------------------|-------|
|                                   | Gratuity                  | Leave | Gratuity                  | Leave |
| Year 1                            | 287                       | 13    | 397                       | 18    |
| Year 2                            | 216                       | 9     | 263                       | 13    |
| Year 3                            | 144                       | 7     | 212                       | 10    |
| Year 4                            | 133                       | 6     | 144                       | 7     |
| Year 5                            | 79                        | 4     | 112                       | 6     |
| Next 5 Years                      | 354                       | 19    | 235                       | 13    |

**46.7** Weighted average duration of defined benefit obligations: Gratuity - 8years (31st March, 2024: 12 years). Leave - 9 years (31st March, 2024: 12 years).

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

### Related Parties:

|                                                                      |                          |
|----------------------------------------------------------------------|--------------------------|
| <b>Holding Company:</b>                                              | <b>Country of Origin</b> |
| Adisri Commercial Private Limited (ceased w.e.f. 19.12.2023)         | India                    |
| <b>Subsidiary of Holding Company:</b>                                | <b>Country of Origin</b> |
| 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                    |
| <b>Shareholders as per Approved Resolution Plan</b>                  | <b>Country of Origin</b> |
| National Asset Reconstruction Company Limited (w.e.f. 19.12.2023)    | India                    |
| India Debt Resolution Company Limited (w.e.f. 19.12.2023)            | India                    |
| <b>Trusts:</b>                                                       | <b>Country of Origin</b> |
| Srei Mutual Fund Trust                                               | India                    |
| <b>Others :</b>                                                      | <b>Country of Origin</b> |
| Srei Infrastructure Finance Limited Employees Gratuity Fund          | India                    |

### Directors / Key Management Personnel (KMP):

| Name                                                      | Designation                                     |
|-----------------------------------------------------------|-------------------------------------------------|
| Mr. Rajneesh Sharma ( w.e.f 04-10-2021 till 26.02.2024) * | Administrator                                   |
| Mr. Sivaraman Naravanaswami (w.e.f. 26.02.2024)           | Chairman & Independent Director                 |
| Mr. P Santhosh (w.e.f. 26.02.2024)                        | Nominee Director                                |
| Mr. Avinash Kulkarni (w.e.f. 26.02.2024)                  | Nominee Director                                |
| Mr. Sunil Srivastav (w.e.f. 26.02.2024)                   | Independent Director                            |
| Ms. Anuradha Mitra (w.e.f. 05.04.2024)                    | Independent Director                            |
| Mr. Hardayal Prasad (w.e.f. 05.04.2024)                   | Managing Director & CEO                         |
| Mr. Manoj Kumar                                           | Company Secretary & Chief Compliance Officer    |
| Mr. Vishnu Gopal Agarwal                                  | Chief Financial Officer                         |
| Mr. Syed Faisal Aquil (w.e.f 30.11.2023 till 15.04.2024)  | Manager                                         |
| Mr. Sandeep Agarwal (w.e.f 14-08-2023 till 26.02.2024)    | Member of Implementation & Monitoring Committee |
| Mr. Pavel Poddar (w.e.f 14-08-2023 till 26.02.2024)       | Member of Implementation & Monitoring Committee |
| Mr. Manveet Vyas (w.e.f 14-08-2023 till 26.02.2024)       | Member of Implementation & Monitoring Committee |
| Mr. Sudha Raina (w.e.f 14-08-2023 till 26.02.2024)        | Member of Implementation & Monitoring Committee |
| Ms. Sangita Agarwal (w.e.f. 01.05.2024 till 30.11.2024)   | Relative of KMP                                 |

\* 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 was appointed as Principal Advisor to Board during the period 26.02.2024 till 25.08.2024.

# Notes to the Consolidated Financial Statements

for the year ended 31st March, 2025 (Contd.)

## 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, 2025   | 31st March, 2025 | 31st March, 2024   | 31st March, 2024 |
| <b>(A) Remuneration to Directors / Key Management Personnel (KMP):</b>     |                                                            |                    |                  |                    |                  |
| Ms. Anuradha Mitra (w.e.f. 05.04.2024)                                     | Sitting Fees                                               | 14                 | -                | -                  | -                |
| Mr. Hardayal Prasad (w.e.f. 05.04.2024)                                    | Remuneration                                               | 143                | -                | -                  | -                |
| Mr. Manoj Kumar (w.e.f. 01.04.2021)                                        | Remuneration                                               | 59                 | -                | 67                 | -                |
| Mr. Vishnu Gopal Agarwal (w.e.f. 21.03.2022)                               | Remuneration                                               | 45                 | -                | 46                 | -                |
| Mr. Syed Faisal Aquil (w.e.f. 30.11.2023)                                  | Remuneration                                               | 0                  | -                | 3                  | -                |
| Mr. Sivaraman Naravanaswami                                                | Sitting Fees                                               | 23                 | -                | 4                  | -                |
| Mr. Sunil Srivastav                                                        | Sitting Fees                                               | 12                 | -                | 2                  | -                |
| Mr. Rajneesh Sharma                                                        | Consultancy                                                | -                  | -                | 90                 | -                |
| Mrs. Sangeeta Agarwal, relative of KMP (w.e.f. 01.05.2024 till 30.11.2024) | Car Hire Charges                                           | 4                  | -                | 6                  | -                |
| <b>(B) Shareholder as per Approved Resolution Plan:</b>                    |                                                            |                    |                  |                    |                  |
| India Debt Resolution Company Limited                                      | Payment towards recovery expenses                          | 2                  | -                | -                  | -                |
|                                                                            | Payment towards resolution / recovery support service fees | 1,454              | -                | -                  | -                |

**Note 1.** Settlement of outstanding balances as at year end generally occurs in cash.

**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.

## 48. Leases

### a. In the capacity of Lessee

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

The Group has taken various premises (offices and yards) under lease. Generally, the lease agreements provide for cancellation by either party and contain clause for escalation and renewal of agreements.

Following are the changes in the carrying value of right-of-use assets for the year ended March 31st, 2025:

| Particulars            | As at            | As at            |
|------------------------|------------------|------------------|
|                        | 31st March, 2025 | 31st March, 2024 |
| <b>Opening Balance</b> | <b>304</b>       | <b>507</b>       |
| Addition               | 430              | 334              |
| Deletion               | 107              | 255              |
| Depreciation           | 189              | 283              |
| <b>Closing Balance</b> | <b>437</b>       | <b>304</b>       |

The aggregate depreciation expense on right-of-use assets is included under Depreciation, Amortisation and Impairment expense in the Statement of Profit and Loss.

The following is the movement in lease liabilities during the year ended March 31st, 2025:

| (₹ in Lacs)                          |                  |                  |
|--------------------------------------|------------------|------------------|
| Particulars                          | As at            | As at            |
|                                      | 31st March, 2025 | 31st March, 2024 |
| <b>Opening Balance</b>               | <b>353</b>       | <b>637</b>       |
| Addition                             | 409              | 334              |
| Deletion                             | 108              | 312              |
| Finance cost accrued during the year | 21               | 103              |
| Payment of lease liabilities         | 234              | 409              |
| <b>Closing Balance</b>               | <b>441</b>       | <b>353</b>       |

# Notes to the Consolidated Financial Statements

for the year ended 31st March, 2025 (Contd.)

## 48. Leases (Contd.)

The table below provides details regarding the contractual maturities of lease liabilities as at March 31st, 2025 on an undiscounted basis:

| Particulars          | (₹ in Lacs)               |                           |
|----------------------|---------------------------|---------------------------|
|                      | As at<br>31st March, 2025 | As at<br>31st March, 2024 |
| Less than one year   | 150                       | 346                       |
| One to five years    | 253                       | 274                       |
| More than five years | -                         | -                         |
| <b>Total</b>         | <b>403</b>                | <b>620</b>                |

The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

### b) In the capacity of Lessor (Operating lease)

- The Group has given assets on operating lease arrangements 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, 2025 is amounting to ₹ Nil (March 31st, 2024 : ₹ 8 Lacs).
- The Group also has cancellable operating lease arrangements for office premises, which range between 1 to 9 years and are usually renewable by mutual consent on mutually agreeable terms.
- Details of rental income towards operating lease for assets and office premises including sublease are as follows:

| Particulars                                          | (₹ in Lacs)  |               |
|------------------------------------------------------|--------------|---------------|
|                                                      | 24-25        | 23-24         |
| Rental Income on the basis of earnings of the Lessee | -            | -             |
| Others                                               | 3,078        | 12,960        |
| <b>Total Rental Income</b>                           | <b>3,078</b> | <b>12,960</b> |

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

| Particulars                                       | (₹ in Lacs)               |                           |
|---------------------------------------------------|---------------------------|---------------------------|
|                                                   | As at<br>31st March, 2025 | As at<br>31st March, 2024 |
| Not later than one year                           | 2,014                     | 2,832                     |
| Later than one year but not later than five years | 2,789                     | 1,620                     |
| Later than five years                             | 661                       | -                         |
| <b>Total</b>                                      | <b>5,464</b>              | <b>4,452</b>              |

# Notes to the Consolidated Financial Statements

for the year ended 31st March, 2025 (Contd.)

## 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)

| Assets                              | As 31st March, 2025 |                 |                 | As at 31st March, 2024 |                 |                 |
|-------------------------------------|---------------------|-----------------|-----------------|------------------------|-----------------|-----------------|
|                                     | Within 12 Months    | After 12 Months | Total           | Within 12 Months       | After 12 Months | Total           |
| Cash and Cash Equivalents           | 28,353              | -               | 28,353          | 63,884                 | -               | 63,884          |
| Bank Balance other than above       | 594                 | 55              | 649             | 2,375                  | 732             | 3,107           |
| Trade Receivables                   | 1,540               | -               | 1,540           | 2,098                  | -               | 2,098           |
| Loans # *                           | 39,356              | 1,33,895        | 1,73,251        | 8,812                  | 2,89,752        | 2,98,564        |
| Investments                         | 24,500              | 68,505          | 93,005          | 15,452                 | 54,531          | 69,983          |
| Other Financial Assets              | 166                 | 697             | 863             | 415                    | 426             | 841             |
| Current Tax Assets (Net)            | 368                 | 18,709          | 19,077          | 368                    | 22,674          | 23,042          |
| Deferred Tax Assets (Net)           | -                   | 739             | 739             | -                      | 642             | 642             |
| Property, Plant and Equipment       | -                   | 48,643          | 48,643          | -                      | 80,305          | 80,305          |
| Rights of Use - Assets              | 150                 | 287             | 437             | 54                     | 250             | 304             |
| Other Intangible Assets             | -                   | 49              | 49              | -                      | 315             | 315             |
| Intangible Assets under development | 632                 | 8               | 640             | -                      | 6               | 6               |
| Non-Current Asset Held For Sale     | 1,424               | 499             | 1,923           | -                      | 388             | 388             |
| Other Non-Financial Assets          | 1,685               | 412             | 2,097           | 2,014                  | 510             | 2,524           |
| <b>Total</b>                        | <b>98,768</b>       | <b>2,72,498</b> | <b>3,71,266</b> | <b>95,472</b>          | <b>4,50,531</b> | <b>5,46,003</b> |

# 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.

\* 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.

(₹ in Lacs)

| Liabilities                               | As 31st March, 2025 |                 |                 | As at 31st March, 2024 |                 |                 |
|-------------------------------------------|---------------------|-----------------|-----------------|------------------------|-----------------|-----------------|
|                                           | Within 12 Months    | After 12 Months | Total           | Within 12 Months       | After 12 Months | Total           |
| Trade Payables                            | 769                 | -               | 769             | 277                    | -               | 277             |
| Debt Securities*                          | -                   | 2,02,325        | 2,02,325        | -                      | 2,97,597        | 2,97,597        |
| Borrowings (Other than Debt Securities)** | 112                 | -               | 112             | 414                    | 111             | 525             |
| Subordinated Liabilities***               | -                   | 6,988           | 6,988           | -                      | 6,236           | 6,236           |
| Lease Liabilities                         | 185                 | 256             | 441             | 82                     | 271             | 353             |
| Other Financial Liabilities               | 7,835               | 413             | 8,248           | 11,009                 | 345             | 11,354          |
| Provisions                                | 109                 | 143             | 252             | 27                     | 134             | 161             |
| Other Non-Financial Liabilities           | 552                 | 83,650          | 84,202          | 1,315                  | 1,33,670        | 1,34,985        |
| <b>Total</b>                              | <b>9,562</b>        | <b>2,93,775</b> | <b>3,03,337</b> | <b>13,124</b>          | <b>4,38,364</b> | <b>4,51,488</b> |

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.

\*\* 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. 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.

# Notes to the Consolidated Financial Statements

## for the year ended 31st March, 2025 (Contd.)

51. Additional Information as per Schedule III of The Companies Act, 2013

| Sl. No.                                                                                       | Name of the entity                                                                                                              | As at 31st March, 2025                                   |               | Share in profit or loss<br>(Profit after tax) |                 |                                          | Other Comprehensive<br>Income |                                          | Total Comprehensive<br>Income |  | (₹ in Lacs) |
|-----------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------|---------------|-----------------------------------------------|-----------------|------------------------------------------|-------------------------------|------------------------------------------|-------------------------------|--|-------------|
|                                                                                               |                                                                                                                                 | Net Assets, i.e. total assets<br>minus total liabilities |               | As % of consolidated<br>(Profit after tax)    |                 | As % of Other<br>Comprehensive<br>Income |                               | As % of Other<br>Comprehensive<br>Income |                               |  |             |
|                                                                                               |                                                                                                                                 | As % of<br>consolidated<br>net assets                    | Amount        | As % of<br>consolidated<br>Profit or Loss     | Amount          | As % of Other<br>Comprehensive<br>Income | Amount                        | As % of Other<br>Comprehensive<br>Income | Amount                        |  |             |
| <b>Parent</b>                                                                                 |                                                                                                                                 |                                                          |               |                                               |                 |                                          |                               |                                          |                               |  |             |
| 1                                                                                             | Srei Infrastructure Finance Limited                                                                                             | 122.89%                                                  | 83,475        | -0.74%                                        | 143             | 99.80%                                   | (7,360)                       | 27.12%                                   | (7,217)                       |  |             |
| <b>Subsidiaries</b>                                                                           |                                                                                                                                 |                                                          |               |                                               |                 |                                          |                               |                                          |                               |  |             |
| <b>Indian:</b>                                                                                |                                                                                                                                 |                                                          |               |                                               |                 |                                          |                               |                                          |                               |  |             |
| 1                                                                                             | Srei Capital Markets Limited                                                                                                    | 0.36%                                                    | 247           | 0.15%                                         | (28)            | 0.60%                                    | (44)                          | 0.27%                                    | (72)                          |  |             |
| 2                                                                                             | Srei Equipment Finance Limited                                                                                                  | -1755.29%                                                | (11,92,356)   | 99.23%                                        | (19,064)        | -0.37%                                   | 27                            | 71.60%                                   | (19,037)                      |  |             |
| 3                                                                                             | Trinity Alternative Investment Managers Ltd<br>(Formerly Srei Alternative Investment Managers Limited)                          | 6.32%                                                    | 4,295         | 0.00%                                         | -               | 0.00%                                    | -                             | 0.00%                                    | -                             |  |             |
| 4                                                                                             | Hyderabad Information Technology Venture Enterprises Limited<br>(Subsidiary of Trinity Alternative Investment Managers Limited) | 0.06%                                                    | 42            | 0.00%                                         | -               | 0.00%                                    | -                             | 0.00%                                    | -                             |  |             |
| 5                                                                                             | Cyberabad Trustee Company Pvt Limited<br>(Subsidiary of Trinity Alternative Investment Managers Limited)                        | 0.01%                                                    | 7             | 0.00%                                         | -               | 0.00%                                    | -                             | 0.00%                                    | -                             |  |             |
| 6                                                                                             | Bengal Srei Infrastructure Development Limited                                                                                  | 0.09%                                                    | 64            | 0.01%                                         | (1)             | 0.00%                                    | -                             | 0.00%                                    | (1)                           |  |             |
| 7                                                                                             | Controlla Electrotech Private Limited                                                                                           | 2.77%                                                    | 1,883         | 0.18%                                         | (34)            | 0.00%                                    | -                             | 0.13%                                    | (34)                          |  |             |
| 8                                                                                             | Srei Mutual Fund Asset Management Private Limited                                                                               | 0.04%                                                    | 29            | 0.02%                                         | (3)             | 0.00%                                    | -                             | 0.01%                                    | (3)                           |  |             |
| 9                                                                                             | Srei Mutual Fund Trust Private Limited                                                                                          | 0.01%                                                    | 7             | 0.00%                                         | -               | 0.00%                                    | -                             | 0.00%                                    | -                             |  |             |
| 10                                                                                            | Srei Insurance Broking Private Limited                                                                                          | 1.39%                                                    | 944           | 1.21%                                         | (233)           | -0.03%                                   | 2                             | 0.87%                                    | (231)                         |  |             |
| 11                                                                                            | Srei Mutual Fund Trust                                                                                                          | 0.00%                                                    | -             | 0.00%                                         | -               | 0.00%                                    | -                             | 0.00%                                    | -                             |  |             |
| 12                                                                                            | Srei Assets Leasing Limited                                                                                                     | 0.18%                                                    | 121           | -0.04%                                        | 8               | 0.00%                                    | -                             | -0.03%                                   | 8                             |  |             |
| Adjustment on disposal / cessation of Subsidiaries,<br>Step - down Subsidiaries and Associate |                                                                                                                                 |                                                          |               |                                               |                 |                                          |                               |                                          |                               |  |             |
| <b>Non-Controlling Interests in all subsidiaries</b>                                          |                                                                                                                                 | 1721.17%                                                 | 11,69,171     | 0.00%                                         | -               | 0.00%                                    | -                             | 0.00%                                    | -                             |  |             |
| <b>Total</b>                                                                                  |                                                                                                                                 | <b>100.00%</b>                                           | <b>67,929</b> | <b>100.00%</b>                                | <b>(19,212)</b> | <b>100.00%</b>                           | <b>(7,375)</b>                | <b>99.98%</b>                            | <b>(26,587)</b>               |  |             |

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, 2025 (Contd.)

51. Additional Information as per Schedule III of The Companies Act, 2013 (Contd.)

| Sl. No.                                                                                    | Name of the entity                                                                                                           | As at 31st March, 2024                                |             | 2023-24                                    |            |                                    |         | (₹ in Lacs)                        |            |
|--------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------|-------------|--------------------------------------------|------------|------------------------------------|---------|------------------------------------|------------|
|                                                                                            |                                                                                                                              | Net Assets, i.e. total assets minus total liabilities |             | Share in profit or loss (Profit after tax) |            | Other Comprehensive Income         |         | Total Comprehensive Income         |            |
|                                                                                            |                                                                                                                              | 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                                                                                     |                                                                                                                              |                                                       |             |                                            |            |                                    |         |                                    |            |
| 1                                                                                          | Srei Infrastructure Finance Limited                                                                                          | 87.98%                                                | 83,162      | 0.09%                                      | (662)      | 96.67%                             | (8,851) | 1.20%                              | (9,513)    |
| Subsidiaries                                                                               |                                                                                                                              |                                                       |             |                                            |            |                                    |         |                                    |            |
| Indian:                                                                                    |                                                                                                                              |                                                       |             |                                            |            |                                    |         |                                    |            |
| 1                                                                                          | Srei Capital Markets Limited                                                                                                 |                                                       |             |                                            |            |                                    |         |                                    |            |
| 2                                                                                          | Srei Equipment Finance Limited                                                                                               | 0.34%                                                 | 319         | 0.00%                                      | (20)       | (0.01%)                            | 1       | 0.00%                              | (19)       |
| 3                                                                                          | Trinity Alternative Investment Managers Ltd (Formerly Srei Alternative Investment Managers Limited)                          | (1233.37%)                                            | (11,65,723) | 99.89%                                     | (7,77,894) | 3.29%                              | (301)   | 98.77%                             | (7,78,195) |
| 4                                                                                          | Hyderabad Information Technology Venture Enterprises Limited (Subsidiary of Trinity Alternative Investment Managers Limited) | 4.54%                                                 | 4,292       | 0.00%                                      | -          | 0.00%                              | -       | 0.00%                              | -          |
| 5                                                                                          | Cyberabad Trustee Company Pvt Limited (Subsidiary of Trinity Alternative Investment Managers Limited)                        | 0.04%                                                 | 42          | 0.00%                                      | -          | 0.00%                              | -       | 0.00%                              | -          |
| 6                                                                                          | Bengal Srei Infrastructure Development Limited                                                                               | 0.01%                                                 | 7           | 0.00%                                      | -          | 0.00%                              | -       | 0.00%                              | -          |
| 7                                                                                          | Controlla Electrotech Private Limited                                                                                        | 0.07%                                                 | 65          | 0.00%                                      | (1)        | 0.00%                              | -       | 0.00%                              | (1)        |
| 8                                                                                          | Srei Mutual Fund Asset Management Private Limited                                                                            | 1.95%                                                 | 1,839       | (0.01%)                                    | 63         | 0.00%                              | -       | (0.01%)                            | 63         |
| 9                                                                                          | Srei Mutual Fund Trust Private Limited                                                                                       | 0.03%                                                 | 33          | 0.00%                                      | 1          | 0.00%                              | -       | 0.00%                              | 1          |
| 10                                                                                         | Srei Insurance Broking Private Limited                                                                                       | 0.01%                                                 | 7           | 0.00%                                      | -          | 0.00%                              | -       | 0.00%                              | -          |
| 11                                                                                         | Srei Mutual Fund Trust                                                                                                       | 1.26%                                                 | 1,187       | 0.03%                                      | (229)      | 0.05%                              | (5)     | 0.03%                              | (234)      |
| 12                                                                                         | Srei Asset Finance Limited                                                                                                   | 0.00%                                                 | 114         | 0.00%                                      | -          | 0.00%                              | -       | 0.00%                              | -          |
| Adjustment on disposal / cessation of Subsidiaries, Step - down Subsidiaries and Associate |                                                                                                                              | 0.12%                                                 |             | 0.00%                                      | 7          | 0.00%                              | -       | 0.00%                              | 7          |
| Non-controlling Interests in all subsidiaries                                              |                                                                                                                              | 0.00%                                                 | -           | 0.00%                                      | -          | 0.00%                              | -       | 0.00%                              | -          |
| Total                                                                                      |                                                                                                                              | 1237.02%                                              | 11,69,171   | 0.00%                                      | 1          | 0.00%                              | -       | 0.00%                              | 1          |
|                                                                                            |                                                                                                                              | 100.00%                                               | 94,515      | 100.00%                                    | (7,78,735) | 100.00%                            | (9,156) | 99.99%                             | (7,87,891) |

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, 2025 (Contd.)

## FORM AOC - 1

Statement containing salient features of the financial statement of subsidiaries / associate companies / joint ventures under Section 129(3) read with Rule 5 of the Companies (Accounts) Rules, 2014.  
Part "A": Subsidiaries

| Name of Companies                                    | Srei Equipment Finance Limited | Srei Insurance Broking Pvt Ltd | Srei Capital Markets Ltd | Controllia Electrotech Pvt Ltd | Srei Mutual Fund Asset Management Pvt. Ltd | Srei Mutual Fund Trust Pvt Ltd | Srei Asset Leasing Limited | Bengal Srei Infrastructure Development Ltd | Trinity Alternative Investment Managers Ltd | Hyderabad Information Technology Ventures Enterprises Ltd | Cyberabad Trustee Company Pvt Ltd |
|------------------------------------------------------|--------------------------------|--------------------------------|--------------------------|--------------------------------|--------------------------------------------|--------------------------------|----------------------------|--------------------------------------------|---------------------------------------------|-----------------------------------------------------------|-----------------------------------|
| Sl. No.                                              | 1                              | 2                              | 3                        | 4                              | 5                                          | 6                              | 7                          | 8                                          | 9                                           | 10                                                        | 11                                |
| 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, 2025                 | March 31, 2025                 | March 31, 2025           | March 31, 2025                 | March 31, 2025                             | March 31, 2025                 | March 31, 2025             | March 31, 2025                             | March 31, 2025                              | March 31, 2025                                            | March 31, 2025                    |
| Reporting Currency                                   | INR                            | INR                            | INR                      | INR                            | INR                                        | INR                            | INR                        | INR                                        | INR                                         | INR                                                       | INR                               |
| Exchange rate on last day of reporting year (In INR) |                                |                                |                          |                                |                                            |                                |                            |                                            |                                             |                                                           |                                   |
| Share Capital                                        | 11,69,268                      | 500.00                         | 505.00                   | 3.53                           | 1,850.00                                   | 15.00                          | 100.00                     | 5.00                                       | 25*                                         | 25*                                                       | 5*                                |
| Reserves & Surplus                                   | (12,09,348)                    | 443.79                         | (258.03)                 | (471.23)                       | (1,818.05)                                 | (10.43)                        | 21.43                      | (116.58)                                   | 45.77*                                      | 16.8*                                                     | 1.65*                             |
| Total Assets                                         | 2,84,336                       | 1,018.34                       | 260.62                   | 1,887.64                       | 32.21                                      | 7.07                           | 121.59                     | 11.31                                      | 4512.8*                                     | 47.14*                                                    | 6.97*                             |
| Total Liabilities                                    | 2,84,336                       | 1,018.34                       | 260.62                   | 1,887.64                       | 32.21                                      | 7.07                           | 121.59                     | 11.31                                      | 4512.8*                                     | 47.14*                                                    | 6.97*                             |
| Investments                                          | 44,592                         | 479.27                         | 91.68                    | 219.37                         | 20.56                                      | -                              | 110.91                     | 6.40                                       | 2503.01*                                    | *                                                         | *                                 |
| Turnover                                             | 88,976                         | 177.49                         | 5.58                     | 338.27                         | 1.60                                       | 0.40                           | 8.78                       | 0.48                                       | **                                          | **                                                        | **                                |
| Profit / (Loss) before Tax                           | (29,066)                       | (321.10)                       | (39.09)                  | 43.27                          | (3.23)                                     | (0.13)                         | 7.72                       | (0.68)                                     | **                                          | **                                                        | **                                |
| Provision for Taxation                               | -                              | (76.45)                        | (10.05)                  | (0.11)                         | -                                          | -                              | 0.01                       | 0.27                                       | **                                          | **                                                        | **                                |
| Profit / (Loss) after Tax                            | (29,066)                       | (244.65)                       | (29.04)                  | 43.38                          | (3.23)                                     | (0.13)                         | 7.71                       | (0.95)                                     | **                                          | **                                                        | **                                |
| Proposed Dividend                                    | -                              | -                              | -                        | -                              | -                                          | -                              | -                          | -                                          | **                                          | **                                                        | **                                |
| Extent of shareholding (effective) - in percentage   | 100%                           | 100%                           | 100%                     | 100%                           | 100%                                       | 100%                           | 100%                       | 51%                                        | 51%                                         | 26.01%                                                    | 26.01%                            |

### Notes:

- Names of subsidiaries which are yet to commence operations: None
  - Names of subsidiaries which have been liquidated or sold during the current reporting year: None
- \* 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. 55)  
\*\* Refer Note No. 55

# Notes to the Consolidated Financial Statements

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

## 52. 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.

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.

In terms of Approved Resolution Plan, a part of existing issued equity share capital of SEFL, amounting to ₹ 7802 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.

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 NARCL. The handover of the closing date balance sheet along with other necessary requirement including Reconstitution of the Board 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. In terms of Approved Resolution Plan, receivable from SEFL ₹ 10,000 Lacs per year for first two years towards business rationalisation cost.

## 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 a Business Transfer Agreement ('BTA') to transfer the Lending Business, Interest Earning Business and Lease Business of the Company together with associated employees, assets and liabilities (including liabilities towards issued and outstanding non - convertible debentures) (Transferred Undertaking), as a going concern by way of slump exchange to SEFL pursuant to the BTA, subject to all necessary approvals. Accordingly, the Company and SEFL 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 i.e. September 22, 2023 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 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. 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. In SIFL as per RBI letter dated February 3, 2025, fresh Certificate of Registration (CoR) has been issued by RBI as NBFC-ND (Type - 2). Accordingly, based on the implementation of the resolution plan, the successful resolution applicant has taken over the management of the Company and is in the process of commencing the lending business. Accordingly, the financial statements have been prepared on a going concern basis.

Further, In SEFL as per the RBI letter dated December 6, 2024, Certificate of Registration (CoR) with RBI is limited to only recoveries / collections from its existing portfolios within five years from the date of approval of the resolution plan by NCLT. Based on the implementation steps as per approved resolution plan, the Company has adhered to the indicative timelines and is focused on the recoveries / collections

# Notes to the Consolidated Financial Statements

## for the year ended 31st March, 2025 (Contd.)

on its existing portfolio including pursuing / initiating all the recovery actions against the defaulting borrowers of the Company. Accordingly, these financial statements have been prepared on a going concern basis.

- 55.** 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, 2025, 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.
- 56.** Details of loan transferred / acquired during the quarter and year ended March 31, 2025 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, 2025.
- (b) The Company has not transferred or acquired any stressed loan during the quarter and year ended March 31, 2025. The details of stressed loans as Non-Performing Assets (NPA) transferred during the year ended March 31st, 2025 (previous year Nil) is as follows:

| (all amounts ₹ in Lacs)                                                                  | For the year ended March 31st, 2025 |                          |                      |
|------------------------------------------------------------------------------------------|-------------------------------------|--------------------------|----------------------|
|                                                                                          | To ARCs                             | To permitted transferees | To other transferees |
| No: of accounts @                                                                        | 2                                   | -                        | -                    |
| Aggregate principal outstanding of loans transferred @                                   | 30,003                              | -                        | -                    |
| Weighted average residual tenor of the loans transferred @                               | -                                   | -                        | -                    |
| Net book value of loans transferred (at the time of transfer) @                          | 323                                 | -                        | -                    |
| Aggregate consideration @                                                                | 3,120                               | -                        | -                    |
| Additional consideration realized in respect of accounts transferred in earlier period @ | -                                   | -                        | -                    |
| @ Includes Claims Receivable                                                             |                                     |                          |                      |

- (c) Details on recovery ratings assigned for Security Receipts as on March 31, 2025 and March 31, 2024.

| Categories | Anticipated recovery as per recovery rating | As at March 31st, 2025 @ |        | As at March 31st, 2024 |
|------------|---------------------------------------------|--------------------------|--------|------------------------|
|            |                                             |                          |        |                        |
| RR1*       | 100%-150%                                   | -                        | -      | -                      |
| RR1 #      | 100%-150%                                   | 10,200                   | 12,977 |                        |
| RR2**      | 75%- 100%                                   |                          |        | -                      |
| RR5***     | 0%- 25%                                     |                          |        | -                      |

\* The last available recovery rating is as at February 08th, 2023, valid till June 30th, 2023

\*\* The last available recovery rating is as at February 02, 2024, valid till June 30, 2024

\*\*\* The last available recovery rating is as at August 28th, 2020, valid till December 31st, 2020

# The last available recovery rating is as at February 12th, 2025, valid till June 30th, 2025

@ It does not include Security Receipts of ₹ 864 Lacs in the month of March 31st, 2025, which is unrated as of March 31st, 2025 as the initial rating is to be done within six months of the date of acquisition as per RBI guideline

- 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 Lakhoria**  
Partner  
Membership No. 068851

Place: Kolkata  
Date: May 2, 2025

**For and on behalf of Srei Infrastructure Finance Limited**

**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





EQUIPMENT FINANCING  
ADVISORY SERVICES  
INSURANCE BROKING





**Srei Infrastructure Finance Limited**

CIN : U29219WB1985PLC055352

Registered Office:

'Vishwakarma', 86C, Topsia Road (South), Kolkata - 700 046

[www.srei.com](http://www.srei.com)