



VIVRITI CAPITAL LIMITED

(formerly known as Vivriti Capital Private Limited)

CIN: U65929TN2017PLC117196

**REGD OFFICE: PRESTIGE ZACKRIA METROPOLITAN NO. 200/1-8, 2ND FLOOR, BLOCK -1,
ANNASALAI, CHENNAI – 600002, INDIA.**

SHORTER NOTICE is hereby given that the **6th Annual General Meeting** of the shareholders of Vivriti Capital Limited (formerly known as Vivriti Capital Private Limited) **(the ‘Company’)** will be held on Saturday, 30th September 2023 at 5:00 P.M. (IST) through Video Conferencing (“VC”)/ Other Audio-Visual Means (“OAVM”) at Prestige Zackria Metropolitan No. 200/1-8, 2nd Floor, Block -1, Annasalai, Chennai – 600002, India to transact the following business:

ORDINARY BUSINESS:

[Item 1. To receive, consider and adopt the Standalone Audited Financial Statements of the Company for the Financial Year ended 2022-23, along with Auditors Report and the Report of Board of Directors & its annexures thereon:](#)

To consider and, if thought fit, to pass the following resolution as an **Ordinary Resolution**:

“**RESOLVED THAT** pursuant to section 129, 134, 137 and such other applicable provision of the Companies Act, 2013 read with rules framed thereunder and SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 (including any statutory modifications or re-enactments, notified from time to time) **(the “Act”)** the audited Standalone Financial Statements of the Company for the Financial Year ended 31st March 2023 along with Auditors report and the Report of the Board of Directors & its annexures thereon, as laid before this meeting, be and are hereby received, considered, approved and adopted.”

[Item 2: To receive, consider and adopt the Consolidated Audited Financial Statements of the Company for the Financial Year ended 2022-23, and the Auditors Report thereon:](#)

To consider and, if thought fit, to pass the following resolution as an **Ordinary Resolution**:

“**RESOLVED THAT** pursuant to section 129, 134, 137 and such other applicable provision of the Companies Act, 2013 read with rules framed thereunder and SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 (including any statutory modifications or re-enactments, notified from time to time), the audited Consolidated Financial Statements of the Company for

the Financial Year ended 31st March 2023 and the Reports of the Auditors thereon, as laid before this meeting, be and are hereby received, considered, approved and adopted.”

Item 3: To ratify the appointment of Statutory Auditor and fix their remuneration for Financial Year 2023-24:

To consider and, if thought fit, to pass the following resolution as an **Ordinary Resolution**:

“**RESOLVED THAT** pursuant to the provisions of clause 6.2 of Part B of Articles of Association of the Company read with applicable laws, if any, the appointment of M/s BSR & Co. LLP, Chartered Accountants (Firm’s Registration No: 101248W/W-100022) be and is hereby ratified for the Financial Year 2023-24 and the Board of Directors of the Company be and are hereby authorised to fix their remuneration and other terms and conditions from time to time in consultation with the Audit Committee and Statutory Auditors of the Company.”

Item 4: To appoint a director in place of Mr. John Tyler Day (DIN 07298703), who retires by rotation and being eligible, offers himself for reappointment.

To consider and, if thought fit, to pass the following resolution as an **Ordinary Resolution**:

“**RESOLVED THAT** pursuant to the provisions of section 152 of the Companies Act, 2013 and rules made thereunder (including any statutory modification and re-enactment thereof) and other applicable provisions, if any of the Companies Act, 2013, Mr. John Tyler Day (DIN: 07298703), Nominee Director of the Company, who is liable to retire by rotation and being eligible has offered himself for reappointment, be and is hereby reappointed as a Nominee Director (Non-Executive) of the Company, liable to retire by rotation.”

By order of the Board

For and on behalf of **Vivriti Capital Limited**
(formerly known as Vivriti Capital Private Limited)

Sd/-
P S Amritha
Company Secretary and Compliance Officer
Mem No. A49121

Place: Chennai
Date: 26th September 2023

Notes:

1. In view of the global outbreak of the Covid-19 pandemic, social distancing is a norm to be followed. Accordingly, the Ministry of Corporate Affairs (“MCA”) vide its General Circular Nos. 14/ 2020 dated April 8, 2020 and 17/ 2020 dated April 13, 2020, in relation to “Clarification on passing of ordinary and special resolutions by Companies under the Companies Act, 2013 and the rules made thereunder on account of the threat posed by Covid-19”, General Circular No. 20/2020 dated May 5, 2020, General Circular No.02/2021 and 21/2021 dated January 13, 2021 and December 14, 2021, respectively in relation to “Clarification on holding of annual general meeting (AGM) through video conferencing (VC) or other audio visual means (OAVM)” read with General Circular No. 3/2022 dated May 05, 2022, General Circular No 10/2022 dated 28.12.2022 & General Circular No 11/2022 dated 28.12.2022 MCA (collectively referred to as “MCA Circulars”) has extended the time period for holding of AGM / EGM or passing of Ordinary/ Special Resolution through Video Conferencing/ Other Audio Visual Means (OAVM) till 30th September 2023.
2. Pursuant to the aforementioned MCA Circulars, since the AGM is being held through VC/OAVM, the physical presence of the Members has been dispensed with. Accordingly, the facility for appointment of proxy(ies) by the Members will not be available for the AGM and hence the proxy form, attendance slip, and route map are not annexed to this notice. However, in pursuance of Section 113 of the Companies Act, 2013, representatives of the Corporate Members may be appointed for the purpose of voting or for participation and voting in the meeting. The Corporate Members proposing to participate at the meeting through their representative, shall forward a scanned copy of the necessary authorization under Section 113 of the Companies Act, 2013 for such representation to the Company through e-mail to the scrutinizer at prabhakar@bpcorpadvisors.com with a copy marked to amritha.paitenkar@vivriticapital.com before the commencement of the meeting. The deemed venue for the AGM shall be the Registered Office of the Company.
3. The Company shall conduct the AGM through VC / OAVM by using Zoom cloud meetings (“Zoom”) and the Members are requested to follow instructions as stated in this notice for participating in this AGM through Zoom. An invite of the AGM shall be sent to the registered email addresses of the persons entitled to attend the Meeting, for joining the Meeting through Zoom.
4. The attendance of the Members attending the AGM through VC / OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013. In case of joint holder(s) attending the meeting through VC / OAVM, only such joint holder who is higher in the order of names will be entitled to vote.
5. For voting by way of poll – in accordance with provisions of Section 109 of the Companies Act, 2013 read with Articles of Association of the Company, members can cast their vote during the Meeting by way of poll. For voting members can send an email to the e-mail ID of the scrutinizer appointed for the meeting (prabhakar@bpcorpadvisors.com) from their email addresses registered with the Company.

6. On the date of the meeting i.e., on 30th September 2023, the Members, Directors, Key Managerial Personnel, Auditors, and all other persons authorized to attend the meeting, may join, using the link provided from 4: 45 PM IST to 5:15 PM IST and post that no person shall be able to join the meeting except the Company's directors.
7. The Members desiring to inspect the documents referred and relied upon by the Company in this Notice and statutory registers/other documents as prescribed under the provisions of the Companies Act, 2013 and rules made thereunder are required to send request through an email at amritha.paitenkar@vivriticapital.com. An access for such documents would be given to such Member(s). Further, the same shall also be available for inspection by the Members at the Registered Office of the Company on any working day between 11:00 A.M. to 4 P.M. up to and including the date of AGM.
8. The Register of Directors and Key Managerial Personnel and their shareholding as maintained under Section 170 of the Companies Act, 2013, and the Register of Contracts or Arrangements in which directors are interested as maintained under Section 180 of the Companies Act, 2013, will be available for inspection by the Members during the AGM.
9. As the AGM is being conducted through VC, for the smooth conduct of proceedings of the AGM, Members are encouraged to express their views/send their queries in advance with regard to the financial statements or any other matter to be placed at the AGM, from their registered e-mail ID, mentioning their full name, folio number/ DPID-Client ID, address and contact number, to amritha.paitenkar@vivriticapital.com, by 4:00 PM IST on or before 29th September 2023 so that the requisite information/ explanations can be kept ready to be provided in time. Members may raise questions during the meeting as well. The Company reserves the right to restrict the number of questions and number of speakers, as appropriate, for smooth conduct of the AGM.
10. The Notice is being sent electronically to all the Members / Beneficiaries electronically, whose names appear on the Register of Members / Record of Depositories as on 15th September 2023, in accordance with the provisions of the Companies Act, 2013, read with Secretarial Standards – 2 and Rules made thereunder. All correspondences relating to transfer / transmission of shares, issue of duplicate share certificates, bank mandates and all other matters relating to the shareholding of the company may be made to Integrated Registry Management Services Private Limited ("Integrated"), the Registrar and Share Transfer Agent of the Company. The members holding shares in dematerialized form may send such communication to their respective depository participant(s) ("DP").
11. Nomination facility is available to individuals holding shares in the Company. Members can nominate a person in respect of shares held by him / her jointly or singly. Members holding shares in physical form and who have not registered their nomination are requested to register the same by submitting Form No. SH-13. If a member desires to opt out or cancel the earlier nomination and record a fresh nomination, he/she may submit the same in Form ISR -3 or SH-14 as the case may be. Members holding shares in electronic form may approach their respective DPs to complete the nomination formalities.

12. Members who have not registered their e-mail IDs are requested to register the same with respective depository participant(s) and members holding shares in physical mode are requested to update their email addresses with the Company by sending a request to amritha.paitenkar@vivriticapital.com. Members are requested to intimate changes, if any, pertaining to their name, postal address, e-mail address, telephone / mobile numbers, PAN, etc., with the respective depository participant(s) and members holding shares in physical mode are requested to update the same by sending a request to amritha.paitenkar@vivriticapital.com.
13. In terms of the Secretarial Standards – 2 on “General Meetings” issued by the Institute of the Company Secretaries of India and approved and notified by the Central Government, a statement as required by paragraph no. 1.2.5 of SS-2 is furnished and forms part of the notice as Annexure.
14. Pursuant to section 101(1) of the Companies Act, 2013, draft of shorter notice consent is annexed to this notice. Members are requested to send the signed shorter notice consent(s) prior to the time fixed for AGM.

Process for attending the Meeting:

1. To attend the meeting through VC mode, a link will be forwarded to your registered e-mail ID, 24 hours prior to the start of the meeting. The shareholders can use a laptop or an android mobile phone with good internet connectivity to access the link.
2. Facility to join the meeting shall be opened at least 15 minutes before the scheduled time and shall not be closed till the expiry of 15 minutes after such scheduled time
3. On accessing the link, you will be prompted to enter the Meeting ID and the Password. The meeting ID and the Password will be mailed to you along with the meeting link. Upon entering the Meeting ID and Password, you will be connected to the virtual meeting room.
4. In case any member requires assistance for using the link before or during the meeting, you may contact Ms. Amritha P.S, Company Secretary at +91 9500126166 or at amritha.paitenkar@vivriticapital.com.
5. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/ Video loss due to fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN connection to mitigate any kind of technical issue.

ANNEXURE TO THE NOTICE

Item 3: To ratify the appointment of Statutory Auditor and fix their remuneration for Financial Year 2023-24:

The Company is required to ratify appointment of Statutory Auditor of the Company i.e. M/s BSR & Co. LLP, Chartered Accountants (Firm's Registration No: 101248W/W-100022), as per the provisions of Clause 6.2 of Part B of Articles of Association of the Company which states that auditors so appointed in the annual general meeting shall hold office from the conclusion of that meeting till the conclusion of the sixth annual general meeting, with the meeting wherein such appointment has been made being counted as the first meeting, provided that such appointment shall be subject to ratification in every annual general meeting till the sixth such meeting by way of passing of an ordinary resolution. Further, the remuneration of the auditors is required to be fixed by the Company in general meeting. Accordingly, the resolution is placed before members for their consideration and approval.

None of the Directors, Key Managerial Personnel and/ or their relatives are, in any way, concerned or interested, financially or otherwise, in this Resolution.

The Board of Directors of your Company recommends passing of the resolution set out at Item No. 3 as **Ordinary Resolution**.

Item 4: To appoint a director in place of Mr. John Tyler Day (DIN 07298703), who retires by rotation and being eligible, offers himself for reappointment .

Pursuant to the provisions of Section 152 of the Companies Act, 2013 and Articles of Association of the Company, one-third of the total directors of the Company (excluding the independent directors) and those who have held the longest office since his/her last appointment, shall retire by rotation at every Annual General Meeting. In case of persons appointed on the same day, those who are to retire shall be determined by a lot. Accordingly, Mr. John Tyler Day is liable to retire by rotation at this Annual General Meeting and being eligible, he has offered himself for consideration and re-appointment by Members of the Company.

Brief profile of Director to be reappointed:

Mr. John Tyler Day is a Nominee Director of our Company. He holds a bachelor's degree in business administration from University of Texas at Austin and a master's degree in business administration from J.L. Kellogg School of Management, Northwestern University. He is currently associated with Creation Investment Capital Management LLC as a partner and member of the investment committee. He has over 12 years of experience in the field of financial services.

Details of Mr. John Tyler Day:

| Sr. No. | Particulars | Details |
|---------|------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1. | Full Name | John Tyler Day |
| 2. | Date of Birth | 11/03/1986 |
| 3. | Age | 37 years |
| 4. | DIN | 07298703 |
| 5. | Qualification | Master's degree in business administration from J.L. Kellogg School of Management and bachelor's degree in business administration from the University of Texas |
| 6. | Address | 7034, Irongate Lane, Dallas, Texas, USA-75214 |
| 7. | Current Designation | Nominee Director (Non-executive) |
| 8. | Director on the Board since | Original date of appointment-18/01/2019 Date of appointment at current designation-25/05/2019 |
| 9. | Occupation | Business |
| 10. | Experience | 12+ years |
| 11. | Nationality | USA |
| 12. | Terms and conditions of appointment or re-appointment along with details of remuneration sought to be paid | As per Amended and Restated Shareholders Agreement and Deed of Covenants dated 25 th April 2019. |
| 13. | The remuneration last drawn by such person, if applicable | Nil |
| 14. | Shareholding in the company | Nil |
| 15. | Relationship with other Directors, Manager and other Key Managerial Personnel of the company | Nil |
| 16. | The number of Meetings of the Board attended during the year (i.e. for FY 22-23) | Total No. of Board Meetings – 11 Number of Board Meetings attended – 10 |

| Sr. No. | Particulars | Details | |
|---------|--------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------|
| 17. | Directorship/Designated partner in other Boards/LLP | <ol style="list-style-type: none"> 1. Vivriti Asset Management Private Limited 2. Credavenue Private Limited 3. Shapos Services Private Limited 4. OFB Tech Private Limited 5. CISV India Private Limited 6. Sohan Lal Commodity Management Private Limited 7. Desiderata Impact Ventures Private Limited 8. Muthoot Microfin Limited 9. Vastu Housing Finance Corporation Limited 10. Creation Impact Credit Fund (India), L.P. 11. Vivriti Next Private Limited (<i>formerly known as QED Business Solutions Private Limited</i>) | |
| 18. | Membership/ Chairmanship of Committees of other Boards | <ol style="list-style-type: none"> 1. Vivriti Capital Limited (<i>Formerly Known as Vivriti Capital Private Limited</i>) | <ol style="list-style-type: none"> 1. Risk Management Committee – Member 2. IT Strategy Committee – Member |
| | | <ol style="list-style-type: none"> 2. OFB Tech Private Limited | <ol style="list-style-type: none"> 1. Corporate Social Responsibility Committee-Member |
| | | <ol style="list-style-type: none"> 3. Muthoot Microfin Limited | <ol style="list-style-type: none"> 1. Nomination and Remuneration Committee-Member 2. IPO Committee-Member |

None of the Directors, Key Managerial Personnel and/ or their relatives are, in any way, concerned or interested, financially or otherwise, in this Resolution except Mr. John Tyler Day.

The Board of Directors of your Company recommends passing of the resolution set out at Item No. 4 as **Ordinary Resolution**.

By order of the Board

For and on behalf of **Vivriti Capital Limited**
(formerly known as Vivriti Capital Private Limited)

Sd/-

P S Amritha

Company Secretary and Compliance Officer

Mem No. A49121

Place: Chennai

Date: 26th September 2023

Consent by shareholder for shorter notice
Pursuant to section 101(1) of the Companies Act, 2013

To,

The Board of Directors
Vivriti Capital Limited
(Formerly known as Vivriti Capital Private Limited)
2nd Floor, Prestige Zackria Metropolitan, No – 200/1-8,
Block-1, Anna Salai, Chennai – 600002, India.

Subject: Consent for convening 6th Annual General Meeting at shorter notice under section 101 of Companies Act, 2013

Dear Sir/Madam,

I/We [Name of Member] having registered address/principal place of business at [Full address of the member], holding [number of shares held] (number of shares held in words) of face value (in Rupees) in the Company, hereby give consent, pursuant to Section 101(1) of the Companies Act, 2013, to hold Extraordinary General Meeting of the Company on Saturday, 30th September 2023 at 5:00 P.M. IST through Video Conferencing (“VC”)/ Other Audio-Visual Means (“OAVM”) at Prestige Zackria Metropolitan No. 200/1-8, 2nd Floor, Block -1, Annasalai, Chennai – 600002, India at a shorter notice.

[Signature]
[Name of Member]

Date:
Place:



ANNUAL REPORT

2022-2023

To,
The Members,
Vivriti Capital Limited,
(formerly known as Vivriti Capital Private Limited)

The Board takes pleasure in presenting the Sixth Annual Report of Vivriti Capital Limited (formerly known as Vivriti Capital Private Limited) (herein after referred to as the "Company") together with the Audited Financial Statements, both on a Standalone and Consolidated basis for the financial year ended 31st March 2023.

FINANCIAL RESULTS:

The highlights of the Financial Statements of the Company for the financial years 2021-22 and 2022-23 are as under:

(In INR LAKHS)

| Particulars | Standalone | | Consolidated | |
|-----------------------------------------------------------------------------------|----------------------------------|-----------------------------------|----------------------------------|-----------------------------------|
| | Current Financial Year (2022-23) | Previous Financial Year (2021-22) | Current Financial Year (2022-23) | Previous Financial Year (2021-22) |
| Revenue from Operations | 65,315.13 | 34,487.19 | 68,807.66 | 40,497.04 |
| Other Income | 1,806.24 | 679.72 | 1,550.87 | 2,01,230.56 |
| Profit/loss before Depreciation, Finance Costs, Exceptional items and Tax Expense | 58,012.42 | 30,919.05 | 58,004.38 | 2,30,470.02 |
| Less: Depreciation/ Amortisation/ Impairment, Finance Costs, Exceptional items | 40,727.95 | 21,855.00 | 40,213.02 | 24,414.73 |
| Profit/loss before Tax Expense | 17,284.47 | 9,064.05 | 17,791.36 | 2,06,055.99 |
| Less: Tax Expense (Current & Deferred) | 4,354.72 | 2,327.07 | 4,302.26 | 48,146.81 |
| Profit/loss for the year | 12,929.75 | 6,736.98 | (12,169.57) | 1,55,372.60 |

Revenue from operations for the year ended 31st of March 2023 is 65,315.13 lakhs in comparison to INR 34,487.19 lakhs for year ended 31st of March 2022, with Net Profit of INR 12,929.75 Lakhs for 31st March 2023 in comparison to INR 6,736.98 Lakhs for 31st March 2022 and earnings per equity share of INR 77.09 for 31st March 2023 and INR 53.96 for 31st March 2022.

DIVIDEND:

The Board the Directors of the Company, with a view to conserve the profits earned for future operations and growth of the Company, have not declared dividend for the current financial year.

TRANSFER TO RESERVES:

As required under Section 45-IC of the RBI Act, 1934, the Company has transferred an amount equivalent of INR. 2,585.95 lakhs to Statutory reserves constituting 20% of the profits made during the financial year.

STATE OF THE COMPANY'S AFFAIRS:

Your Company is leading and changing the landscape of mid-market lending by enabling debt to hundreds of mid-market enterprises across the country. The Company is led by a strong management team with extensive experience that is constantly working towards its vision of creating the largest and most valuable platform for enterprise finance.

GENERAL INFORMATION:

(A) Overview of the industry and important changes in the industry during the last year:

The core strength of NBFCs continues to include an underserved customer base, strong distribution, and servicing reach at a quicker pace with a higher risk appetite. Many NBFCs also re-calibrated their business strategies, leveraging digital technology with a strong emphasis on data analytics. Leading firms continue to make significant investments in digital and analytics capabilities across functions as they scale up. The Company is one of the leading players which is leveraging digital technology to foster its growth.

Credit offtake rose by 15.0% YoY growth as of Mar'23, in absolute terms, it expanded by INR 17.8 lakh crore to INR 136.8 lakh crore this year from Mar'22. The growth has been driven by robust growth in NBFCs and higher working capital requirements by enterprises.

NBFCs and Fintechs are solving for scale and act as the last mile lenders in catalyzing the delivery of credit and can potentially include > 25% of the incremental credit to the MSME segment in the next 5 years.

The product offerings by the new-age fintechs are a step towards bridging the credit gap in the country with a focus on sub-prime and new-to-credit customers, categories that traditional banks do not cater to. The industry has entered a new business landscape wherein it needs to continuously strive to innovate and add new products to its toolkit.

(B) External environment and economic outlook:

The last two years have witnessed global economy showing resilience amidst overlapping crisis, including the recent liquidity unrest after a series of global bank crisis.

Global macroeconomic outlook is highly volatile and undergoing a massive shift. Global growth is forecasted to slow from an estimated 6.1% in 2021 to 3.2% in 2022 and 2.8% in 2023. Global headline inflation in the baseline is set to fall from 8.7% in 2022 to 7% in 2023 on the back of lower commodity prices but underlying inflation is likely to decline more slowly.

While there is a global slowdown, International Monetary Fund (IMF) expects India to grow by 5.9% in FY 2023-24, double of the projected global growth rate this year. India is expected to grow by an average rate of 6.1% and contribute greater than 20% towards global growth in the next five years.

The policies have been pre-emptive and re-calibrated dynamically to the evolving perspective while also increasing market confidence and supporting revival in economic activity. The regulators might continue to adopt a nuanced approach to liquidity management while maintaining adequate liquidity in the system.

CHANGE IN THE NATURE OF BUSINESS, IF ANY:

There has been no change in the nature of business of the Company during FY 22-23.

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 were four occurrence of material change and commitment, affecting the financial position of the Company, which occurred between the end of the financial year of the Company to which the financial statements relate and the date of the report.

1. The members of the Company passed a Special Resolution in the Extraordinary General Meeting held on 5th April 2023 for approving sale of shares held by the Company in CredAvenue Private Limited (material subsidiary as per SEBI LODR Regulations) in one or more tranches, as part of its strategic plans. However, as on the date of issue of this report, CredAvenue Private Limited continues to be a subsidiary of the Company.
2. Further, the shareholders of the Company in their meeting held on 10th May 2023 passed a special resolution to convert the Company from a private limited company to a public limited company and the Registrar of Companies, Chennai issued revised Certificate of Incorporation w.e.f. 9th June 2023.
3. An application to Reserve Bank of India (RBI) was filed by the Company on 13th December requesting Certificate of Registration under Section 3 of the Factoring Regulation Act, 2011, to commence/carry on the factoring business. Subsequently, RBI issued Certificate of Registration (CoR) to the Company on 30th May 2023.
4. The authorized capital of the Company was further increased in accordance with Section 61 of the Companies Act, 2013, by passing a Special Resolution in the Extraordinary General Meeting of the Company held on 10th May 2023, from ₹ 1,166,370,630 divided into 26,000,000 Equity Shares of ₹ 10 each and 90,637,063 CCPS of ₹ 10 each to ₹ 118,59,70,630 divided into 2,60,00,000 Equity Shares of ₹ 10/- each, 9,06,37,063 CCPS of ₹ 10/- each and 19,60,000 Class B Differential Equity Shares of ₹ 10/- each

CAPITAL STRUCTURE:

Below is the snapshot of Significant Share Capital Movement* during the financial year.

| Date of Allotment | Name of Shareholder | the | Type of Share and mode of allotment | No. of shares |
|-------------------|---------------------|-----|-------------------------------------|---------------|
|-------------------|---------------------|-----|-------------------------------------|---------------|

| | | | |
|------------|--------------------------------------------------------------------|--------------------------------------------------------------------------------------------|-----------|
| 26-04-2022 | Mr. Gaurav Kumar | Allotment of Equity Shares (upon conversion of Optionally Convertible preference shares) | 21,13,914 |
| 26-04-2022 | Mr. Vineet Sukumar | Allotment of Equity Shares (upon conversion of Optionally Convertible preference shares) | 21,13,914 |
| 26-04-2022 | Creation Investments India III, LLC | Transfer from Gaurav Kumar to Creation Investments India III, LLC | 1,09,410 |
| 26-04-2022 | Lightrock Growth Fund I S.A., SICAV-RAIF | Transfer from Gaurav Kumar to Lightrock Growth Fund I S.A., SICAV-RAIF | 1,66,664 |
| 26-04-2022 | Lightrock Growth Fund I S.A., SICAV-RAIF | Transfer from Vineet Sukumar to Lightrock Growth Fund I S.A., SICAV-RAIF | 43,662 |
| 26-04-2022 | Financial Investments SPC | Transfer from Vineet Sukumar to Financial Investments SPC | 2,32,412 |
| 09-05-2022 | TVS Shriram Growth Fund 3 | Allotment of Equity Shares | 100 |
| 09-05-2022 | TVS Shriram Growth Fund 3 | Allotment of Series C Compulsorily Convertible Preference Shares | 27,11,556 |
| 08-11-2022 | Sowjanya V and Hemang Lalit Mehta (Trustees of Vivriti ESOP Trust) | Allotment of Equity shares to Vivriti ESOP Trust under Vivriti ESOP Scheme 2022 | 10,00,000 |
| 12-12-2022 | TVS Shriram Growth Fund 3 | Transfer from Gaurav Kumar to TVS Shriram Growth Fund 3 | 1,05,263 |
| 12-12-2022 | Ms. Anita Belani | Allotment of Series 1D Equity Shares (Partly paid Equity shares) through Private Placement | 21,053 |

***Note:** Transfers between Vivriti ESOP Trust and ESOP holders during the reporting period is captured in the Annual return for financial year 2022-23.

The Company's authorised share capital has been increased once during the period under review, from INR. 1,139,370,630 to INR. 1,166,370,630 on 14th April 2022.

Further, in accordance with Section 61 of the Companies Act, 2013, the members have passed a Special Resolution in the 5th Annual General Meeting of the Company held on 22nd September 2022 for reclassification of authorised capital of the Company by substituting the following Clause V in Memorandum of Association of the Company:

"The Authorized Share Capital of the Company is INR 116,63,70,630 (Indian Rupees One Hundred and Sixteen Crores Sixty-Three Lakhs Seventy Thousand Six Hundred and Thirty Only) divided into the following shares:

- i. 2,09,00,000 (Two Crores and Nine Lakhs) Equity Shares of INR 10/- (Rupees Ten Only) each
- ii. 9,06,37,063 (Nine Crores Six Lakhs Thirty-Seven Thousand and Sixty-Three) Compulsorily Convertible Preference Shares of INR 10/- (Rupees Ten Only) each and
- iii. 8,50,000 (Eight Lakhs Fifty Thousand) Optionally Convertible Redeemable Preference Shares of INR 60/- (Rupees Sixty Only) each”

by the following Clause V:

“The Authorized Share Capital of the Company is INR 116,63,70,630 (Indian Rupees One Hundred and Sixteen Crores Sixty-Three Lakhs Seventy Thousand Six Hundred and Thirty Only) divided into the following shares:

- i. 2,60,00,000 (Two Crores and Sixty Lakhs) Equity Shares of INR 10/- (Rupees Ten Only) each
- ii. 9,06,37,063 (Nine Crores Six Lakhs Thirty-Seven Thousand and Sixty-Three) Compulsorily Convertible Preference Shares of INR 10/- (Rupees Ten Only) each”

CAPITAL ADEQUACY RATIO:

The Company has a Capital to Risk Adjusted Assets Ratio of 26.22% against the statutory requirement of 15%. The above ratio includes Tier 2 capital of 2,379.30 lakhs towards 0.40% provision made on Standard Assets against the requirement prescribed by RBI for NBFC- ND-SI.

CREDIT RATING:

The Company has obtained credit rating from two Credit Rating Agencies namely, ICRA Limited ("ICRA") and CARE Ratings Limited ("CARE"). The current credit rating of the Company is as follows:

| Credit Rating Agency | Instrument | Ratings | Rated Amount (INR) Crores |
|----------------------|----------------------------------------|-------------|---------------------------|
| ICRA | Non-convertible debenture – Structured | A, Stable | 75.65 |
| | Non-convertible debenture – Structured | AA+, Stable | 175.00 |
| | Non-convertible Debentures | A, Stable | 348.00 |
| | Long Term – Bank Facilities | A, Stable | 2,100.00 |
| CARE | Non-Convertible Debenture – Structured | A, Positive | 1,400.00 |
| | Non-Convertible Debentures | A, Positive | 700.00 |
| | Commercial Paper | A1 | 150.00 |
| | Long Term – Bank Facilities | A, Positive | 2,750.00 |

RESOURCE MOBILIZATION:

The Company raised INR 3,992 Crores during the financial year as against INR 2,907 Crores in the previous financial year resulting in an increase in the outstanding debt to INR 4,767 Crores as on 31st March 2023 from INR 3,298 Crores as on 31st March 2022.

During the financial year, the fund raise was aided by addition of 12 new lenders; the Company was able to access diverse pools of funds across Public Sector Banks & Institutions, offshore investors, domestic Private and Small Finance Banks, Corporate Treasuries and Family Offices.

The Company simultaneously expanded its product suite across Term Lending, Debentures, Commercial Papers, External Commercial Borrowing, Working Capital Demand Loan and Direct Assignment of assets.

DETAILS OF THE TRANSFER/S TO THE INVESTOR EDUCATION AND PROTECTION FUND (IEPF) MADE DURING THE YEAR:

During the reporting year, no transfer to the Investor Education and Protection Fund (IEPF) was made.

CORPORATE SOCIAL RESPONSIBILITY (CSR):

Pursuant to Section 135 of Companies Act, 2013 ("Act"), the provisions of Corporate Social Responsibility is applicable to the Company. Accordingly, the Company was required to spend an amount of INR 93,33,520/- equivalent to 2% of the 'average net profits' of the last three (3) financial years. For the FY 2022-23, your Company has spent an amount of INR 93,33,523/- on CSR activities as against prescribed CSR expenditure of INR 93,33,520/-.

The CSR policy of the Company has also been hosted on the website of the Company and can be accessed at <https://www.vivriticapital.com/policies.html>

The Annual Report on CSR activities containing the detailed information on the CSR policy, its salient features and CSR initiatives taken during FY22-23 and composition of the Committee as per Rule 9 of Companies (Corporate Social Responsibility Policy) Rules, 2014 is annexed herewith as "Annexure-I".

NUMBER OF BOARD MEETINGS DURING THE FINANCIAL YEAR 2022-23:

The Board of Directors met 11 times during FY 22-23 on the following dates:

| S No. | Number of the Board Meeting | Date of the Board Meeting |
|-------|-----------------------------|-------------------------------|
| 1 | 73 rd | 13 th April 2022 |
| 2 | 74 th | 27 th April 2022 |
| 3 | 75 th | 28 th April 2022 |
| 4 | 76 th | 27 th May 2022 |
| 5 | 77 th | 9 th August 2022 |
| 6 | 78 th | 10 th August 2022 |
| 7 | 79 th | 14 th October 2022 |
| 8 | 80 th | 8 th November 2022 |

| | | |
|----|------------------|-------------------------------|
| 9 | 81 st | 4 th February 2023 |
| 10 | 82 nd | 9 th February 2023 |
| 11 | 83 rd | 31 st March 2023 |

DIRECTORS AND KEY MANAGERIAL PERSONNEL (KMP):

We have nine Directors on our Board of Directors including one Managing Director, one Non-executive Director, four Nominee Directors and three Independent Directors of which two are Women Directors. The changes in the composition of the Board during the reporting year is mentioned below:

a. Appointment of Gopal Srinivasan as Non-Executive Nominee Director of the Company, on behalf of TVS Shriram Growth Fund 3:

The Board at its meeting held on 27th May 2022 recommended for the approval of the Members for appointment of Mr. Gopal Srinivasan, DIN: 00177699 as a Non-Executive Nominee Director of the Company, on behalf of TVS Shriram Growth Fund 3.

Mr. Gopal Srinivasan is the Founder, Chairman and Managing Director of TCF and a third-generation member of the TVS Family. Over an entrepreneurial career spanning 30 years, he has incubated 8 companies operating in diverse sectors including technology, financial services & auto components.

Further, his appointment was approved by the members w.e.f., 27th May 2022 at the 5th AGM of Company held on 22nd September 2022.

b. Appointment of Mr. Santanu Paul as Independent Director:

The Board at its meeting held on 9th February 2023 recommended for the approval of the Members, the appointment of Mr. Santanu Paul, DIN: 02039043 as an Additional Director and Independent Director (Non-executive) of the Company.

Mr. Santanu Paul is the Co-founder and CEO of TalentSprint, a global deeptech education platform for young and experienced professionals, which counts among its investors Nexus Venture Partners, NSDC, and the NSE Group. Earlier, he served as Senior Vice President for Global Delivery Operations and Head of Indian Operations for Virtusa Corporation, which went public on NASDAQ in 2007. He also worked as Chief Technology Officer at OpenPages and Viveca, both venture-backed US technology firms funded by Sigma Partners and Matrix Partners.

Further, his appointment was approved by the members at the Extraordinary General Meeting of Company held on 5th April 2023, w.e.f. 9th February 2023 for a period of 5 years.

c. Resignation of Mr. Kenneth Dan Vander Weele, Nominee director:

Mr. Kenneth Dan Vander Weele, Nominee Director, DIN: 02545813 of the Company, tendered his resignation to the Board w.e.f. 9th February 2023, due to his retirement, and the Board took note of the same in its meeting held on 9th February 2023.

d. Appointment of Mr. Lazar Zdravkovic as Non-Executive Nominee Director of the Company, on behalf of Creation Investments India III, LLC:

The Board at its meeting held on 31st March 2023 recommended for taking approval of the Members for appointment of Mr. Lazar Zdravkovic, DIN: 10052432 as a Non-Executive Nominee Director of the Company, on behalf of Creation Investments India III, LLC ("Creation").

Mr. Lazar Zdravkovic is the Vice President of Creation and previously he was associated with Barclays as investment banker. He has worked extensively with Creation portfolio companies in India over the last 6 years. He is involved in advising debt and equity financing, strategic and financial planning, hiring and financial reporting. He also has the experience of working with several portfolio companies of Creation outside of India, including banks, non-bank lenders and Insurance Companies in Republic of Georgia, Sri Lanka, Indonesia, Albania, Poland, Mexico, Peru, Chile and Brazil. As an Investment Banking professional, he has also advised multiple financial institutions in the S&P 500, FTSE 100 as well as OMXS 30 on Debt and Equity raises, Mergers and Acquisitions along with multiple other transactions.

Further, his appointment was approved by the members at the Extraordinary General Meeting of Company held on 5th April 2023, w.e.f. 31st March 2023.

DECLARATION FROM INDEPENDENT DIRECTORS:

The Independent Directors of the Company, Ms. Namrata Kaul, Ms. Anita Belani and Mr. Santanu Paul have given the necessary declarations/disclosures under Section 149(7) of the Act and Regulation 25(8) of the SEBI Listing Regulations that they fulfill the criteria of Independence as prescribed under Section 149(6) of the Act and Regulation 16(1)(b) of the Listing Regulations, and have also confirmed that they are not aware of any circumstance or situation, which exist or may be reasonably anticipated, that could impair or impact their ability to discharge their duties with an objective independent judgment and without any external influence. These declarations have been placed before the Board and are duly taken on record.

REGISTRATION OF INDEPENDENT DIRECTORS WITH INDEPENDENT DIRECTOR'S DATABANK:

The Companies (Appointment and Qualification of Directors) Fifth Amendment Rules, 2019 required that all existing Independent Directors and those aiming to become Independent Directors shall have themselves registered with the Independent Director's Databank, online portal of Indian Institute of Corporate Affairs (IICA) set up under Ministry of Corporate Affairs, Government of India.

All our Independent Directors, Ms. Namrata Kaul, Ms. Anita Belani and Mr. Santanu Paul have registered themselves in with the Independent Director's Databank. Further for Mr. Santanu Paul, who was appointed as Independent Director during the year, the Board satisfactorily took note of his integrity, expertise and experience (including proficiency) in his relevant field.

Further, in accordance with Rule 6(3) of the Companies (Appointment and Qualification of Directors) Fifth Amendment Rules, 2019, Ms. Namrata Kaul, Ms. Anita Belani and Mr. Santanu Paul, have given declaration of compliance of sub rule (1) and sub-rule (2) to the Board which were duly taken on record.

ANNUAL BOARD EVALUATION AND INDEPENDENT DIRECTORS' MEETING:

A formal annual evaluation of the Board of the Company was carried out by our Independent Directors, Ms. Namrata Kaul and Ms. Anita Belani for FY21-22 on 9th February 2023. The evaluation was broadly carried out around effectiveness of Board and functioning, meetings and procedures, business strategy and risk management, Board communication and Committees. The recommendations provided by the Independent Directors were placed for Board's consideration in the same meeting.

Further, the separate meeting of the Independent Directors for FY22-23 was duly held on 21st March 2023 which was attended by Ms. Namrata Kaul and Ms. Anita Belani.

DIRECTOR'S RESPONSIBILITY STATEMENT:

Pursuant to the requirement of Section 134(5) of the Companies Act, 2013, with respect to Directors' Responsibility Statement, it is hereby confirmed:

- a) The applicable accounting standards had been followed along with proper explanation relating to material departures in the preparation of the annual accounts;
- b) the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for that period;
- c) The directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) The directors had prepared the annual accounts on a going concern basis; and
- e) the directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively.
- f) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

EMPLOYEE STOCK OPTIONS:

The Company wishes to bring about employee participation in the growth and prospects of the company and it has issued Employee Stock Option Plan (ESOP/ Plan) right from the initial

years that would encourage a long term and committed involvement of the employees in the ownership and future of the Company.

Employees are covered by the Plan implemented from time to time and are granted an option to purchase shares of the Company subject to certain vesting conditions. The plan will be administered by the ESOP Committee constituted by the Board of Directors of the Company.

The information pertaining to ESOP in terms of Rule 12(9) and 16(4) of the Companies (Share Capital and Debentures) Rules, 2014 is provided in **Annexure II**.

PARTICULARS OF EMPLOYEES/ DIRECTORS:

Disclosure with respect to the remuneration of Directors and employees as required under Section 197 of the Companies Act, 2013 and Rule 5(2) and (3) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is provided in **Annexure III**.

NOMINATION AND REMUNERATION POLICY:

The Company has also adopted a Nomination and Remuneration Policy in accordance with the provisions of section 178 of the Companies Act, 2013, constituting the terms of appointment and remuneration, including the appointment criteria, of Directors, Key Managerial Personnel (KMP), senior management personnel and other employees of the Company.

During FY 22-23, the policy underwent revision and approved thereof in the Board meetings held on 27th May 2022 and 10th August 2022, respectively. The detailed Policy covering these aspects is available on Company's website (<https://www.vivriticapital.com/policies.html>).

The terms of appointment and remuneration of Board members and other employees including criteria for determining qualifications, positive attributes, independence of a director and other matters is annexed as part of the Nomination and Remuneration Policy of the Company as **Annexure IV**.

INTERNAL FINANCIAL CONTROL:

Internal control systems at the Company are adequate and commensurate with its size and the nature of its operations. The Company's system of internal controls is designed to provide a high degree of assurance regarding the effectiveness and efficiency of operations, the adequacy of safeguards for assets, the reliability of financial controls and compliance with applicable laws and regulations.

To ensure that assets are safeguarded against losses that may arise due to unauthorized use or disposition, the Company has in place adequate systems to ensure that assets and transactions are authorised, recorded and reported.

The Company has documented its internal financial controls considering the essential components of various critical processes, physical and operational which include its design, implementation and maintenance along with periodical internal review of operational effectiveness and sustenance.

The internal financial controls with reference to the financial statements were adequate and operating effectively.

PARTICULARS OF ASSOCIATE, HOLDING, SUBSIDIARY AND JOINT VENTURE COMPANIES AND ITS PERFORMANCE AND FINANCIAL POSITIONS AND STATEMENTS:

The Company has six subsidiaries and no Holding, and/ Joint Venture or Associate Companies as at the financial year ending 31st March 2023. Further, Finfort LLP was acquired by Credavenue Private Limited (one of the subsidiaries) post March 31st, 2023. The information as required under the first provision to Sub-Section (3) of Section 129 is given in Form AOC- 1 in Annexure V.

1. Vivriti Asset Management Private Limited ("VAM"), a Subsidiary of the Company, is managing fixed income funds raised by investment vehicles domiciled in India, from investors in India and across the globe. It has raised commitments from large domestic institutional investors, offshore investors, corporate treasuries, family offices and high networth Individuals. VAM currently acts as the manager and sponsor of the Funds. These Funds are registered with Securities and Exchange Board of India (SEBI) as Alternative Investment Funds. The total asset under management under the various schemes of Vivriti Vihaan Trust as on March 2023 is around INR 2,000 crores.

In addition to the above, Vivriti Asset Management Private Limited (IFSC Branch) is registered as Registered FME (Non-retail) vide certificate of registration dated December 22, 2022, issued by IFSCA under the FME Regulations. It is a branch office of Vivriti Asset Management Private Limited. This branch office is located on the 4th Floor, Unit No. 405-A, Pragma Towers, GIFT SEZ, GIFT City, Gandhinagar – 382355. Vivriti Asset Management Private Limited has also successfully set up branch office in Singapore on March 28, 2023, located at 10, Collyer Quay, #40, Ocean Financial Centre, Singapore – 049315. As of date, the Company has only 2 branches.

2. CredAvenue Private Limited ("CAPL"), is a Subsidiary of the Company and was incorporated on the 21st August 2020. CAPL is engaged in the business of acting as Equity / Strategy Advisor to engage in, commerce and/or carry out and/or undertake financial research, analysis and appraisal of Shares and Securities, including Money market survey etc. Further, it provides providing services of Depository, depository participant, custodian of securities, credit rating agency or any other intermediary associated with the securities market for Foreign Institutional Investors, financial institutions, corporate, individuals and other entities. It is also involved in the business of securities broking including share and stock broking etc., mutual fund activities in India or abroad etc. and operating technology data processing center or providing management information, analysis, development accounting etc. Additionally, it creates, develops, manufactures, etc. services as a link between issuers and investors by leveraging technology in finance industry in India. It offers a complete solution for Investors to explore, evaluate and execute financial operations and management of financial services, debt services, capital market services, investment services, business and commercial operations for all market participants.
3. CredAvenue Securities Private Limited ("CSPL"), a Subsidiary of CAPL, was incorporated as a private limited company under the Companies Act, 2013 on 18th June, 2021, with the Registrar of Companies, Chennai. CSPL acts as an arranger in debt capital markets and provides merchant banking services and other allied services within the purview of SEBI regulations. CSPL currently holds Research analyst, Merchant Banker and Stock Broker under section 12 (1) of the Securities Exchange Board of India Act, 1992.
4. Bluevine Technologies Private Limited was incorporated under the Companies Act, 2013 on 12th October 2015, with the Registrar of Companies, Ahmedabad. Bluevine

Technologies Private Limited is a wholly owned subsidiary of CredAvenue Private Limited and is a data aggregator turned data science company offering end-to-end automated, complete lifecycle solutions for credit evaluation, forensic analysis, corporate due diligence, portfolio monitoring and smart lead generation.

5. Spocto Solutions Private Limited, a Subsidiary of CAPL, was incorporated as a Private limited Company under the Companies Act, 2013 on 18th February 2020, with the Registrar of Companies Chennai. Spocto Solutions Private Limited is currently engaged in the business of software designing development customization, implementation, maintenance, testing, developing and dealing in computer, mobile and data software and solutions etc. It has a wholly owned subsidiary at Dubai International Financial Centre (DIFC).
6. CredAvenue Spocto Technology Limited, a Subsidiary of Spocto Solutions Private Limited, was incorporated as a private limited company under the COMPANIES LAW DIFC LAW NO. 5 OF 2018 on August 12, 2022, with the Dubai International Financial Centre. It's DIFC REGISTERED NO. is 6011. It is engaged in Data Classification & Analysis Services including but not limited to Software House, Technology Research & Development, Information Technology Consultancy and Computer Consultancies.

Note: Pursuant to IND-AS 110, the financial statements of CredAvenue Private Limited (CAPL) have been consolidated considering it as a subsidiary only for 6-month period i.e., till September 2021, post which, it was consolidated as an associate company, on account of loss of control. However, pursuant to Companies Act, 2013, CAPL remains to be a subsidiary of the Company for the entire Financial Year 2022-23 and is being disclosed under this section accordingly.

Brief Summary on Financial Performance of Subsidiaries:

Brief Summary on Financial Performance of Subsidiaries is given in Form AOC- 1 in **Annexure V**.

THE NAMES OF COMPANIES WHICH HAVE BECOME OR CEASED TO BE ITS SUBSIDIARIES, JOINT VENTURES OR ASSOCIATE COMPANIES DURING THE YEAR:

Following mentioned companies have become subsidiaries of the Company during the year:

1. CredAvenue Spocto Technology Limited
2. Bluevine Technologies Private Limited

Further, no company have become joint ventures or associate companies during the year and ceased to be its subsidiaries, joint ventures or associate companies during the year.

NON-ACCEPTANCE OF DEPOSITS:

The Company is registered as NBFC-ND-SI and does not accept any deposits. Hence, no deposit was accepted from the public for the year ended March 31, 2023.

PARTICULARS OF LOANS, GUARANTEE AND INVESTMENTS:

The Particulars of loan, investments and guarantee for the financial year have been provided in notes to the Financial Statements of the Company.

PARTICULARS OF CONTRACTS/ARRANGEMENTS WITH RELATED PARTY TRANSACTIONS:

During the year under review, the Company was governed under the provisions of Companies Act, 2013 and SEBI (LODR) Regulations, 2015 with respect to related party transactions. The Company declares that it has entered into related party transactions with related parties during FY 22-23 which were at arm's length price and in ordinary course of business.

Further, all the related party transactions are placed before the Audit Committee for its approval and thereafter placed before the Board for its noting/ approval.

Transactions with related parties, as per the requirements of Ind-AS and Companies Act, 2013 to the extent applicable, in connection with the preparation of the financial statements, are disclosed in Note no.36 of the notes to accounts annexed to the financial statements.

Further, below mentioned material related party transactions i.e., transactions exceeding ten percent of the annual consolidated turnover as per the last audited financial statements as on 31st March 2022 (INR 4049.705 Lakhs), were entered during the year by the Company:

| S No. | Name of Related Party | Nature of Relationship | Amount of Transaction (INR- in Lakhs) |
|--------------|------------------------------------------|--------------------------------------------------------------|----------------------------------------------|
| 1 | Vivriti Asset Management Private Limited | Subsidiary Company | 6,943.85 |
| 2 | CredAvenue Private Limited | Subsidiary Company | 11,742.1 |
| 3 | CredAvenue Securities Private Limited | Step- Down Subsidiary | 50,559.2 |
| 4 | Smartcoin Financials Private Limited | Entity in which KMP of the Company is a Director/Shareholder | 6,181.85 |
| 5 | Aye Finance Private Limited | Entity in which KMP of the Company is a Director/Shareholder | 8,376.47 |
| 6 | Shapos Services Private Limited | Entity in which KMP of the Company is a Director/Shareholder | 12,688.23 |
| 7 | Sonata Finance Private Limited | Entity in which KMP of the Company is a Director/Shareholder | 6,549.17 |

A list of all board approved transactions with subsidiary companies is enclosed in form AOC-2 as **Annexure VI**.

The disclosures with respect to related party as specified in Regulation 53(f) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 at the year end and the maximum amount of loans/advances/Investments outstanding during the year are given below:

| S. No | Particulars | Amount (INR.) |
|--------------|-------------------------------------------------------------------------------|----------------------|
| 1 | Loans and advances in the nature of loans to subsidiaries by name and amount. | |
| 2 | Loans and advances in the nature of loans to associates by name and amount | |

| | | |
|---|-----------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------|
| 3 | Loans and advances in the nature of loans to firms/companies in which directors are interested by name and amount | Refer Note No. 36 of the notes to accounts annexed to the financial statements enclosed herewith. |
| 4 | Investments by the loanee in the shares of parent company and subsidiary company, when the company has made a loan or advance in the nature of loan | |

CONSERVATION OF ENERGY AND TECHNOLOGY ABSORPTION:

The Company has no activity relating to conservation of energy and technology absorption and the requirement of disclosure of particulars relating to conservation of energy and technology absorption in terms of Rule 8 of the Companies (Accounts) Rules, 2014 does not arise. However, your Company has been increasingly using information technology in its operations and promotes conservation of resources.

Technology Absorption

| Sr. No. | Particulars | Steps taken |
|---------|-------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1 | Efforts made towards technology absorption | <p>In its efforts to decarbonize its electrical consumption supply/purchase, Vivriti has been grasping available market opportunities.</p> <p>The Maharashtra Electricity Regulatory Commission (MERC) in its order in Case 134 of 2020 dated Oct/2022, has offered their consumers in Maharashtra with an option to source their power requirement from renewable energy sources by paying the "Green Power Tariff". Consumers can avail the offer by paying an additional Green Power Tariff of INR 0.66/kWh, over and above regular applicable tariff by AEML.</p> <p>Our office units in Mumbai have availed this offer and are currently powered by 100% renewable energy (VAM unit 302 & VCPL units 303, 305 availed from April 2022, and VAM unit 501 & VCPL unit 502 availed from October 2022).</p> <p>Also, all our offices have energy efficient LED lighting and appliances installed (BEE star rated air-conditioners and refrigerators).</p> |
| 2 | Benefits derived like product improvement, cost reduction, product development or import substitution | Mitigation of carbon emissions / company's Scope 2 Indirect emissions from opting for 100% renewable energy power supply instead of fossil-fuel based power supply through |

| | | |
|---|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------|
| | | payment of renewable energy tariff (Mumbai office units) and office energy conservation measures (all offices). |
| 3 | In case of imported technology (imported during the last three years reckoned from the beginning of the Financial year): a. Details of technology imported; b. Year of import; c. Whether the technology been fully absorbed; d. If not fully absorbed, areas where absorption has not taken place, and the reasons thereof. | The Company does not use any imported technology. |
| 4 | Expenditure incurred on Research and Development. | Not Applicable |

FOREIGN EXCHANGE EARNINGS/OUTGO:

During the year under review, there were no Foreign Exchange earnings from the operations of the company. Foreign Exchange Outgo was of USD 5.66 Lakhs for Interest Payment on ECB and Vendor Payments.

RISK MANAGEMENT:

Managing Risk is an integral part of our business activity. The Company's board and management are fully committed to maintaining sound risk management systems to safeguard Company and shareholders' interests.

The Company has implemented a comprehensive Risk Management Policy which was latest updated by the Board in its meeting held on 9th February 2023. The objective of the Risk Policy of Company is to ensure zero credit loss. The Risk Policy defines the Company's approach to risk and details out a framework that guides credit decisions.

The specific objectives of the Risk Policy are to identify and quantify the unit of risk in order to:

- i. Define allowable risks for the Company.
- ii. Allow risks that are within defined range to flow through the system.
- iii. Proactively monitor and manage risks to keep them within defined range.

The Company has a Risk department led by the Chief Risk Officer (CRO), who was previously appointed as Group Head- Risk and he was elevated by the Board in its meeting held on 9th February 2023, to assist the management in risk management function. Further, business and functional managers are responsible for managing risks in their area of operation/ function as the first line of defense.

VIGIL MECHANISM/WHISTLE BLOWER:

The Company has formulated a Vigil Mechanism by adoption of a Whistle Blower Policy, in accordance with provisions of section 177 of the Companies Act, 2013, and Regulation 22 of SEBI (LODR) 2015 allowing a platform for the Directors and employees to report genuine concerns or grievances in relation to any unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct. The reporting mechanism is incorporated in detail in the Whistle Blower Policy of the Company, which is also available on Company's website (<https://www.vivriticapital.com/policies.html>)

During the year under review no complaints were received by the Company and there are no complaints outstanding to be disposed of by the Company.

COMPLIANCES AND MATERIAL ORDERS:

The Company was compliant with all the regulatory compliances as per the Companies Act, 2013, RBI Directions and guidelines, SEBI Regulations and circulars and various tax statutes and other regulatory bodies and no material order was passed in this regard during the reporting period.

However, there was a non-compliance by the Company w.r.t Section 62 (1) of the Companies Act, 2013 i.e. Further Issue of Share Capital during the reporting period. The Company has Suo Motu had filed an Adjudication Application for the same and Registrar of Companies, Chennai, Tamil Nadu on 10th March 2023 gave final order imposing a penalty of INR 10,000/- to the Company, INR 10,000/- each to the Officers in Default (Mr. Vineet Sukumar, Mr. Gaurav Kumar, Ms. P S Amritha and Mr. Srinivasaraghavan B), amounting to aggregate penalty of INR 50,000/-.

Your Company and the Officers in Default have paid the requisite penalties and Form INC 28 with payment details and order copy was filed with concerned RoC within the prescribed timeline.

STATUTORY AUDITORS:

BSR & Co. LLP, Chartered Accountants, having Firm Registration No. 101248W/W-100022 were duly appointed as the Statutory Auditors of the Company, with effect from 17th August 2021 till the conclusion of the seventh AGM for a period of 3 years.

No frauds in terms of the provisions of section 143(12) of the Act have been reported by Statutory Auditors in their report for the year under review.

REPLY TO THE QUALIFICATION IN THE AUDITOR'S REPORT:

There are no qualifications in the Auditor's report and the auditors have issued an unmodified opinion on both the standalone and consolidated financial statements for the year ended 31st March 2023.

COST AUDIT:

Cost Audit is not applicable as per Sec 148 of the Companies Act 2013, read with Companies (Cost Records and Audit) Rules.

SECRETARIAL AUDIT AND SECRETARIAL AUDIT REPORT:

The Board had appointed M/s. GRNK & Associates, Company Secretaries, Chennai to conduct Secretarial Audit for the Financial Year 2022-23 at its meeting held on 27th May 2022.

The Secretarial Audit Report in form MR-3 is annexed to this report as **Annexure VII** is self-explanatory, and has no observations, qualification, reservations, adverse remarks and disclaimers.

INTERNAL AUDIT:

During the financial year, based on the recommendations of Audit Committee and to align the Company with the circular issued by RBI on risk based internal audit framework, the Board deliberated on adopting an Internal Audit Framework for the Company and appointing an in-house Internal Auditor for strengthening the internal financial control measures in its meeting held on 27th May 2022.

Subsequently, it was decided that in-house audit would be commenced from Q2 FY 2022-23 onwards and therefore it was proposed to discontinue with the services of M/s. PricewaterhouseCoopers Private Limited ('PWC') as the Internal Auditor of the Company for the Financial Year 2022-23.

In the Board Meeting of the Company held on 8th November 2022, the Board took note of completion of the tenor of M/s. PricewaterhouseCoopers Private Limited as Internal Auditor of the Company. Further in the same meeting, Mr. Puneet Mohan Kedia was appointed as the Head of Internal Audit and Internal Auditor, based on the recommendation of the Audit and Nomination & Remuneration Committee. Also, anticipating that Company will cross threshold of RBI Circular dated 3rd February 2021 on Risk-Based Internal Audit (RBIA) which mandates all the NBFCs with asset size of INR 5,000 Crores or more to implement an effective RBIA, the Board approved a roadmap for implementing RBIA in the Company.

The Internal Auditor conducts comprehensive audits of core business processes, their supporting functional areas and operations of the Company to examine the adequacy of and compliance with policies, plans and statutory requirements. Any significant observations from the audit are reported to the Audit Committee and the Board on a quarterly basis. Required follow-up actions are taken by the management to review and monitor the implementation of Internal auditors' recommendation.

In the Board Meeting held on 31st March 2023, the Board took note of the Internal Audit report of the Company for the quarter ended 30th September 2022 and 31st December 2022 as placed in the meeting.

SECRETARIAL STANDARDS:

The Company is in compliance with the Secretarial Standards on Meetings of the Board of Directors (SS- 1) and Secretarial Standards on General Meetings (SS-2) issued by the Institute of Company Secretaries of India (ICSI).

INSOLVENCY AND BANKRUPTCY CODE:

- (a) The details of application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) during the year along with their status as at the end of the financial year – Not Applicable.
- (b) 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 – Not Applicable.

FAILURE TO IMPLEMENT ANY CORPORATE ACTION:

During the reporting year, the Company has completed/implemented corporate actions within the specified time limit.

ANNUAL RETURN:

As required pursuant to section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014 the complete annual return for the year 2022-23 will be available on the website of the Company at <https://www.vivriticapital.com/report.html> once filed with concerned Registrar of Companies. Until then draft annual report will be available at the same link.

DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:

The Company has in place a Policy for prevention of Sexual Harassment at the Workplace in line with the requirements of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013. The Board has constituted an Internal Complaints Committee (ICC) to redress complaints received regarding sexual harassment which was recently reconstituted by the Board in its meeting held on 9th February, 2023. The policy not only extends to its employees but anyone who works in any of the Vivriti including all contractual staff, temporary staff and trainees. Further, though under the Act, the protection has been provided only to women, the Organisation policy extends the protection against sexual harassment to all genders.

Employees and contractual staff undergo training and regular refresher training to ensure we foster a positive workplace free from harassment of any nature.

The following is a summary of sexual harassment complaints received and disposed of during the year:

| | |
|-----------------------------------------------------------|---|
| Number of complaints pending at the beginning of the year | 0 |
| Number of complaints received during the year | 0 |
| Number of complaints disposed off during the year | 0 |
| Number of cases pending at the end of the year | 0 |

CORPORATE GOVERNANCE REPORT:

The report on Corporate Governance for the Company is annexed as **Annexure VIII** and forms an integral part of this Annual Report.

RBI GUIDELINES:

Reserve Bank of India (RBI) granted the Certificate of Registration to the Company in January 2018 vide Registration No. N-07.00836, to commence the business of non-banking financial institution without accepting deposits. During March 2019, the Company crossed the threshold of INR.500 crores in total assets size and become a Non-Deposit Taking Systemically Important Non-Banking Financial Company (NBFC-ND-SI). The Company has complied with and continues to comply with all the applicable regulations and directions of the RBI.

Pursuant to RBI Master Direction-Information Technology Framework for the NBFC sector, the Company has constituted an IT Strategy Committee to review the IT strategies in line with its corporate strategies, cyber security arrangements and other matters related to IT governance.

Disclosures pursuant to RBI Master Directions, unless provided in the Directors' Report, form part of the notes to the standalone financial statements.

Further, Scale Based Regulation (SBR): A Revised Regulatory Framework for NBFCs dated 22nd October 2021 was applicable to the Company during the year. The Company is classified under the "Middle Layer" category under the said framework and has complied with the same.

SEBI REGULATIONS:

The Company has issued listed non-convertible debentures of INR 97,900.00/- Lakhs during the year ended 31st March 2023. For details of Debenture Trustees of the Company, please refer to Annexure VIII (Corporate Governance Report):

| S. No | Date of Allotment | Name of Allottee(s) | Particulars of Securities | No. of Securities and Price (INR) | Total Amount (INR.) | Preferential basis/private placement/ rights issue | Form of consideration |
|-------|--------------------|---------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------|----------------------------------------------------|-----------------------|
| 1. | June 24, 2022 | Individuals and Corporates | Rated, senior, secured, listed, transferable, redeemable, taxable, principal protected market linked non-convertible debentures | 2,000 (Two Thousand) market-linked debentures of INR 10,00,000 (Indian Rupees Ten Lakh) and an aggregate value of INR 200,00,00,000 (Indian Rupees Two Hundred Crore) | 200,00,00,000 | Private placement | Cash |
| 2. | September 26, 2022 | Kotak Mahindra Trustee Company Ltd A/C Kotak Credit Risk Fund | Listed, rated, senior, secured, redeemable, transferable, non-convertible debentures | 500 (five hundred) | 50,00,00,000 | Private placement | Cash |
| 3. | September 28, 2022 | Corporates | Rated, listed, senior, secured, redeemable , taxable, principal protected market linked non-convertible debentures | 2,000 (Two Thousand) market-linked debentures of INR 10,00,000 (Indian Rupees Ten Lakh) | 200,00,00,000 | Private placement | Cash |

| S. No | Date of Allotment | Name of Allottee(s) | Particulars of Securities | No. of Securities and Price (INR) | Total Amount (INR.) | Preferential basis/private placement/ rights issue | Form of consideration |
|-------|-----------------------------|--------------------------|-------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------|---------------------|----------------------------------------------------|-----------------------|
| 4. | December 15, 2022 | Corporates | Rated, listed, senior, secured, redeemable, taxable, principal protected market linked non-convertible debentures | 3,000 (Three Thousand) market-linked debentures of INR 10,00,000 (Indian Rupees Ten Lakh) | 300,00,00,000 | Private placement | Cash |
| 5. | December 26, 2022 | Corporates | Listed, rated, senior, secured, redeemable, transferable, non-convertible debentures | 490 (Four Hundred and Ninety) debentures of INR 10,00,000 (Indian Rupees Ten Lakh) | 49,00,00,000 | Private placement | Cash |
| 6 | February 28, 2023 | Sundaram Finance Limited | Unlisted, rated, senior, secured, redeemable, transferable, non-convertible debentures | 5,000 (Five Thousand) debentures of INR 1,00,000 (Indian Rupees One Lakh) | 50,00,00,000 | Private Placement | Cash |
| 7 | March 23 rd 2023 | Corporates | listed, rated, senior, secured, redeemable, non-convertible debentures | 3,000 (three thousand) debentures of INR 1,00,000 (Indian Rupees One Lakh) | 30,00,00,000/- | Private Placement | Cash |
| 8 | March 29 th 2023 | Standard Chartered Bank | listed, rated, senior, secured, redeemable, non-convertible debentures | 10,000 (ten thousand) debentures of INR 1,00,000 (Indian Rupees One Lakh) | 100,00,00,000/- | Private Placement | Cash |

Further, the Company has issued Commercial Papers amounting to INR 6,000.00/- Lakhs during FY22-23.

These securities/ papers are listed with BSE Limited, and the Company complies with all relevant SEBI Regulations in this connection.

The Company was classified as a High Value Debt Listed Entity ('HVDLE') during FY21-22. Accordingly, Regulation 15 to 27 (corporate governance norms) of SEBI (Listing Obligations

and Disclosure Requirements) Regulations, 2015 became applicable on a comply or explain basis.

Further, SEBI in its board meeting dated March 29, 2023, decided to extend the timeline for “comply or explain” period for the HVDLE for compliance of corporate governance norms till March 31, 2024, pursuant to which relevant compliances shall be adhered from time to time, on a comply or explain basis till FY24.

FOREIGN EXCHANGE MANAGEMENT (NON-DEBT INSTRUMENTS) RULES, 2019:

The Company has made downstream investment during the reporting year as per the details mentioned below:

| S No. | Name of Investee Company | Automatic/Approval Route | Mode of Investment | Date of Investment | % of Foreign Equity in Investee Company post investment |
|--------------|------------------------------------------|---------------------------------|-------------------------------------------------|----------------------------|----------------------------------------------------------------|
| 1. | Vivriti Asset Management Private Limited | Automatic Route | Compulsory Convertible Preference Shares (CCPS) | 13 th June 2022 | 66.78 |

The Company has duly complied with all the applicable provisions of Foreign Exchange Management (Non-Debt Instruments) Rules, 2019 for the downstream investment made by it and has also obtained a certificate to this effect from its statutory auditor. The Statutory auditor certificate does not contain any observations, qualification, reservations, adverse remarks and disclaimers.

CONSOLIDATED FINANCIAL STATEMENTS:

The consolidated financial statements comprise the financial statements of the Company and its controlled structured entities (collectively known as ‘the Group’). The Group consolidates an entity when it controls it. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and could affect those returns through its power over the investee. The financial statements (Standalone and consolidated) have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of Companies Act, 2013, (the 'Act'), other relevant provisions of the Act. If a member of the Group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that Group member’s financial statements in preparing the consolidated financial statements to ensure conformity with the Group’s accounting policies.

CAUTIONARY NOTE:

Certain statements in this Report may be forward-looking and are stated as may be required by applicable laws and regulations. Actual results may vary from those expressed or implied, depending upon economic conditions, Government policies and other incidental/related factors.

ACKNOWLEDGEMENT:

The Company and its Directors wish to extend their sincere thanks to the Members of the Company, Executives, Staff and workers at all levels for their continuous cooperation and assistance.

On Behalf of the Board/-

For **Vivriti Capital Limited**

(formerly known as Vivriti Capital Private Limited)

Mr. Vineet Sukumar
Managing Director
DIN: 06848801
Address: 4, KG Valmiki Apts,
3rd Seaward Road, Valmiki Nagar,
Thiruvanmiyur, Chennai – 600041

Mr. Gaurav Kumar
Director
DIN: 07767248
Address: 19, B-103, Manasasrovar Apartments,
3rd Seaward Road, Valmiki Nagar,
Thiruvanmiyur, Chennai – 600041

Place: Chennai

Date: 20.06.2023

ANNUAL REPORT ON CSR ACTIVITIES FOR FY 22-23

1. A brief outline of the Company's CSR policy:

The Company has in place a Board approved CSR Policy in line with Section 135 of the Companies Act, 2013, The Companies (Corporate Social Responsibility Policy) Rules, 2014 and Schedule VII of the Companies Act, 2013 (last updated in the Board meeting held on 8th November 2022). The policy incorporates the aspects related to CSR Committee, key focus areas for CSR expenditure, modality of undertaking CSR activities, monitoring and reporting mechanism.

2. Composition of CSR Committee:

The composition of the Committee is as below:

| S.no | Members | Designation/ Nature of Directorship | Number of meetings of CSR Committee held during the year | Number of meetings of CSR Committee attended during the year |
|------|----------------|-------------------------------------|----------------------------------------------------------|--------------------------------------------------------------|
| 1 | Vineet Sukumar | Managing Director | 3 | 3 |
| 2 | Namrata Kaul | Independent Director | 3 | 3 |
| 3 | Anita Belani | Independent Director | 3 | 3 |

The Committee met 3 times during FY 2022-23. The objectives of the Committee are as given below:

- Identify the "Key Focus Areas" for CSR expenditure and recommend the same to the Board;
- Formulate the modalities for meeting the target of CSR expenditure;

- Devising treatment of various line items under CSR expenditure and surplus;
 - Implement a transparent monitoring mechanism for CSR activities of the Company.
 - Adhere and keep record of reporting requirements for CSR expenditure in line with applicable laws with authorities.
3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company:
- The composition of CSR committee is available on (<https://www.vivriticapital.com/Reg-62-Disclosure.html>)
 The detailed Policy is available on the Company's website (<https://www.vivriticapital.com/policies.html>)
 The details of CSR Projects are available on the Company's website (<https://www.vivriticapital.com/CSR.html>)
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.
- During the period under review, the Company undertook 3 CSR projects, however, the average CSR obligation was not equal to or more than Rupees Ten Crores, and hence, the requirement of impact assessment as per sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 is not applicable.
5. (a) Average net profit of the company as per sub-section (5) of section 135:

| S No. | Particulars | Amount (in Rs) | |
|-------|-----------------------------|---------------------|---------------------|
| | | FY-1 (2021-2022) | FY-2 (2020-2021) |
| 1 | Profit before tax | 67,36,97,543 | 30,00,50,928 |
| 2 | Net Profit computed u/s 198 | 85,32,54,000 | 40,79,44,000 |
| | | | 10,29,09,000/- |
| | | | 13,88,31,000 |

| | | | |
|---|-----------------------------------------------------------------------------|--------------|--------------|
| 3 | Total amount adjusted as per rule 2 (1) (h) of the CSR Policy Rules | | |
| 4 | Total Net Profit for Section 135 (2-3) | 85,32,54,000 | 40,79,44,000 |
| | Average net profit of the company as per section 135(5): Rs. 46,66,76,000/- | | 13,88,31,000 |

(b) Two percent of average net profit of the company as per sub-section (5) of section 135: INR. 93,33,520/-

(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)]: INR. 93,33,520/-

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

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

(ii) Details of CSR amount spent against other than ongoing projects for the financial year: Rs. 93,33,523/-

(b) Amount spent in Administrative Overheads - NIL

(c) Amount spent on Impact Assessment, if applicable – Not applicable

(d) Total amount spent for the Financial Year [(a)+(b)+(c)] – Rs. 93,33,523/-

(e) CSR amount spent or unspent for the Financial Year:

| Amount Unspent (in Rs.) | |
|-----------------------------------------------------|----------------------------------------------------------------------------------------------------------------------|
| Total Amount Spent for the Financial Year. (In Rs.) | 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 |
|-----------------|------------------|------------------|--------|------------------|
| Rs. 93,33,523/- | - | - | - | - |

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

| Sl No. | Particular | Amount (In Rs.) |
|--------|-------------------------------------------------------------------------------------------------------------|-----------------|
| (1) | (2) | (3) |
| (i) | Two percent of average net profit of the company as per sub-section (5) of section 135 | Rs. 93,33,520/- |
| (ii) | Total amount spent for the Financial Year | Rs. 93,33,523/- |
| (iii) | Excess amount spent for the Financial Year [(ii)-(i)] | Rs. 3/- |
| (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)] | Rs. 3/- |

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 Year(s) | Amount transferred to Unspent CSR Account under sub-section (6) | Balance Amount in Unspent CSR Account under sub-section (6) | Amount Spent in the Financial Year (in Rs) | 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 Rs) | Deficiency, if any |

| | of section 135 (in Rs.) | of section 135 (in Rs.) | of section 135 (in Rs.) | Amount (In Rs.) | Date of Transfer |
|---|-------------------------|-------------------------|-------------------------|-------------------|------------------|
| 1 | FY-1 (2021-22) | - | - | - | - |
| 2 | FY-2 (2020-2021) | - | Rs. 2,83,384.00/- | Rs. 2,83,384.00/- | 31.03.2022 |
| 3 | FY-3 (2019-2020) | - | - | - | - |

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year: No
If Yes, enter the number of Capital assets created/ acquired: Not applicable

Furnish the details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year: Not applicable

| Sl. No. | Short particulars of the property or asset(s) | Pincode of the property or asset(s) | Date of creation | Amount of CSR amount spent | Details of entity/ Authority/ beneficiary of the registered owner |
|---------|-----------------------------------------------------------|-------------------------------------|------------------|----------------------------|-------------------------------------------------------------------|
| (1) | [including complete address and location of the property] | (3) | (4) | (5) | (6) |
| | | | | | CSR Registration Number, if applicable |
| | | | | | Name |
| | | | | | Registered address |

| | | | | | | | | | |
|--|--|--|--|--|--|--|--|--|--|
| | | | | | | | | | |
|--|--|--|--|--|--|--|--|--|--|

(All the fields should be captured as appearing in the revenue record, flat no, house no, Municipal Office/Municipal Corporation/ Gram panchayat are to be specified and also the area of the immovable property as well as boundaries)

9. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5).

The Company has spent the entire 2% of the average net profit in accordance with Section 135 of the Companies Act, 2013 for the reporting year i.e., FY 2022-23.



Mr. Vineet Sukumar
(~~Chief Executive Officer of~~ Managing Director of Director)
DIN: 06848801



Ms. Namrata Kaul
Chairman of CSR Committee and Independent Director
DIN: 00994532

ESOP related disclosures in terms of Rule 12(9) and 16(4) of the Companies (Share Capital and Debentures) Rules, 2014 - Annexure II

a.

| Particulars | ESOP 2018 | ESOP 2019 | ESOP 2019 II | ESOP 2020 | ESOP 2022 |
|-----------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------|--------------|-----------|-----------|
| Options approved to be issued as ESOPs (Quantum of Pool) | 1922500 | 467000 | 800000 | 1151310 | 1000000 |
| Revised Pool - Transfer of unvested cancelled options to latest pool | 1593750 | 292750 | 608000 | 1562510 | 1283800 |
| Options granted | 1937500 | 467500 | 829500 | 2447000 | 1293800 |
| Options vested | 489950 | 100325 | 198550 | 467125 | 0 |
| Options exercised | 850300 | 71175 | 202775 | 161375 | 0 |
| The total number of shares arising as a result of exercise of options | 850300 | 71175 | 202775 | 161375 | 0 |
| Options lapsed – (unvested + vested lapsed + surrendered) | 436000 | 186000 | 304300 | 958000 | 16350 |
| The exercise price | i. <u>Exercise Price was INR. 10 for Options granted on 29-06-2018</u> ii. <u>Exercise Price was INR. 47.5 for Options granted on 19-07-2019</u> iii. <u>Exercise Price was INR. 71.7 for Options granted on 29-06-2018 18-11-2019 & 15-12-2019</u> iv. <u>Exercise Price was INR. 173.7 for Options granted on 30-06-2020, 30-09-2020, 31-12-2020, 31-03-2021, 30-06-2021 & 31-12-2021</u> v. <u>Exercise Price was INR. 815 for Options granted on 01-07-2022</u> vi. <u>Exercise Price was INR. 950 for Options granted on 31-12-2022 & 16-01-2023</u> | | | | |
| Variation in terms of options | - | - | - | | - |
| money realized by exercise of options till date (INR) | 9829792 | 3538438 | 14532884 | 28024382 | - |
| Total number of options in force Granted(live) | 1075000 | 280000 | 432500 | 1657000 | 1277450 |
| employee wise details of options granted to:- (live employees) | | | | | |

| | | | | | |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----|-----|-----|-----|-----------------------|
| (i) key managerial personnel | 1 | 0 | 0 | 2 | 2 |
| (ii) any other employee who receives a grant of options in any one year of option amounting to five per cent or more of options granted during that year. | NIL | NIL | NIL | NIL | 1(Ashish Malani -CCO) |
| (iii) identified employees who were granted option, during any one year, equal to or exceeding one per cent of the issued capital (excluding outstanding warrants and conversions) of the company at the time of grant. | NIL | NIL | NIL | NIL | 1(Ashish Malani -CCO) |

b. INFORMATION AS REQUIRED UNDER RULE 16 OF THE COMPANIES (SHARE CAPITAL AND DEBENTURES) RULES, 2014:

Disclosure as per Rule 16(4) of COMPANIES (SHARE CAPITAL AND DEBENTURES) RULES, 2014 is applicable to the Company in accordance with Section 62 of Companies Act, 2013 during the FY 22-23:

(a) the names of the employees who have not exercised the voting rights directly;

In accordance with the Employee Stock Option Plan(s) implemented by the Company and pursuant to the Restated Articles of Association of Company as amended from time to time, read with Shareholder's letter and Undertaking executed between employee, the Promoter shareholder/Sponsor and the Company, the voting rights of the employees have been relinquished with the Promoter shareholder/ Sponsor. Hence, there are no employees qualifying under this item.

(b) the reasons for not voting directly – *Kindly refer to point (a) above.*

(c) the name of the person who is exercising such voting rights; Mr. Vineet Sukumar, Mr. Gaurav Kumar (Promoter shareholders)

(d) the number of shares held by or in favour of, such employees and the percentage of such shares to the total paid up share capital of the company; - 2,16,350

(e) the date of the general meeting in which such voting power was exercised; – Nil

(f) the resolutions on which votes have been cast by persons holding such voting power; – Nil

(g) the percentage of such voting power to the total voting power on each resolution;– Nil

(h) whether the votes were cast in favour of or against the resolution- – Not applicable.

Information as per Section 197(12) of the Companies Act, 2013 read with Rule 5(2) & 5(3) The Companies (Appointment and remuneration of Managerial Personnel) Rules, 2014 forming part of the Board’s Report for the financial year ended 31st March, 2022 – Annexure III

The Statement containing such particulars of employees as required in terms of provision of Section 197(12) of the Act read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 forms part of the Annual Report. Pursuant to the provision of the Section 136(1) of the Companies Act, 2013, the reports and accounts, as set out therein, are being sent to all the Members of the Company, excluding the aforesaid information and the same is open for inspection at the registered office of the Company during working hours up to the date of the Annual General Meeting and if any members is interested in obtaining such information, may write to the Director at the Registered Office of the Company in this regard.

Names of the top ten employees in terms of remuneration drawn and the name of every employee, who-

(i) if employed throughout the financial year, was in receipt of remuneration for that year which, in the aggregate, was not less than one crore and two lakh rupees;

| S. No | Particulars | Remarks |
|-------|--------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| a. | Name of the employee | Mr Vineet Sukumar |
| b. | Designation of the employee | Managing Director |
| c. | remuneration received | 2,49,56,248 |
| d. | nature of employment, whether contractual or otherwise | Full time |
| e. | qualifications and experience of the employee | 22 + years experience B. Tech - IIT, Karagpur MBA – Finance IIM, Bangalore Vineet was the Chief Financial Officer of Northern Arc Capital Limited (formerly known as IFMR Capital Limited) and the Chief Executive Officer of Northern Arc Investment Managers Private Limited (formerly known as IFMR Investment Managers Private Limited) (wholly owned subsidiary of IFMR Capital). Prior to this, Vineet led key relationships at |

| | | |
|----|--------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| | | Standard Chartered Bank. Vineet has also worked with Tata Administrative Services and Tata Motors. |
| f. | date of commencement of employment | 30-08-2017 |
| g. | the age of such employee | 44 Years |
| h. | the last employment held by such employee before joining the Company | Chief Financial Officer of Northern Arc Capital Limited (formerly known as IFMR Capital Limited) and the Chief Executive Officer of Northern Arc Investment Managers Private Limited (formerly known as IFMR Investment Managers Private Limited) (wholly owned subsidiary of IFMR Capital). |
| i. | the percentage of equity shares held by the employee in the Company within the meaning of clause (iii) of sub-rule (2) and | 31.23% |
| j. | whether any such employee is a relative of any director or manager of the Company and if so, name of such director or manager. | NA |

- (ii) if employed for a part of the financial year, was in receipt of remuneration for any part of that year, at a rate which, in the aggregate, was not less than eight lakh and fifty thousand rupees per month: **NIL**
- (iii) if employed throughout the financial year or part thereof, was in receipt of remuneration in that year which, in the aggregate, or as the case may be, at a rate which, in the aggregate, is in excess of that drawn by the managing director or whole-time director or manager and holds by himself or along with his spouse and dependent children, not less than two percent of the equity shares of the company – **NIL**



Nomination and Remuneration Policy

| Version | Approval Date | Prepared By |
|----------------|--------------------------------|--------------------|
| V1 | 10 th August 2019 | Legal & Compliance |
| V2 | 15 th August 2020 | Legal & Compliance |
| V3 | 6 th August 2021 | Compliance |
| V4 | 10 th November 2021 | Compliance |
| V5 | 4 th February 2022 | Compliance |
| V6 | 10 th August 2022 | Compliance |

1 ABOUT THE COMPANY

- 1.1 Vivriti Capital Private Limited (“**VCPL**”/“**Company**”) is a debt listed non-deposit taking systemically important non-banking finance company (NBFCs-ND-SI) registered with the Reserve Bank of India.
- 1.2 Pursuant to the Non-Banking Financial Companies – Corporate Governance (Reserve Bank) Directions, 2015 issued by Reserve Bank of India (“**RBI Directions**”), the Company is required to constitute the Nomination and Remuneration Committee (“**Committee**”) as specified in Section 178 of Companies Act 2013 (“**the Act**”).
- 1.3 VCPL is a high value debt listed entity and accordingly the provisions of Regulation 15 to 27 under Chapter IV of Listing Regulations (*as defined below*) are applicable to the Company.
- 1.4 The Committee inter alia determines and recommends to the Board of Directors (*as defined below*) of the Company the compensation payable to the Directors (*as defined below*). Remuneration for the Executive Directors consists of a fixed component and a variable component linked to the long-term version, medium term goals and annual business plans.
- 1.5 Section 178 of the Act and Regulation 19 read with Part D of Schedule II of the Listing Regulations provides that the Committee shall recommend to the Board a policy, relating to the remuneration for the Directors, Key Managerial Personnel (*as defined below*) and other employees. Further the Committee shall also formulate the criteria for determining qualifications, positive attributes and independence of a director.
- 1.6 Accordingly, the Committee and this Nomination and Remuneration Policy (“**Policy**”) have been formulated in compliance with the RBI Directions, Listing Regulations and the Act read along with the applicable rules thereto.
- 1.7 The Board has approved this Policy in its meeting held on 10th August 2019 and amended it from time to time thereafter.

2 OBJECTIVE

- 2.1 To lay down the criteria for identifying the persons who are qualified to become Directors and such persons who may be appointed as the Senior Management (*as defined below*) personnel of the Company.
- 2.2 To determine the qualifications, positive attributes and independence of the Board and to ensure Board Diversity.
- 2.3 To recommend the Board for determining the remuneration of the Directors, Key Managerial Personnel and other employees.
- 2.4 To set the criteria for evaluation of the performance of the Board and other employees of the Company.

3 DEFINITIONS

Unless otherwise stated, capitalised terms used in this Policy have the meanings ascribed to them hereunder:

- 3.1 “**Act**” shall mean the Companies Act, 2013 and the rules issued thereunder, as amended from time to time.
- 3.2 “**Board**” or “**Board of Directors**” shall mean the board of directors of the Company.
- 3.3 “**Committee**” shall mean the Nomination and Remuneration Committee of the Company.
- 3.4 “**Director**” shall mean a member of the Board of the Company.
- 3.5 “**Independent Director**” shall mean an independent director in terms of Regulation 16(1)(b) of the Listing Regulations.
- 3.6 “**Interested Person**” shall mean any person holding voting rights in the Company and who is in any manner, whether directly or indirectly, interested in an agreement or proposed agreement,

entered into or to be entered into by such a person or by any employee or Key Managerial Personnel or Director or promoter of the Company with any shareholder or any other third party with respect to compensation or profit sharing in connection with the securities of such listed entity.

- 3.7 **“Key Managerial Personnel”** shall mean as defined in Section 2(51) of the Act in relation to the Company and consists of:
- a. chief executive officer or the Managing Director or the manager;
 - b. company secretary;
 - c. whole time director;
 - d. chief financial officer;
 - e. such other officer, not more than one level below the Directors who is in whole-time employment, designated as Key Managerial Personnel by the Board; and
 - f. such other officer as may be prescribed by the Government.
- 3.8 **“Listing Regulations”** shall mean the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time.
- 3.9 **“Managing Director”** shall mean as defined in Section 2(56) of the Act in relation to the Company.
- 3.10 **“Policy”** shall mean the Nomination and Remuneration Policy of the Company.
- 3.11 **“Senior Management”** shall mean officers/personnel of the Company who are members of its core management team excluding Board of Directors and normally this shall comprise all members of management one level below the chief executive officer/managing director/whole-time director/manager (including chief executive officer/manager, in case they are not part of the Board) and shall specifically include company secretary and chief financial officer.

4 APPLICABILITY

- 4.1 This Policy shall be applicable to:
- a. Board;
 - b. Key Managerial Personnel;
 - c. Senior Management; and
 - d. Other employees of the Company.

5 INTERPRETATION

- 5.1 Terms that have not been defined in this Policy shall have the same meaning assigned to them in the Listing Regulations or Act, as amended from time to time.

6 GUIDING PRINCIPLES

The Policy ensures that:

- 6.1 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;
- 6.2 Relationship of remuneration to performance is clear and meets appropriate performance benchmarks;
- 6.3 Aligning key executive and Board remuneration with the long-term interests of the company and its shareholders;
- 6.4 Minimize complexity and ensure transparency;
- 6.5 Link to long term strategy as well as annual business performance of the Company;

- 6.6 Promotes a culture of meritocracy and is linked to key performance and business drivers; and
- 6.7 Reflective of line expertise, market competitiveness to attract the best talent.

7 ROLE OF THE COMMITTEE

The role of the Committee, inter alia, will be the following:

- 7.1 To identify persons who are qualified to become Directors and who may be appointed in Senior Management in accordance with the criteria laid down and to recommend to the Board their appointment and/or removal;
- 7.2 To formulate criteria for evaluation of performance of Independent Director and Board of Directors;
- 7.3 To 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 and other employees;
- 7.4 To formulate the criteria for evaluation during appointment of Independent Directors by the Board;
- 7.5 To recommend/review remuneration of the whole-time director(s) based on their performance and defined assessment criteria;
- 7.6 Whether to extend or continue the term of appointment of the Independent Director, on the basis of the report of performance evaluation of Independent Directors.
- 7.7 To recommend to the Board, all remuneration, in whatever form, payable to Senior Management;
- 7.8 To perform such other functions as may be necessary or appropriate for the performance of its duties including the roles as entrusted under the Nomination Remuneration Committee Charter;
- 7.9 To carry out any other function as is mandated by the Board from time to time and/or enforced by a statutory notification, amendment or modification, as may be applicable or which are required to be performed as per the applicable laws including LODR Regulations.

8 APPOINTMENT CRITERIA FOR THE BOARD AND OTHER EMPLOYEES

8.1 For the Board

8.1.1 Appointment Criteria

8.1.1.1 *Managing Director/Whole-Time Director*

- a. The Managing Director/whole-time director shall be appointed as per the applicable provisions of Act and rules made there under and the Listing Regulations.
- b. The person to be appointed will be assessed against a range of criteria which shall include but shall not be limited to qualifications, skills, industry experience, fit & proper, background and other attributes required for the said position.
- c. The Managing Director/whole-time director shall have all the powers and authorities as prescribed by the Board of Directors and as provided in the Articles of Association and applicable provisions of the Act. The Managing Director/whole-time director will be overall in-charge of the business, administration and other affairs of the Company subject to the superintendence, control and directions of the Board of Directors and he shall guide, control and supervise the employees of the Company, their functions, the business carried on by the Company and all administrative matters.

8.1.1.2 *Non-Executive Director*

- a. The non-executive director shall be appointed as per the applicable provisions of the Act and rules made there under and the Listing Regulations.

- b. The person to be appointed shall be assessed on various parameters such as qualification, relevant experience and expertise, integrity, skill sets etc. The person considered to be appointed as a non-executive director should possess relevant expertise which will help the person to act objectively and constructively.

8.1.1.3 **Independent Director**

- c. The Independent Director shall be appointed as per the applicable provisions of the Act and rules made there under and the Listing Regulations.
- a. For every appointment of an Independent Director, the Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an Independent Director. The person recommended to the Board for appointment as an Independent Director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:
 - i. use the services of an external agencies, if required;
 - ii. consider candidates from a wide range of backgrounds, having due regard to diversity; and
 - iii. consider the time commitments of the candidates.
- b. The appointment, re-appointment or removal of an Independent Director of the Company, shall be subject to the approval of shareholders by way of a special resolution.

8.1.2 **Nomination Process:**

- 8.1.2.1 The Committee shall be responsible to review the structure, composition and diversity of the Board and make recommendations to the Board on any proposed changes/ new appointments to complement the Company's objectives and strategies. Policy on Diversity of Board of Directors is given at **Annexure 1**.
- 8.1.2.2 The Committee shall ensure that the Board has appropriate skills, professional knowledge, characteristics and experience in diverse fields like finance, banking, insurance, economics, corporate laws, administration, etc. required as a whole and by its executive directors, non- executive directors and independent directors in their individual capacity.
- 8.1.2.3 The Committee may on annual basis review the appropriate skills, knowledge and experience required for the Board as a whole and its individual Directors.
- 8.1.2.4 The Committee shall while identifying and selecting suitable candidates for fresh appointment/ re-appointment/ filling up casual vacancy shall inter-alia consider the following criteria:
 - a. Consider educational and professional background and personal achievements;
 - b. Consider individuals who are appropriately qualified, based on their talents, experience, functional expertise and personal skills, character and qualities;
 - c. Consider criteria that promotes diversity, including gender, age and relevant background;
 - d. Engage qualified independent external advisors, if required, to assist the Committee in conducting its search for candidates that meet the criteria as laid down herein regarding the skills, experience and diversity.
- 8.1.2.5 The proposed appointee shall also fulfil the following requirements:
 - a. Shall possess a Director Identification Number (“DIN”);
 - b. Shall not be disqualified under the Act;
 - c. Shall give his written consent to act as a Director;
 - d. Shall endeavour to attend all Board meetings and wherever he is appointed as a Committee Member, the Committee Meetings;
 - e. Shall abide by the Code of Conduct established by the Company for Directors and Senior Management personnel;
 - f. Shall disclose his concern or interest in any company or companies or bodies corporate, firms, or other association of individuals including his shareholding, Committee membership/chairmanship at the first meeting of the Board in every financial year.

- c. Personal specifications like degree holder in relevant disciplines; experience of management in a diverse organization; excellent interpersonal, communication and representational skills; demonstrable leadership skills, commitment to high standards of ethics, personal integrity and probity, commitment to the promotion of equal opportunities and skills must also be considered.
- 8.2.1.4 The appointments of one level below the executive director shall be within the ambit of the Committee and the Committee shall be duly informed on the appointments at the Senior Management Personnel level and above.
- 8.2.2 **Other Employees**
- 8.2.2.1 The Company shall recruit individuals with high level of integrity and having desired qualification, skill sets and experience relevant to the Company's requirements for the specific position for which such individual is interviewed.

9 REMUNERATION CRITERIA FOR THE BOARD AND THE EMPLOYEES

9.1 Remuneration paid to Executive Directors

- 9.1.1 The remuneration paid to executive directors is recommended by the Nomination and Remuneration Committee and approved by the Board in the Board meetings and such other authorities, as the case may be.
- 9.1.2 At the Board meeting, only the non-executive and Independent Directors participate in approving the remuneration paid to the executive directors. The remuneration is arrived by considering various factors such as qualification, experience, expertise, prevailing remuneration in the industry and the financial position of the company. The elements of the remuneration and limits are pursuant to the Sections 178, 197 and Schedule V of the Act.
- 9.1.3 Remuneration for the Executive Directors consists of a fixed component and a variable component linked to the long-term vision, medium term goals and annual business plans.
- 9.1.4 **Remuneration Policy Structure** - The remuneration structure for the executive Directors would include the following components:-
 - 9.1.4.1 **Basic Salary** - Provides for a fixed, per month, base level remuneration to reflect the scale and dynamics of business to be competitive in the external market.
 - a. Are normally set in the home currency of the Executive Director and reviewed annually.
 - b. Will be subject to an annual increase as per recommendations of the Nomination and Remuneration committee and approval of the Board of Directors.
 - 9.1.4.2 **Commission** –
 - a. Executive Directors will be allowed remuneration, by way of commission which is in addition to the Basic Salary, Perquisites and any other Allowances, benefits and amenities. Subject to the condition that the amount of commission shall not exceed the thresholds provided under Companies Act 2013.
 - b. The amount of commission shall be paid subject to recommendation of the Committee and shall be subject to approval of the Board of Directors.
 - 9.1.4.3 **Perquisites and Allowances** - A basket of Perquisites and Allowances would also form a part of the remuneration structure.
 - 9.1.4.4 **Contribution to Provident and Other funds** in addition to the above, the remuneration would also include: -
 - a. Contribution to Provident and Superannuation Funds
 - b. Gratuity
 - 9.1.4.5 **Minimum Remuneration** - If in any financial year during the tenure of the Executive Directors, the company has no profits or its profits are inadequate, they shall be entitled to, by way of Basic Salary, Perquisites, allowances, not exceeding the ceiling limit of 2,00,000 per month, and in addition hereto, they shall also be eligible for perquisites not exceeding the limits specified under the Act.

- 9.1.4.6 ***Fees or Compensation*** - The fees or compensation payable to Executive Directors who are promoters or members of the promoter group, shall be subject to the approval of the shareholders by special resolution in general meeting, if-
- a. the annual remuneration payable to such Executive Director exceeds rupees 5 (five) crore or 2.5 (two and a half) per cent of the net profits of the Company, whichever is higher; or
 - b. where there is more than one such Director, the aggregate annual remuneration to such Directors exceeds 5 (five) per cent of the net profits of the Company:
- Provided that the approval of the shareholders under this provision shall be valid only till the expiry of the term of such Director. For the purposes of this clause, net profits shall be calculated as per section 198 of the Act.

9.2 Remuneration payable to Non-Executive Directors and Independent Directors

- 9.2.1 The Remuneration to the non-executive directors would be as per recommendations of the Committee and approval of the Board of Directors.
- 9.2.2 It would be pursuant to the provisions of sections 197 and 198 of the Act and Listing Regulations as relevant.
- 9.2.3 The Board of Directors shall recommend all fees or compensation, if any, paid to non-executive directors, including Independent Directors and shall require approval of shareholders in general meeting.
- 9.2.4 The requirement of obtaining approval of shareholders in general meeting shall not apply to payment of sitting fees to non-executive directors, if made within the limits prescribed under the Act for payment of sitting fees without approval of the Central Government.
- 9.2.5 The approval of shareholders mentioned in Clause 9.2.3, shall specify the limits for the maximum number of stock options that may be granted to non-executive directors, in any financial year and in aggregate.
- 9.2.6 The approval of shareholders by special resolution shall be obtained every year, in which the annual remuneration payable to a single non-executive director exceeds 50 (fifty) per cent of the total annual remuneration payable to all non-executive directors, giving details of the remuneration thereof.

9.3 Remuneration Philosophy for Key managerial personnel, Senior Management & staff

- 9.3.1 The compensation for the Key managerial personnel, Senior Management and staff at the Company would be guided by the external competitiveness and internal parity through annual benchmarking surveys.
- 9.3.2 Internally, performance ratings of all the Company's employees would be spread across a normal distribution curve.
- 9.3.3 The rating obtained by an employee will be used as an input to determine variable and merit pay increases.
- 9.3.4 Variable and merit pay increases will be calculated using a combination of individual performance and organizational performance.
- 9.3.5 Grade wise differentiation in the ratio of variable and fixed pay as well as in increment percentage must be made.
- 9.3.6 Compensation can also be determined based on identified skill sets critical to success of the Company. It is determined as per management's review of market demand and supply.

10 DISCLOSURES UNDER CORPORATE GOVERNANCE REPORT:

- 10.1 Regarding remuneration of directors:
- a. All pecuniary relationship or transactions of the non-executive directors vis-à-vis the Company;
 - b. Criteria of making payments to non-executive directors;
 - c. Alternatively, this may be disseminated on the Company's website and reference drawn

- thereto in the annual report;
- d. Disclosures with respect to remuneration: in addition to disclosures required under the Act, the following disclosures shall be made:
 - i. All elements of remuneration package of individual Directors summarized under major groups, such as salary, benefits, bonuses, stock options, pension etc;
 - ii. Details of fixed component and performance linked incentives, along with the performance criteria;
 - iii. Service contracts, notice period, severance fees; and
 - iv. Stock option details, if any and whether issued at a discount as well as the period over which accrued and over which exercisable.

11 RESTRICTIONS

- 11.1 Independent directors shall not be entitled to any stock option.
- 11.2 No employee including Key Managerial Personnel or Director or promoter of the Company shall enter into any agreement for himself /herself or on behalf of any other person, with any shareholder or any other third party with regard to compensation or profit sharing in connection with dealings in the securities of the Company, unless prior approval for the same has been obtained from the Board of Directors as well as public shareholders by way of an ordinary resolution:
 - a. Provided that such agreement, if any, whether subsisting or expired, entered during the preceding three years from the date of coming into force of this sub-regulation, shall be disclosed to the stock exchanges for public dissemination.
 - b. Provided further that if the Board of Directors approve such agreement, the same shall be placed before the public shareholders for approval by way of an ordinary resolution in the forthcoming general meeting:
 - c. Provided further that all Interested Persons involved in the transaction covered under the agreement shall abstain from voting in the general meeting.

12 ANNUAL EVALUATION OF THE BOARD BY INDEPENDENT DIRECTORS

- 12.1 The Independent Directors of the Company meet once on an annual basis. A formal evaluation of the Board and governance structure of the Company is carried out by the Independent Directors, basis and including but not limited to following evaluation criteria:
 - a. Board effectiveness and regular functioning
 - b. Meetings and procedures
 - c. Business strategy
 - d. Risk Management
 - e. Board and Committee communication
- 12.2 Feedback, if any provided is shared and discussed at meeting of the Committee and noted by the Board.

13 REVIEW AND MONITORING

- 13.1 The information on recruitment and remuneration of senior officers just below the level of Board of Directors, including appointment or removal of chief financial officer and the company secretary shall be placed before the Board of Directors.
- 13.2 This Policy is subject to review from time to time to ensure effectiveness and as and when deemed necessary, including but not limited to change in Board processes, business structure, changes in law, etc.
- 13.3 Committee shall monitor the implementation of this policy and shall be responsible to ensure

adherence to process requirements herein. The Committee shall also be responsible to recommend changes in this Policy to the Board for its approval, from time to time.

- 13.4 In the event of any conflict between the provisions of this Policy and of the Act or Listing Regulations or any other statutory enactments, rules, the provisions of such Act or Listing Regulations or statutory enactments, rules shall prevail over this Policy.
- 13.5 Any or all provisions of this Policy are subject to such alterations/ amendment/ revisions as may be notified under the Act and the Listing Regulations and/or issued by any relevant statutory authorities. In case any amendment/ clarification/ notification/ circular prescribed by any relevant statutory authority are inconsistent with any of the clauses of this Policy, then such amendment/ clarification/ notification/ circular shall prevail over clauses of this Policy and the Policy shall be deemed to be altered/ amended/ revised to that extent, which alteration/ amendment/ revision shall be effective from the date as laid down under the amendment/ clarification/ notification/ circular issued by any relevant statutory authority.

Policy on Diversity of Board of Directors

1. Background

- 1.1. The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 requires Nomination & Remuneration Committee of the listed entity to devise a policy on diversity of Board of Directors.
- 1.2. The Board of Directors of Vivriti Capital Private Limited (**'Company'**) based on the recommendation of Nomination & Remuneration Committee has approved and adopted this policy on 10th August 2022 as annexure to the NRC Policy.

2. Definitions

- a. **"Board"** or **"Board of Directors"** shall mean the board of directors of the Company.
 - b. **"Company"** means Vivriti Capital Private Limited.
 - c. **"NRC"** or **"Committee"** means Nomination & Remuneration Committee.
 - d. **"Listing Regulations"** shall mean the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time.
 - e. **"Policy"** means Policy on Diversity of Board of Directors.
- 2.1 Words or phrases not defined above or anywhere in this Policy shall have same meaning ascribed to them under Listing Regulations.
 - 2.2 Wherever appropriate in this Policy, a singular term shall be construed to mean the plural where necessary, and a plural term the singular. Similarly, any masculine term shall also be construed to mean the feminine or any other gender and vice versa.

3. Objective of the Policy

Regulation 19(4) read with Part D of Schedule II of Listing Regulations, as amended from time to time, the NRC of the Company is required to devise a policy for having diversity on the board of the Company. This Policy sets out a framework/ roadmap for achieving adequate diversity on the Board of the Company and individual skills and experiences, which can collectively benefit the organization and its goals.

4. Applicability

This Policy shall be applicable to all the members on the Board of the Company, as may be appointed from time to time.

5. Diversity on the Board

For a diversified Board, the following parameters should be considered:

- a. To encourage diversity on the Board;
- b. To organise programmes/ take steps to enhance the knowledge & skills of the Board of Directors, as a whole;
- c. To adopt best corporate governance practices for board related matters;
- d. To check on the required parameters for ensuring eligibility of an individual, which may include but not limited to eligibility criteria under applicable laws, experience in the relevant industry, skill set, expertise, background verification, etc.
- e. To ensure adequate combination of executive and non-executive directors, including independent directors on the Board, in line with the regulatory requirements, guidelines on Corporate Governance and other charter documents of Company;
- f. Zero tolerance to inappropriate actions/ practices such as discrimination on the grounds of gender, race, nationality, etc.

6. Roles & Responsibilities of NRC

- a. The Committee shall ensure the adequacy of composition of the Board and also assess the performance of the Board, as well as identifying appropriately qualified persons to occupy Board positions, as and when required;
- b. To ensure adherence of eligibility criteria by an individual as per the regulatory provisions;
- c. To ensure diversity on the Board of the Company in terms of skill sets, experience, expertise, gender, etc.
- d. In case of appointment of independent director on the Board, the Committee shall perform due diligence to ensure his independence;
- e. To review periodically and apprise Board, if in case action needs to be taken for ensuring adherence of this Policy.

7. Review

This Policy shall be modified/ amended/ reviewed by the NRC or Board, at such intervals, as may be required.

Annexure
FORM NO. AOC.1
Statement containing salient features of the financial statement of
Subsidiaries/associate companies/joint ventures
(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of
Companies (Accounts) Rules, 2014)

Part "A": Subsidiaries

(Fig In Lakhs)

| Sl. No. | Particulars | Details |
|---------|-----------------------------------------------------------------------------------------------------------------------------|------------------------------------------|
| 1 | Name of the Subsidiary | Vivriti Asset Management Private Limited |
| 2 | CIN | U65929TN2019PTC127644 |
| 3 | The date since when subsidiary was acquired | February 12, 2019 |
| 4 | Reporting period for the subsidiary concerned, if different from the holding company's reporting period | NA |
| 5 | Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries | NA |
| 6 | Share capital | 2,684.50 |
| 7 | Reserves & Surplus | 9,754.62 |
| 8 | Total Assets | 16,904.10 |
| 9 | Total Liabilities | 4,464.98 |
| 10 | Investments | 11,462.98 |
| 11 | Turnover | 3,005.48 |
| 12 | Profit before taxation | 31.98 |
| 13 | Provision for taxation | (5.68) |
| 14 | Profit after taxation | 26.30 |
| 15 | Proposed Dividend | Nil |
| 16 | Percentage of shareholding (On a fully diluted basis) | 66.78% |

(Fig In Lakhs)

| Sl. No. | Particulars | Details |
|---------|-----------------------------------------------------------------------------------------------------------------------------|----------------------------|
| 1 | Name of the Subsidiary | CredAvenue Private Limited |
| 2 | CIN | U72900TN2020PTC137251 |
| 3 | The date since when subsidiary was acquired | August 21, 2020 |
| 4 | Reporting period for the subsidiary concerned, if different from the holding company's reporting period | NA |
| 5 | Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries | NA |
| 6 | Share capital | 21,209.03 |
| 7 | Reserves & Surplus | 117,566.02 |

| | | |
|----|----------------------------------------------------------|-------------|
| 8 | Total Assets | 170,258.86 |
| 9 | Total Liabilities | 31,483.81 |
| 10 | Investments | 7,943.84 |
| 11 | Turnover | 10,558.24* |
| 12 | Profit before taxation | (48,309.19) |
| 13 | Provision for taxation | (3,602.60) |
| 14 | Profit after taxation | (44,706.59) |
| 15 | Proposed Dividend | Nil |
| 16 | Percentage of shareholding (On a fully diluted basis) | 50.45% |

*Turnover figure mentioned above refers to Total Income as per the Balance sheet.

(Fig In Lakhs)

| Sl. No. | Particulars | Details |
|---------|-----------------------------------------------------------------------------------------------------------------------------|---------------------------------------|
| 1 | Name of the Subsidiary (Step - down Subsidiary) | CredAvenue Securities Private Limited |
| 2 | CIN | U65990TN2021PTC144175 |
| 3 | The date since when subsidiary was acquired | June 18, 2021 |
| 4 | Reporting period for the subsidiary concerned, if different from the holding company's reporting period | NA |
| 5 | Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries | NA |
| 6 | Share capital | 42,200.00 |
| 7 | Reserves & Surplus | 4,420.66 |
| 8 | Total Assets | 51,909.78 |
| 9 | Total Liabilities | 5,289.12 |
| 10 | Investments | - |
| 11 | Turnover | 19,315.22* |
| 12 | Profit before taxation | 6,310.92 |
| 13 | Provision for taxation | 1,638.51 |
| 14 | Profit after taxation | 4,672.41 |
| 15 | Proposed Dividend | Nil |
| 16 | Percentage of shareholding (On a fully diluted basis) | Nil |

*Turnover figure mentioned above refers to Total Income as per the Balance sheet.

(Fig In Lakhs)

| Sl. No. | Particulars | Details |
|---------|---------------------------------------------------------------------------------------------------------|----------------------------------|
| 1 | Name of the Subsidiary | Spocto Solutions Private Limited |
| 2 | CIN | U74999MH2020PTC337918 |
| 3 | The date since when subsidiary was acquired | February 25, 2022 |
| 4 | Reporting period for the subsidiary concerned, if different from the holding company's reporting period | NA |

| | | |
|----|-----------------------------------------------------------------------------------------------------------------------------|------------|
| 5 | Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries | NA |
| 6 | Share capital | 3.04 |
| 7 | Reserves & Surplus | 10,287.07 |
| 8 | Total Assets | 16,517.26 |
| 9 | Total Liabilities | 6,227.15 |
| 10 | Investments | 6,354.74 |
| 11 | Turnover | 7,145.03* |
| 12 | Profit before taxation | (5,178.04) |
| 13 | Provision for taxation | (270.66) |
| 14 | Profit after taxation | (4,907.38) |
| 15 | Proposed Dividend | Nil |
| 16 | Percentage of shareholding (On a fully diluted basis) | Nil |

*Turnover figure mentioned above refers to Total Income as per the Balance sheet.

(Fig In Lakhs)

| Sl. No. | Particulars | Details |
|---------|-----------------------------------------------------------------------------------------------------------------------------|---------------------------------------|
| 1 | Name of the Subsidiary (Step down Subsidiary) | Bluevine Technologies Private Limited |
| 2 | CIN | U72900GJ2015PTC084737 |
| 3 | The date since when subsidiary was acquired | April 25, 2022 |
| 4 | Reporting period for the subsidiary concerned, if different from the holding company's reporting period | NA |
| 5 | Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries | NA |
| 6 | Share capital | 20.46 |
| 7 | Reserves & Surplus | 1,373.96 |
| 8 | Total Assets | 3,135.41 |
| 9 | Total Liabilities | 1,740.99 |
| 10 | Investments | 513.43 |
| 11 | Turnover | 2,087.04* |
| 12 | Profit before taxation | (2,251.68) |
| 13 | Provision for taxation | (77.45) |
| 14 | Profit after taxation | (2,174.23) |
| 15 | Proposed Dividend | Nil |
| 16 | Percentage of shareholding (On a fully diluted basis) | Nil |

*Turnover figure mentioned above refers to Total Income as per the Balance sheet.

(Fig In AED)

| Sl. No. | Particulars | Details |
|---------|-----------------------------------------------|--------------------------------------|
| 1 | Name of the Subsidiary (Step down Subsidiary) | CredAvenue Spocto Technology Limited |
| 2 | CIN/Registration Number | DIFC - 6011 |

| | | |
|----|-----------------------------------------------------------------------------------------------------------------------------|-----------------|
| 3 | The date since when subsidiary was acquired | August 12, 2022 |
| 4 | Reporting period for the subsidiary concerned, if different from the holding company's reporting period | NA |
| 5 | Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries | AED/ INR 22.376 |
| 6 | Share capital | 7,350,000 |
| 7 | Reserves & Surplus (Accumulated Loss) | (5,099,719) |
| 8 | Total Assets | 3,891,451 |
| 9 | Total Liabilities | 16,41,170 |
| 10 | Investments | - |
| 11 | Turnover | 100,000 |
| 12 | Loss before taxation | (5,099,719) |
| 13 | Provision for taxation | - |
| 14 | Loss after taxation | (5,099,719) |
| 15 | Proposed Dividend | Nil |
| 16 | Percentage of shareholding (On a fully diluted basis) | Nil |

*Turnover figure mentioned above refers to Total Income as per the Balance sheet.

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

1. Names of subsidiaries which are yet to commence operations: NIL
2. Names of subsidiaries which have been liquidated or sold during the year: NIL

Part "B": Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures: NIL

1. Names of associates or joint ventures which are yet to commence operations: NIL
2. Names of associates or joint ventures which have been liquidated or sold during the year: NIL

On Behalf of the Board/-

For **Vivriti Capital Limited**

(formerly known as Vivriti Capital Private Limited)

Mr. Vineet Sukumar
Managing Director
UIN: 06848801
Address: 4, KG Valmiki Apts,
3rd Seaward Road, Valmiki Nagar,
Thiruvanmiyur, Chennai – 600041

Mr. Gaurav Kumar
Director
DIN: 07767248
Address: 19, B-103, Manasasrovar Apartments,
3rd Seaward Road, Valmiki Nagar,
Thiruvanmiyur, Chennai – 600041

Place: Chennai
Date: 20.06.2023



vivriti
CAPITAL

Related Party Transaction Policy

| Version | Approval Date | Prepared By | Approved By |
|----------------|--------------------------------|----------------------|--------------------|
| Version V1 | 21st July 2018 | Executive Management | Board of Directors |
| Version V2 | 6 th November 2019 | Compliance | Board of Directors |
| Version V3 | 6 th August 2021 | Compliance | Board of Directors |
| Version V4 | 10 th November 2021 | Compliance | Board of Directors |
| Version V5 | 4 th February 2022 | Compliance | Board of Directors |
| Version V6 | 9 th February 2023 | Compliance | Board of Directors |

POLICY ON DEALING WITH RELATED PARTY TRANSACTION

PART – A

About the Company:

Vivriti Capital Private Limited ('the Company') is a Non-Deposit taking Systemically Important Non-Banking Finance Company (NBFCs-ND-SI) registered with the Reserve Bank of India.

Objective:

1. This Policy will ensure that related party transactions of the Company are carried out in a transparent manner i.e. in ordinary course of business and at arm's length basis as per the applicable provisions of Act (*as defined below*) and other applicable laws. This policy also aims at providing guidance in situations of potential conflict of interest and compliance matters relating to related party transactions.
2. This policy has been framed in order to comply with the requirements of RBI Master Direction No. RBI/DNBR/2016-17/45 DNBR. PD. 008/03.10.119/2016-17 dated September 01, 2016 (as may be updated/amended/modified from time to time) on NBFC-SI Non-Deposit taking Company and Deposit taking Company Directions, 2016.
3. The Company, qualifies as a 'High Value Debt Listed Company' in terms of the minimum threshold trigger criterion reckoned/defined under Chapter IV of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended from time to time) ("**Listing Regulations**"), and is consequentially, statutorily mandated by the Securities and Exchange Board of India, to frame and formulate a policy on materiality of related party transactions and also on dealing with related party transactions ("**RPT Materiality Policy under Listing Regulations**"). Accordingly, this Policy shall be read together with the RPT Materiality Policy under Listing Regulations, and the compliances as required thereunder shall be taken with in terms of the Listing Regulations.
4. This policy will guide the Company to effectively comply with the provisions of the Act, Indian Accounting standards, Income Tax Act and such applicable provisions of other statutes as may be put in place, in relation to related party transactions.
5. This policy shall mutatis mutandis apply on the subsidiaries of the Company, to the extent applicable.
6. The company shall disclose the policy on dealing with Related Party Transactions on its website and also in the Annual Report.
- 7.

Scope and Purpose:

During the course of its business, the Company may enter into transactions with various entities. Some of the transactions are qualify to be 'Related Party Transactions' as per the Act, RBI Act and Regulations made thereunder, SEBI Act and Regulations made thereunder, Indian Accounting Standards on Related Party Disclosures (IND AS 24), as notified by the Companies (Indian Accounting Standards) Rules, 2015 and amendment thereto. Such transactions are required to be disclosed in the annual reports or such other reports of the Company, as prescribed therein.

This policy shall be applied in:

1. Identifying related party transactions;
2. Ascertaining whether the transactions entered with the related parties are in 'ordinary course of business' and at 'arm's length basis';
3. Obtaining requisite approvals in relation to any Related Party Transaction(s);
4. Determining the disclosures / compliances to be adhered in relation to the Related Party Transaction(s).

PART - B

DEFINITIONS

Act

Act means Companies Act, 2013 and rules, as amended from time to time, made thereunder.

Arm's Length Transaction

Explanation (b) to Section 188(1) of the Act defines an "*arm's length transaction*" to mean *a transaction between two related parties that is conducted as if they were unrelated, so that there is no conflict of interest.*

Associate Company

In terms of Section 2(6) of the Act "*Associate Company*" in relation to another company, means *a company in which that other company has a significant influence, but which is not a subsidiary company of the company having such influence and includes a joint venture company.*

For the purposes of this term 'Associate Company', "*significant influence*" means control of at least twenty per cent of total voting power, or control of or participation in business decisions under an agreement.

Audit Committee

The term "*Audit Committee*" means the committee of Board of Directors, the Company constituted in accordance with the provisions of Section 177 of the Companies Act, 2013 and Rules made thereunder.

Related Party

The term “*Related Party*” means a related party as defined under sub-section (76) of section 2 of the Act or under the applicable accounting standards:

Provided that:

- a) Any person or entity forming a part of the promoter or promoter group of the listed entity or
- b) Any person or entity, holding equity shares:
 - a. of twenty percent or more or
 - b. of ten percent or more, with effect from April 01, 2023;in the listed entity either directly or on a beneficial interest basis as provided under Section 89 of the Companies Act, 2013, at any time, during the immediate preceding financial year;

shall be deemed to be a related party.

Related Party Transaction

The term “*Related Party Transaction*” means transactions as defined under the Act or Accounting Standards, as applicable and includes a transaction involving a transfer of resources, services, obligations between:

- (i) a listed entity or any of its subsidiaries on one hand and a related party of the listed entity or any of its subsidiaries on the other hand; or
- (ii) a listed entity or any of its subsidiaries on one hand, and any other person or entity on the other hand, the purpose and effect of which is to benefit a related party of the listed entity or any of its subsidiaries, with effect from April 1, 2023;

regardless of whether a price is charged and a “transaction” with a related party shall be construed to include a single transaction or a group of transactions in a contract:

Provided that the following shall not be a related party transaction:

- (a) the issue of specified securities on a preferential basis, subject to compliance of the requirements under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- (b) the following corporate actions by the listed entity which are uniformly applicable/offered to all shareholders in proportion to their shareholding:
 - i. payment of dividend;
 - ii. subdivision or consolidation of securities;
 - iii. issuance of securities by way of a rights issue or a bonus issue; and
 - iv. buy-back of securities.
- (c) acceptance of fixed deposits by banks/Non-Banking Finance Companies at the terms uniformly applicable/offered to all shareholders/public, subject to disclosure of the same along with the disclosure of related party transactions every six months to the stock exchange(s), in the format as specified by the Board:

Ordinary Course of Business

“Ordinary Course of Business” means a transaction which is carried out in the normal course of business envisaged in accordance with the Memorandum of Association (‘MoA’) and the Articles of Association (“AoA”) of the Company.

Relative

In terms of Section 2(77) of the Companies Act, 2013 read with the Companies (Specification of definitions details) Rules, 2014 a person is said to be a relative of another, if

- a) They are members of a Hindu undivided family;
- b) They are husband and wife;
- c) Father (including step-father);
- d) Mother (including step-mother);
- e) Son (including step-son);
- f) Son's wife;
- g) Daughter;
- h) Daughter's husband;
- i) Brother (including step-brother); or
Sister (including step-sister).

Key management personnel

Key Managerial Personnel ("KMP" or "Key Managerial Personnel") means:

- (a) the Chief Executive Officer or the Managing Director or the Manager and in their absence the Whole-Time Director;
- (b) the Company Secretary;
- (c) the Chief Financial Officer; and
- (d) any other person appointed as the KMP by the Board of the Company.

Any other term not defined herein shall have the same meaning as defined in the Act or Listing Regulations or RBI Regulations.

Material Modification

"**Material Modification**" means and includes any modification to the terms of a Related Party Transaction, having a variance of 15% from the existing limit as sanctioned by the Audit Committee / Board / Shareholders, or the effect of which will be an increase over the approved limit for such transaction by an amount of more than 300 Crores in a financial year, whichever is higher.

Provided that where any RPT approval was granted on percentage basis then the absolute value shall not be considered for determining the material modification status and vice versa.

PART - C

TERMS OF THE POLICY

All related party transactions and subsequent Material Modifications shall require prior approval of the Audit Committee unless otherwise specifically exempted in accordance with this Policy.

Only those members of the Audit Committee, who are Independent Directors, shall approve Related Party Transactions.

Role of the Board of Directors and the Audit Committee:

- (a) The Board of the Company will approve/ amendment to this RPT Policy from time to time for Related Party Transactions. The Board will be responsible to provide overall direction, approval and monitor the RPT regime in the Company from time to time

(b) The Audit Committee shall test each RPTs whether or not the same is on arm's length and done in the ordinary course of business. The Audit Committee will be responsible for overall monitoring and supervision of the RPT regime in the Company

PART - D

1. Identification of Related Party Transactions

Related Party Transactions are required to undergo a detailed analysis before arriving at a conclusion as to its impact as well as the course of action with regard to the approval requirements from the concerned bodies. The Act have laid down procedures for dealing with Related Party Transactions.

The Related Party list shall be updated periodically and shall be reviewed at least once a year, based on the annual disclosures received, if any

2. Ascertaining whether Related Party Transactions are on an Arm's Length Basis

The tests for ascertaining arm's length relationship in case of contracts / arrangements that may be entered into by Vivriti Capital Private Limited with its Related Parties could be on the following lines -

- (a) The contracts/ arrangements are entered into with related parties, at such prices/ discounts/premiums and on such terms which are offered to un-related parties of similar category/ profile, if available.
- (b) The contracts/ arrangements have been commercially negotiated.
- (c) The pricing is arrived at as per the guidelines that may be issued by the Ministry of Corporate Affairs, Government of India/ Income Tax Act, 1961 as applicable to any of the contract/ arrangements contemplated under the Act.
- (d) The payments to group companies are made in the manner and at such rates prevalent in the market for similar category of goods and services and similar category/ profile of customers.
- (e) Any modification to the original contract/ arrangements is substantially on the same price/discount/ premium and on such terms, as offered to un-related parties of similar category/ profile.
- (f) Such other criteria as may be issued under IND AS 24 or by any other statutory/ regulatory authority.

3. Ascertaining whether Related Party Transactions are in the Ordinary Course of Business of Vivriti Capital Private Limited

- (a) In order to decide whether or not a contract or arrangement is being entered by the Company is in its ordinary course, the Company shall consider whether such contract/

arrangement is germane to attainment of the main objects as set out in its Memorandum of Association or such other activities as may be permitted, from time to time by Reserve Bank of India, the principal regulator of the Company.

- (b) The Company shall also consider whether the transaction contemplated under the proposed contract or arrangement is either similar to contracts or arrangements which have been undertaken in the past, or, in the event that such transaction is being undertaken for the first time, whether the Company intends to carry out similar transactions in the future.
- (c) Further, whether the transaction value is within the reasonable range for similar types of other transactions, will also be an important consideration. An exceptionally large value transaction should invite closer scrutiny.
- (d) These are not exhaustive criteria and the Company will have to assess each transaction considering its specific nature and circumstances. In case of any confusion, final decision will be taken by the Managing Director.

4. Prior Approval

Prior consent of the Board and shareholders would be taken in respect of all the RPTs including material modifications thereof, except in following cases:

1. Where the transactions are below the threshold limits specified in the Companies Act, 2013 and Rules made thereunder and SEBI Regulations, as may be applicable
2. Where the transactions are entered into by the Company in its ordinary course of business and are on arm's length basis
3. Transactions entered into between a holding company and its wholly owned subsidiary whose accounts are consolidated with such holding company and placed before the shareholders at the general meeting for approval
4. Transactions entered into between two wholly-owned subsidiaries of the listed holding company, whose accounts are consolidated with such holding company and placed before the shareholders at the general meeting for approval

Considering the nature of business of the Company, while approving the related party transactions entered or to be entered under the policy, the total exposure to a particular related party with respect to loans borrowed or disbursed shall be considered excluding any repayments made or to be made thereon. This is to ensure that a particular transaction does not get double counted for aggregation of limits due to repetitive withdrawals pre-repayment, partial settlement and repayments made by the party in ordinary course of business.

PART - E

DISSEMINATION OF INFORMATION BY VIVRITI CAPITAL PRIVATE LIMITED ('the Company')

The Company shall disclose this Policy wherever it is required by the applicable laws.

The Company shall also make relevant disclosures in its annual report and any other report, as may be required, and maintain such registers as may be applicable, under the provisions of the Act and IND AS 24.

PART – F

COMPLIANCE

- Every person associated with RPT shall be accountable for complying with this RPT Policy that may be in force from time to time.
- A person shall not be eligible for appointment as a Director of a company if he has been convicted of the offence under Section 188 of the Act in respect of RPT at any time during the preceding five years.

Annexure VI – AOC -2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto.

1. Details of contracts or arrangements or transactions not at arm's length basis:

There were no contracts or arrangements or transactions entered into during the year ended 31st March 2023, which were not arm's length basis.

2. Details of material contracts or arrangement or transactions at arm's length basis:

a. Name (s) of the related party & nature of relationship:

Vivriti Asset Management Private Limited (VAM) –Subsidiary Company

| Nature of contracts/ arrangements/ transaction | Duration of the contracts/ arrangements/ transaction | Salient terms of the contracts or arrangements or transaction including the value, if any | Date of approval by the Board | Amount paid as advances, if any |
|--------------------------------------------------------------------------------------------------|------------------------------------------------------|-------------------------------------------------------------------------------------------|-------------------------------|---------------------------------|
| Rental Expenses and Reimbursement of expenses to VAM | As per the terms and conditions of the transaction | 10,00,00,000.00 | 27.04.2022 and 10.08.2022 | - |
| Cross charge of ESOP | As per the terms and conditions of the transaction | 5,00,00,000.00 | 10.08.2022 | - |
| Sub-lease income (Prestige Zackaria 1st Floor) | As per the terms and conditions of the transaction | 57,60,000.00 | 10.08.2022 and 12.09.2022 | - |
| Rental Expense (Prestige Zackaria 8th Floor) | As per the terms and conditions of the transaction | 1,00,00,000.00 | 08.11.2022 | - |
| Transfer of investments in units of AIF | As per the terms and conditions of the transaction | 5,00,00,00,000.00 | 10.08.2022 | - |
| Assignment of undrawn commitment in Vivriti Alpha Debt Fund & Vivriti Alpha Debt Fund - Enhanced | As per the terms and conditions of the transaction | 17,10,00,000.00 | 10.08.2022 | - |

| Nature of contracts/ arrangements/ transaction | Duration of the contracts/ arrangements/ transaction | Salient terms of the contracts or arrangements or transaction including the value, if any | Date of approval by the Board | Amount paid as advances, if any |
|------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------|-------------------------------------------------------------------------------------------|-------------------------------|---------------------------------|
| Loan to VAM | As per the terms and conditions of the transaction | 1,00,00,00,000.00 | 10.08.2022 | - |
| Usage of Brand by proposed LLP(s) / entities of any form/nature/type, to be incorporated by VAM in India or abroad, including GIFT City or any other place | As per the terms and conditions of the transaction | - | 08.11.2022 | - |
| Appointment of Ms P S Amritha, Company Secretary of the Company in VAM for the role of Company Secretary | As per the terms and conditions of the transaction | - | 08.11.2022 | - |

b. Name (s) of the related party & nature of relationship

CredAvenue Private Limited (CAPL) –Subsidiary Company

| Nature of contracts/ arrangements/ transaction | Duration of the contracts/ arrangements/ transaction | Salient terms of the contracts or arrangements or transaction including the value, if any | Date of approval by the Board | Amount paid as advances, if any |
|----------------------------------------------------|------------------------------------------------------|-------------------------------------------------------------------------------------------|-------------------------------|---------------------------------|
| Rental Income (Mumbai office) | As per the terms and conditions of the transaction | 1,45,00,000.00 | 27.04.2022 | - |
| Sale of fixed assets | As per the terms and conditions of the transaction | 10,00,00,000.00 | 27.04.2022 and 10.08.2022 | - |
| Holding Charges - MLD Warehousing | As per the terms and conditions of the transaction | AA+ and Above - 9.5% A+ and above - 10.5% A and below - 11% | 27.04.2022 and 10.08.2022 | - |
| Transaction fee for the assistance in raising debt | As per the terms and conditions of the transaction | 0.5% to 4% | 27.04.2022 and 10.08.2022 | - |

| Nature of contracts/ arrangements/ transaction | Duration of the contracts/ arrangements/ transaction | Salient terms of the contracts or arrangements or transaction including the value, if any | Date of approval by the Board | Amount paid as advances, if any |
|------------------------------------------------------|------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------|-------------------------------|---------------------------------|
| including distribution fee | | | | |
| Platform fee – Supply chain financing and co-lending | As per the terms and conditions of the transaction | On Daily average AUM: VCPL Origination: 0.25% CAPL Origination: 0.60% | 27.04.2022 and 10.08.2022 | - |
| Payment of Platform fee - Institutional Loans | As per the terms and conditions of the transaction | In the case of loans given for the second time or further, 0.10% - 1% of the disbursements made to such parties will be charged | 27.04.2022 and 10.08.2022 | - |
| Advisory fee | As per the terms and conditions of the transaction | 10,00,00,000.00 | 15.09.2022 | - |
| Cross Charge of ESOP | As per the terms and conditions of the transaction | 10,00,00,000.00 | 10.08.2022 | - |
| Trading of securities between VCPL and CAPL | As per the terms and conditions of the transaction | 10,00,00,00,000.00 | 10.08.2022 | - |
| Investment (by VCPL) in instruments issued by CAPL | As per the terms and conditions of the transaction | 1,00,00,00,000.00 | 10.08.2022 | - |
| Payment of Platform fee - pools | As per the terms and conditions of the transaction | 0.10% - 1% of Disbursements | 10.08.2022 | - |
| Reimbursement of expenses | As per the terms and conditions of the transaction | 5,00,00,000.00 | 10.08.2022 | - |
| Sub-leasing of office premises at Chennai | As per the terms and conditions of the transaction | As per the agreement executed | 10.08.2022 | - |

c. Name (s) of the related party & nature of relationship

Credavenue Securities Private Limited (CSPL) – Step-down Subsidiary Company

| Nature of contracts/ arrangements/ transaction | Duration of the contracts/ arrangements/ transaction | Salient terms of the contracts or arrangements or transaction including the value, if any | Date of approval by the Board | Amount paid as advances, if any |
|-------------------------------------------------------------------------------|------------------------------------------------------|-------------------------------------------------------------------------------------------|-------------------------------|---------------------------------|
| Trading of securities between VCPL and CSPL | As per the terms and conditions of the transaction | 10,00,00,00,000.00 | 10.08.2022 | - |
| Holding Charges - MLD Warehousing | As per the terms and conditions of the transaction | AA+ and Above - 9.5% A+ and above - 10.5% A and below - 11% | 10.08.2022 | - |
| Primary subscription of debt instruments issued by VCPL | As per the terms and conditions of the transaction | 15,00,00,00,000.00 | 10.08.2022 | - |
| Transaction fee for the assistance in raising debt including distribution fee | As per the terms and conditions of the transaction | 1,00,00,00,000.00 | 10.08.2022 | - |
| Advisory fee | As per the terms and conditions of the transaction | 10,00,00,000.00 | 12.09.2022 | - |
| Platform fee for lending / investments - institutional | As per the terms and conditions of the transaction | Unit Price - 0.30% of Disbursement | 09.02.2023 | - |

d. Name (s) of the related party & nature of relationship

Spocto Solutions Private Limited – Step-down Subsidiary Company

| Nature of contracts/ arrangements/ transaction | Duration of the contracts/ arrangements/ transaction | Salient terms of the contracts or arrangements or transaction including the value, if any | Date of approval by the Board | Amount paid as advances, if any |
|-------------------------------------------------------|------------------------------------------------------|-------------------------------------------------------------------------------------------|-------------------------------|---------------------------------|
| Payment of fee for services availed from time to time | As per the terms and conditions of the transaction | 10,00,00,000.00 | 10.08.2022 | - |

e. Name (s) of the related party & nature of relationship

Bluevine Technologies Private Limited– Step-down Subsidiary Company

| Nature of contracts/ arrangements/ transaction | Duration of the contracts/ arrangements/ transaction | Salient terms of the contracts or arrangements or transaction including the value, if any | Date of approval by the Board | Amount paid as advances, if any |
|-------------------------------------------------------|------------------------------------------------------|-------------------------------------------------------------------------------------------|-------------------------------|---------------------------------|
| Payment of fee for services availed from time to time | As per the terms and conditions of the transaction | 10,00,00,000.00 | 10.08.2022 | - |

f. Name (s) of the related party & nature of relationship

Epimoney Private Limited – Private Company in which director is a member

| Nature of contracts/ arrangements/ transaction | Duration of the contracts/ arrangements/ transaction | Salient terms of the contracts or arrangements or transaction including the value, if any | Date of approval by the Board | Amount paid as advances, if any |
|--------------------------------------------------|------------------------------------------------------|-------------------------------------------------------------------------------------------|-------------------------------|---------------------------------|
| Co lending - FLDG Settlement Received/Receivable | As per the terms and conditions of the transaction | 1,00,00,00,000.00 | 10.08.2022 | - |
| Term Loan / SCF | As per the terms and conditions of the transaction | 1,50,00,00,000.00 | 09.02.2023 | - |
| Reimbursement of loans disbursed by VCPL | As per the terms and conditions of the transaction | | 09.02.2023 | - |
| Loans Collections | As per the terms and conditions of the transaction | | 09.02.2023 | - |
| Interest earned | As per the terms and conditions of the transaction | | 09.02.2023 | - |

g. Name (s) of the related party & nature of relationship

Smartcoin Financials Private Limited– Common Directorship

| Nature of contracts/ arrangements/ transaction | Duration of the contracts/ arrangements/ transaction | Salient terms of the contracts or arrangements or transaction including the value, if any | Date of approval by the Board | Amount paid as advances, if any |
|--------------------------------------------------|------------------------------------------------------|-------------------------------------------------------------------------------------------|-------------------------------|---------------------------------|
| Co lending - FLDG Settlement Received/Receivable | As per the terms and conditions of the transaction | 1,50,00,00,000.00 | 09.02.2023 | - |
| Co lending - Servicer Fees Paid/Payable | As per the terms and conditions of the transaction | | 09.02.2023 | - |
| Term Loan | As per the terms and conditions of the transaction | 1,00,00,00,000.00 | 09.02.2023 | - |

h. Name (s) of the related party & nature of relationship

Aye Finance Private Limited– Common Directorship

| Nature of contracts/ arrangements/ transaction | Duration of the contracts/ arrangements/ transaction | Salient terms of the contracts or arrangements or transaction including the value, if any | Date of approval by the Board | Amount paid as advances, if any |
|------------------------------------------------|------------------------------------------------------|-------------------------------------------------------------------------------------------|-------------------------------|---------------------------------|
| Term Loan / NCD / MLD | As per the terms and conditions of the transaction | 1,50,00,00,000.00 | 09.02.2023 | - |
| Loans Collections | As per the terms and conditions of the transaction | | 09.02.2023 | - |
| Interest earned | As per the terms and conditions of the transaction | | 09.02.2023 | - |

i. Name (s) of the related party & nature of relationship

Shapos Services Private Limited– Common Directorship

| Nature of contracts/ arrangements/ transaction | Duration of the contracts/ arrangements/ transaction | Salient terms of the contracts or arrangements or transaction including the value, if any | Date of approval by the Board | Amount paid as advances, if any |
|------------------------------------------------|------------------------------------------------------|-------------------------------------------------------------------------------------------|-------------------------------|---------------------------------|
| Term Loan / SCF | As per the terms and conditions of the transaction | 1,50,00,00,000.00 | 09.02.2023 | - |
| Loans Collections | As per the terms and conditions of the transaction | | 09.02.2023 | - |
| Interest earned | As per the terms and conditions of the transaction | | 09.02.2023 | - |
| Processing Fees | As per the terms and conditions of the transaction | | 09.02.2023 | - |

j. Name (s) of the related party & nature of relationship

Sonata Finance Private Limited– Common Directorship

| Nature of contracts/ arrangements/ transaction | Duration of the contracts/ arrangements/ transaction | Salient terms of the contracts or arrangements or transaction including the value, if any | Date of approval by the Board | Amount paid as advances, if any |
|------------------------------------------------|------------------------------------------------------|-------------------------------------------------------------------------------------------|-------------------------------|---------------------------------|
| Term Loan / SCF | As per the terms and conditions of the transaction | 50,00,00,000.00 | 09.02.2023 | - |
| Loans Collections | As per the terms and conditions of the transaction | | 09.02.2023 | - |
| Interest earned | As per the terms and conditions of the transaction | | 09.02.2023 | - |
| Processing Fees | As per the terms and conditions of the transaction | | 09.02.2023 | - |

k. Name (s) of the related party & nature of relationship

Ummeed Housing Finance Private Limited– Common Directorship

| Nature of contracts/ arrangements/ transaction | Duration of the contracts/ arrangements/ transaction | Salient terms of the contracts or arrangements or transaction including the value, if any | Date of approval by the Board | Amount paid as advances, if any |
|------------------------------------------------|------------------------------------------------------|-------------------------------------------------------------------------------------------|-------------------------------|---------------------------------|
| TL/NCD/MLD/ Pools | As per the terms and conditions of the transaction | 50,00,00,000.00 | 09.02.2023 | - |

l. Name (s) of the related party & nature of relationship

QED Business Solutions Private Limited– Common Directorship

| Nature of contracts/ arrangements/ transaction | Duration of the contracts/ arrangements/ transaction | Salient terms of the contracts or arrangements or transaction including the value, if any | Date of approval by the Board | Amount paid as advances, if any |
|---------------------------------------------------|------------------------------------------------------|-------------------------------------------------------------------------------------------|-------------------------------|---------------------------------|
| Rent - Payable by QED to VCPL | As per the terms and conditions of the transaction | 5,00,000.00 | 31.03.2023 | - |
| Advisory Fee Income - Receivable by QED from VCPL | As per the terms and conditions of the transaction | 50,00,000.00 | 31.03.2023 | - |
| Cross Charge - Payable by QED to VCPL | As per the terms and conditions of the transaction | 5,00,000.00 | 31.03.2023 | - |

m. Name (s) of the related party & nature of relationship

UC Inclusive Credit Private Limited– Related Party of Subsidiary

| Nature of contracts/ arrangements/ transaction | Duration of the contracts/ arrangements/ transaction | Salient terms of the contracts or arrangements or transaction including the value, if any | Date of approval by the Board | Amount paid as advances, if any |
|------------------------------------------------|------------------------------------------------------|-------------------------------------------------------------------------------------------|-------------------------------|---------------------------------|
|------------------------------------------------|------------------------------------------------------|-------------------------------------------------------------------------------------------|-------------------------------|---------------------------------|

| | | | | |
|------------------|----------------------------------------------------|-----------------|------------|--|
| TL/NCD/MLD/Pools | As per the terms and conditions of the transaction | 75,00,00,000.00 | 09.02.2023 | |
|------------------|----------------------------------------------------|-----------------|------------|--|

On behalf of the Board/-

For **Vivriti Capital Limited**

(Formerly known as Vivriti Capital Private Limited)



Mr. Vineet Sukumar
Managing Director
DIN: 06848801
Address: 4, KG Valmiki Apts,
3rd Seaward Road, Valmiki Nagar,
Thiruvanmiyur, Chennai – 600041



Mr. Gaurav Kumar
Director
DIN: 07767248
Address: 19, B-103, Manasasrovar Apartments,
3rd Seaward Road, Valmiki Nagar,
Thiruvanmiyur, Chennai – 600041

Place: Chennai

Date: 20.06.2023



GRNK & ASSOCIATES
COMPANY SECRETARIES

FORM NO. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2023
[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies
(Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To

The Members,
M/s. Vivriti Capital Private Limited
CIN# U65929TN2017PTC117196
2nd Floor, Prestige Polygon,
No. 471, Annasalai, Nandanam
Chennai 600035 Tamil Nadu

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s. Vivriti Capital Private Limited (hereinafter called the company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on our verification of the books, papers, minute books, forms and returns filed and other records maintained by the company and also the information, explanations and clarifications provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company has, during the audit period covering the financial ended 31st March, 2023 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by M/s. Vivriti Capital Private Limited for the financial year ended on 31st March, 2023 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;



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- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) SEBI (Issue and Listing of Non-Convertible Securities) Regulations 2021.
- (vi) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI LODR') to the extent applicable.
- (vii) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015
- (viii) Reserve Bank of India Act, 1934 read with applicable Rules and Regulations relating to the:
 - (a) Master Direction - Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016.
 - (b) Master Direction- Non-Banking Financial Company Returns (Reserve Bank) Directions, 2016.

We have also examined compliance with the applicable clauses of the Secretarial Standards issued by The Institute of Company Secretaries of India.

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

We report that during the audit period under review;

- 1) During the year under review, the company issued and allotted 10,21,153 equity shares as detailed below:

| Fully Paid-up equity Shares | | | | | | |
|------------------------------|---------------|------------|---------|---------|-----------------|-----------------|
| Date of allotment | No. of shares | Face value | Paid Up | Premium | Premium paid up | Nature of issue |
| 09-May-22 | 100 | 10 | 10 | 805 | 805 | Preferential |
| 08-Nov-22 | 10,00,000 | 10 | 10 | 805 | 805 | Preferential |
| Partly paid-up Equity Shares | | | | | | |
| Date of allotment | No. of shares | Face value | Paid Up | Premium | Premium paid up | Nature of issue |
| 12-Dec-22 | 21,053 | 10 | 5 | 940 | 470 | Preferential |



- 2) During the year under review, the company has converted 42,27,828 Optionally Convertible Redeemable Preference Shares (OCRPS) in to Equity on 1:1 basis of Rs.10 each at a premium of Rs. 23.33 per share on 26th April, 2022.
- 3) The Company issued and allotted 27,11,556 Compulsorily Convertible Preference shares of Rs. 10/- each at a premium of Rs. 805/- per share on 9th May, 2022 on Preferential basis.
- 4) During the year under review the Company is required to spend an amount of Rs.93.34 lakhs as per the provisions of Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014. Accordingly, the Company has duly spent the said amount towards Corporate Social Responsibility activities.
- 5) During the year under review;
 - a) The Company issued and allotted 7,990 Secured Redeemable Non-Convertible Debentures of Rs. 10,00,000/- each aggregating to Rs. 7,99,00,00,000/- on various dates and
 - b) The Company issued and allotted 18,000 Secured Redeemable Non-Convertible Debentures of Rs. 1,00,000/- each aggregating to Rs. 1,80,00,00,000/- on various dates.
- 6) The Company, being a "High Value Debt Listed Entity", is required to comply with provisions of Regulation 15-27 of SEBI LODR on or before 31st March 2023 (on comply or explain basis). However, the Company has not appointed its Independent Director on the Board of its material unlisted subsidiary namely CredAvenue Private Limited, during the year. In this regard, the Company in its Corporate Governance report, filed for the quarter ended 31st March, 2023, intimated to BSE Limited that in order to achieve full compliance, the Board of Directors and members of the Company have approved the decision to reduce the equity stake in its material subsidiary, in one or more tranches.
- 7) The Board at their meeting held on 27th May, 2022 appointed Mr. Gopal Srinivasan (DIN 00177699) as Additional Director in capacity of Nominee Director. The said appointment was approved by the shareholders at their Annual general meeting held on 22nd September, 2022.



- 8) The Board at their meeting held on 9th February, 2023 appointed Mr. Santanu Paul (DIN 02039043) as Additional Director in capacity of Independent Director. The said appointment was approved by the shareholders at their Extraordinary general meeting held on 5th April, 2023.
- 9) The Board at their meeting held on 31st March, 2023 appointed Mr. Lazar Zdravkovic (DIN 10052432) as Additional Director in capacity of Nominee Director. The said appointment was approved by the shareholders at their Extraordinary general meeting held on 5th April, 2023.
- 10) During the year under review Mr. Kenneth Dan Vander Weele (DIN 02545813), resigned from the Board with effect from 9th February, 2023.
- 11) The Board of Directors at their meeting held on 10th August, 2022 approved shifting of registered office of the Company from 2nd Floor, Prestige Polygon, No.471, Anna Salai, Nandanam, Chennai - 600035 to Prestige Zackria Metropolitan No. 200/1-8, 2nd Floor, Block -1, Annasalai, Chennai - 600002.
- 12) During the year under review the Company amended its Memorandum of Association and Articles of Association as follows;
 - a) The Company amended its Capital Clause in the Memorandum of Association by increasing its authorized capital from Rs. 1,13,93,70,630/- consisting of 2,09,00,000 equity shares of Rs. 10/- each 8,79,37,063 compulsorily convertible preference shares of Rs. 10/- each and 8,50,000 optionally convertible Redeemable preference shares of Rs. 60/- to Rs. 1,16,63,70,630/- consisting of 2,09,00,000 equity shares of Rs. 10/- each 9,06,37,063 compulsorily convertible preference shares of Rs. 10/- each and 8,50,000 optionally convertible Redeemable preference shares of Rs. 60/- as approved by the Shareholders at their Extra-ordinary General Meeting held on 14th April, 2022.
 - b) The Company amended its Capital Clause in the Memorandum of Association by reclassifying its authorized capital from Rs. 1,16,63,70,630/- consisting of 2,09,00,000 equity shares of Rs. 10/- each 9,06,37,063 compulsorily convertible preference shares of Rs. 10/- each and 8,50,000 optionally convertible Redeemable preference shares of Rs. 60/- each to Rs. 1,16,63,70,630/- consisting of 2,60,00,000 equity shares of Rs. 10/- each 9,06,37,063 compulsorily convertible preference shares of Rs. 10/- each as approved by the Shareholders at their Annual General Meeting held on 22nd September 2022.



c) The Company at its Annual General Meeting held on 22nd September, 2022 restated its Articles of Association pursuant to the Shareholders Agreement dated 27th April, 2022.

13) During the year under review, the Board of Directors at their meeting held on 4th February, 2023 have given their consent for the conversion of the status of the company from Private Company to Public Company, subject to the approval of the shareholders.

We further report that


The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

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

All decisions in the Board meetings are approved by Directors unanimously and recorded as part of the minutes.

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

For M/s. GRNK & Associates
Company Secretaries



BAALASUBRAMANIYAN NE.
Partner

M.No.: A29330, CoP: 22941
Peer Review No.3230/2023

Place: Chennai
Date: 4th May, 2023
UDIN: A029330E000285135

This Report is to be read with our letter of even date which is annexed as Annexure A and forms an integral part of this report.

ANNEXURE-A SECRETARIAL AUDIT REPORT OF EVEN DATE

To,

The Members,
M/s. Vivriti Capital Private Limited
CIN# U65929TN2017PTC117196
2nd Floor, Prestige Polygon,
No. 471, Annasalai, Nandanam
Chennai 600035 Tamil Nadu

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

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

For M/s. GRNK & Associates
Company Secretaries



Baalasubramanian NE.

BAALASUBRAMANIYAN NE.
Partner

M.No.: A29330, COP: 22941
Peer Review No.3230/2023

Place: Chennai
Date: 4th May, 2023
UDIN: A029330E000285135

Corporate Governance disclosures as per Section 134 of the Companies Act, 2013 and Part C of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 – Annexure VIII FY 22-23

1. Company's Philosophy on Corporate Governance:

Vivriti Capital Limited (*formerly known as Vivriti Capital Private Limited*) ("Company") lays deep emphasis on Corporate Governance and has created a robust governance structure keeping in mind the Company's ambitious growth plans and scalability. The Company's Corporate Governance philosophy envisage adherence to the highest standards of transparency, accountability and balance in all areas of its operations and its interactions with all its stakeholders, including its customers, shareholders, employees, Regulators and others. The objective is to enhance shareholder value continuously.

The governance practices and processes ensure that the interests of all the stakeholders are taken into account in a transparent manner and are firmly embedded into the culture of the organization. The Company has fair, transparent and ethical governance practices, essential for augmenting long-term shareholder value and retaining investor trust. This has been possible through continued efforts and commitment to the highest standards of corporate conduct.

The Board along with its Committees undertake its fiduciary duties towards all of its stakeholders.

2. Guidelines on Corporate Governance

The Reserve Bank of India ("RBI") has issued the Master Circular – "Non-Banking Financial Companies – Corporate Governance (Reserve Bank) Directions, 2015" dated July 1, 2015 and bearing reference number DNBR (PD) CC.No.053/03.10.119/2015-16 ("**Master Circular**") which applies inter alia to every non-deposit accepting Non-Banking Financial Company with an asset size of INR 500 Crore and above (NBFC-ND-SI), as per its last audited balance sheet and the Master Direction– Non-Banking Financial Company - Systemically Important Non-Deposit Taking Company and Deposit Taking Company (Reserve Bank) Directions, 2016 ("**Master Direction**"). The Company is registered with the RBI as a non-deposit accepting Non-Banking Financial Company ("**NBFC**"). The Company is a systemically important NBFC and accordingly the Master Circular is applicable to the Company. Further, in terms of the Master Circular and the Master Direction, the Company is required to frame internal guidelines on corporate governance with the approval of the board of directors of the Company and accordingly the Company has put in place this policy on Corporate Governance ("**Corporate Governance Policy**").

The Company was classified as a High Value Debt Listed Entity ('HVDLE') during the previous financial year 2021-22. Accordingly, regulations 15 to 27 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('**LODR Regulations**') were required to be adhered to on a comply or explain basis till March 31, 2024. The Company has complied with the majority of the applicable regulations and has taken necessary steps to achieve full compliance with the applicable regulations within the stipulated timeline.

Further, as per Scale Based Regulation (SBR): A Revised Regulatory Framework for NBFCs dated 22nd October 2021, the Company has been classified under the “Middle Layer” category under the said framework and necessary steps were taken during the year to confirm to the provisions thereof as applicable, from time to time.

3. Board of Directors

The Board has an optimum combination of Executive, Non-executive, and Independent Directors. We acknowledge that a well-performing Board structure is pertinent for the success and growth of the business and thus ensures highest levels of corporate governance through transparency and effective communication flow. While the Managing Director is entrusted with the responsibility of overseeing the day-to-day operations of the Company and ensuring effective execution of business plans, the Non-Executive Directors bring independent perspective and strategic support.

The Board is committed to multifarious aspects pertaining to business strategy, institutional risk, people, stakeholders, society and compliance and endeavors to meet the related obligations.

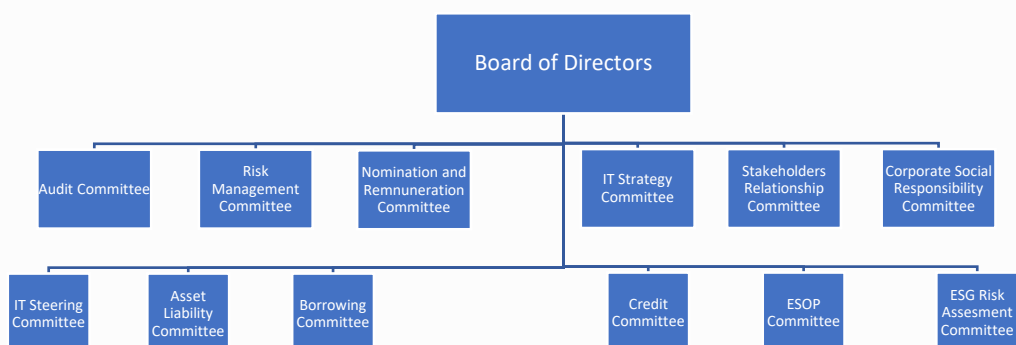
As on the end of March 31, 2023, the Board comprises of 9 members, inclusive of one Promoter Executive Director, one Promoter Non-Executive Director, four Non-Executive Nominee Directors, one Non-Executive Independent Director and two Non-Executive Woman Independent Directors. None of the directors are related to each other. The Board is chaired by a Non-Executive Independent Chairperson.

During the year, one of the Non-Executive Nominee Director resigned from his position and he was replaced with another by the nominating entity.

The Independent Directors have been appointed for a fixed tenure of five years from their respective dates of appointment and has confirmed to the criteria of independence laid down under the Companies Act, 2013 and rules made thereunder as amended from time to time and the RBI Master Directions applicable on Systemically Important NBFCs, in relation to fit and proper criteria of directors.

In the opinion of the Board, the Independent Directors fulfill the conditions specified in the Companies Act, 2013 and LODR Regulations and are independent of the management. Further, there were no resignations of Independent Directors during the reporting period FY 22-23.

The reporting structure, as shown below, between the Board, Board Committees and Management Executive Committees forms the backbone of the Group’s Corporate Governance framework.



During the year under review, the Board met 11 (Eleven) times, i.e., at least once in a calendar quarter and the maximum time gap between any two Meetings was not more than one hundred and twenty days as per the applicable law. The requisite quorum was present for all the meetings.

BOARD COMPOSITION

The composition of the Board of Directors as on March 31, 2023, along with the number of meetings attended and shareholding is provided below:

| S. No. | Name of the Director | Designation & Category | DIN | No of Board meetings held during the year | | Number of shares | Number of convertible instruments held by non-executive directors |
|--------|-------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------|----------|-------------------------------------------|----------|------------------------|-------------------------------------------------------------------|
| | | | | Held | Attended | | |
| 1 | Mr. Vineet Sukumar | Executive Director - Managing Director | 06848801 | 11 | 11 | 67,37,840 ¹ | - |
| 2 | Mr. Gaurav Kumar | Non- executive Director | 07767248 | 11 | 9 | 66,32,577 ¹ | - |
| 3 | Ms. Namrata Kaul | Independent Non-executive Director & Chairperson of the Board | 00994532 | 11 | 11 | 1,15,161 | - |
| 4 | Mr. Kenneth Dan Vander Weele ² | Nominee (Non-executive) Director representing Creation Investments India III, LLC as an equity investor (resigned during the year) | 02545813 | 10 | 8 | - | - |
| 5 | Mr. John Tyler Day | Nominee (Non-executive) Director representing Creation Investments India | 07298703 | 11 | 10 | - | - |

| S. No. | Name of the Director | Designation & Category | DIN | No of Board meetings held during the year | | Number of shares | Number of convertible instruments held by non-executive directors |
|--------|-------------------------------|--------------------------------------------------------------------------------------------------------------|----------|-------------------------------------------|----------|------------------|-------------------------------------------------------------------|
| | | | | Held | Attended | | |
| | | III, LLC as an equity investor | | | | | |
| 6 | Mr. Kartik Srivatsa | Nominee (Non-executive) Director representing Lightrock Growth Fund I S.A., SICAV-RAIF as an equity investor | 03559152 | 11 | 10 | - | - |
| 7 | Ms. Anita Belani | Independent Non-executive Director | 01532511 | 11 | 10 | 21,053 | - |
| 8 | Gopal Srinivasan ³ | Nominee (Non-executive) Director representing TVS Shriram Growth Fund III as equity investor | 00177699 | 7 | 1 | - | - |
| 9 | Santanu Paul ⁴ | Independent Non-executive Director | 02039043 | 2 | 2 | - | - |
| 10 | Lazar Zdravkovic ⁵ | Nominee (Non-executive) Director representing Creation Investments India III, LLC as an equity investor | 10052432 | 1 | 1 | - | - |

¹The Optionally Convertible Redeemable Preference Shares held by Mr. Gaurav Kumar and Mr. Vineet Sukumar of up to 21,13,914 shares each was converted into Equity Shares on April 26, 2022.

²Mr. Kenneth Dan Vander Weele (DIN: 02545813), Non-executive Nominee Director, tendered his resignation with effect from February 09, 2023, due to his pre-occupation. The Board thanked him for his valuable contribution to the Company during his tenure.

³Mr. Gopal Srinivasan (DIN: 00177699), Nominee (Non-executive) Director was appointed on the Board of Directors representing TVS Shriram Growth Fund III as an equity investor, with effect from May 27, 2022 and his appointment was approved by the Shareholders of the Company at their Annual General Meeting held on September 22, 2022.

⁴Mr. Santanu Paul (DIN: 02039043), Non-Executive Independent Director was appointed on the Board with effect from February 09, 2023 for a period of 5 consecutive years and his appointment was approved by the Shareholders of the Company at their Extraordinary General Meeting held on April 05, 2023.

⁵Mr. Lazar Zdravkovic (DIN: 10052432), Non-executive Nominee Director was appointed on the Board of Directors representing Creation Investments India III, LLC as an equity investor subsequent to the resignation of one of their representative director and his appointment was approved by the Shareholders of the Company at their Extraordinary General Meeting held on April 05, 2023.

Details of number of other Board or committees in which a director of our company is a member or chairperson as of March 31, 2023:

| S. No. | Name of the Director & DIN | Companies in which a director is a member or chairperson of the Board | | Number of other the Companies in which a director is a member or chairperson of the Committee* | | Names of listed entities where the person is a director and the category of directorship* |
|--------|-------------------------------------|-----------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------|--------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| | | No. | Name of Companies | Membership | Chairmanship | |
| 1 | Mr. Vineet Sukumar DIN: 06848801 | 5 | <ol style="list-style-type: none"> 1. Vivriti Asset Management Private Limited – Managing Director 2. Sangvint Technologies Private Limited – Director 3. CredAvenue Private Limited – Director 4. CredAvenue Securities Private Limited – Director 5. Vivriti Next Private Limited (formerly known as QED Business Solutions Private Limited) – Director | - | - | - |
| 2 | Mr. Gaurav Kumar | 6 | <ol style="list-style-type: none"> 1. Vivriti Asset Management Private Limited - Director 2. CredAvenue Private Limited – Managing Director 3. CredAvenue Securities Private; - Managing Director 4. Spocto Solutions Private Limited – Director 5. Bluevine Technologies Private Limited – Director 6. Vivriti Next Private Limited (formerly known as QED Business Solutions Private Limited) – Director | - | - | - |
| 3 | Ms. Namrata Kaul | 10 | <ol style="list-style-type: none"> 1. Bhopal Smart City Development Corporation Limited – Independent Director 2. Synergetics Mangement and Engineering Consultants Private Limited - Director 3. CARE India Solutions for Sustainable Development – Independent Director 4. Prime Securities Limited – Independent Director 5. Vivriti Asset Management Private Limited – Independent Director 6. Schneider Electric Infrastructure Limited – Independent Director 7. Prime Research and Advisory Limited – Independent Director 8. Fusion Micro Finance Limited – Independent Director 9. Healthium Medtech Limited – Independent Director 10. Havells India Limited – Independent Director | 9 | 3 | <ol style="list-style-type: none"> 1. Fusion Micro Finance Limited – Independent Director 2. Prime Securities Limited – Independent Director 3. Havells India Limited – Independent Director 4. Schneider Electric Infrastructure Limited – Independent Director |
| 4 | Mr. John Tyler Day | 10 | <ol style="list-style-type: none"> 1. OFB Tech Private Limited – Nominee Director 2. Vivriti Asset Management Private Limited - Nominee Director 3. Vastu Housing Finance Corporation Limited – Nominee Director 4. Credavenue Private Limited - Director 5. CISV India Private Limited - Director | 1 | - | - |

| S. No. | Name of the Director & DIN | Companies in which a director is a member or chairperson of the Board | | Number of other the Companies in which a director is a member or chairperson of the Committee* | | Names of listed entities where the person is a director and the category of directorship* |
|--------|----------------------------|-----------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------|--------------|-----------------------------------------------------------------------------------------------------------------------------------------|
| | | No. | Name of Companies | Membership | Chairmanship | |
| | | | 6. Sohan Lal Commodity Management Private Limited - Director 7. Creation Impact Credit Fund (India), L.P. – Director 8. Shapos Services Private Limited - Nominee Director 9. Desiderata Impact Ventures Private Limited – Nominee Director 10. Muthoot Microfin Limited – Director | | | |
| 5 | Mr. Kartik Srivatsa | 11 | 1. Waycool Foods And Products Private Limited - Director 2. Aye Finance Private Limited - Director 3. Ummeed Housing Finance Private Limited - Nominee Director 4. Vivriti Asset Management Private Limited – Nominee Director 5. Credavenue Private Limited - Director 6. Aapti-Episteme Research Foundation - Director 7. Lightrock Corporate Services Private Limited - Director 8. Lightrock Investment Advisors Private Limited – Whole Time Director 9. Be Well Hospitals Private Limited - Nominee Director 10. Smartcoin Financials Private Limited – Nominee Director 11. Niyo Solutions, Inc - Director | - | - | - |
| 6 | Ms. Anita Belani | 7 | 1. Foseco India Limited – Independent Director 2. Redington Limited - Independent Director 3. Eternis Fine Chemicals Limited - Director 4. IDFC Financial Holding Company Limited – Nominee Director 5. IDFC Limited – Independent Director 6. Margo Networks Private Limited – Director 7. Asirvad Micro Finance Limited – Director | 6 | - | 1. Foseco India Limited – Independent Director 2. Redington Limited – Independent Director 3. IDFC Limited – Independent Director |
| 7 | Gopal Srinivasan | 19 | 1. TVS Electronics Limited – Chairman & Nominee Director 2. Lucas – TVS Limited - Director 3. Wonderla Holidays Limited – Independent Director 4. T V Sundram Iyengar & Sons Private Limited - Director 5. TVS Investments Private Limited (Formerly Geeyes Family Holdings Private Limited) - Director 6. TVS Capital Funds Private Limited – Chairman & Managing Director 7. TVS Wealth Private Limited - Director 8. Next Wealth Entrepreneurs Private Limited - Director | 2 | - | 1. TVS Electronics Limited – Chairman & Nominee Director 2. Wonderla Holidays Limited – Independent Director |

| S. No. | Name of the Director & DIN | Companies in which a director is a member or chairperson of the Board | | Number of other the Companies in which a director is a member or chairperson of the Committee* | | Names of listed entities where the person is a director and the category of directorship* |
|--------|----------------------------|-----------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------|--------------|-------------------------------------------------------------------------------------------|
| | | No. | Name of Companies | Membership | Chairmanship | |
| | | | 9. Sundaram Investment Private Limited - Director 10. CredAvenue Private Limited - Director 11. IVC Association – Chairman and Director 12. IIT Madras Research Park – Director 13. Chennai International Centre – Director 14. Chennai angels Network Association – Director 15. Chennai City Connect Foundation – Director 16. Reserve Bank Innovation Hub - Director 17. Diaspora Leaders Foundation – Director 18. Vivriti Asset Management Private Limited - Director 19. Geeyes Capital Funds Private Limited - Director | | | |
| 8 | Santanu Paul | 2 | 1. NSDL Payments Bank Limited 2. Talentsprint Private Limited 3. Talentsprint INC | - | - | - |
| 9 | Lazar Zdravkovic | - | - | - | - | - |

**Disclosures are computed in terms of Regulation 17A and Regulation 26 of LODR Regulations.*

In terms of Regulation 17A and 26 of LODR Regulations none of the directors of the Company were members of more than 10 committees or acted as the chairperson of more than 5 committees across all listed companies in India in which they were/are a Director.

Further, based on the disclosures received from the Directors, it is confirmed that none of the directors is on the Board of more than 20 (twenty) Companies, 10 (ten) public Companies and 7 (seven) listed entities.

Board Meetings:

The Board Meetings are convened by giving appropriate notice. The members are provided with appropriate information in the form of the agenda items, to enable them to deliberate on each agenda item and make informed decisions and provide appropriate directions to the Management.

The Board meets atleast once in a quarter to review the quarterly results and other items on the agenda. Additional meetings are held wherever necessary to address the specific needs and business requirements of the Company. Video-conferencing facility is made available to the directors present at other locations and the same is conducted in compliance with the applicable laws.

During the period under review, recommendations given by various committees of the Board were considered and accepted as appropriate by the Board of Directors.

During the period under review, the Board of Directors met 11 times on the below given dates and the requisite quorum was present for all the meetings. The maximum gap between 2 meetings did not exceed one hundred and twenty days. The attendance of each Director in the respective meetings are provided below:

| S. No. | Name of the Director | 13-04-2022 | 27-04-2022 | 28-04-2022 | 27-05-2022 | 09-08-2022 | 10-08-2022 | 14-10-2022 | 08-11-2022 | 04-02-2023 | 09-02-2023 | 31-03-2023 |
|--------|------------------------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|
| 1 | Mr. Vineet Sukumar | Present | Present | Present | Present | Present | Present | Present | Present | Present | Present | Present |
| 2 | Mr. Gaurav Kumar | Present | Present | Present | Present | Present | Present | Present | Present | Absent | Present | Absent |
| 3 | Ms. Namrata Kaul | Present | Present | Present | Present | Present | Present | Present | Present | Present | Present | Present |
| 4 | Mr. Kenneth Dan Vander Weele | Present | Present | Present | Present | Present | Present | Present | Present | Absent | Absent | NA |
| 5 | Mr. John Tyler Day | Present | Present | Present | Present | Present | Present | Absent | Present | Present | Present | Present |
| 6 | Mr. Kartik Srivatsa | Present | Present | Present | Present | Present | Present | Present | Present | Present | Absent | Present |
| 7 | Ms. Anita Belani | Present | Present | Present | Present | Absent | Present | Present | Present | Present | Present | Present |
| 8 | Mr. Gopal Srinivasan | NA | NA | NA | NA | Absent | Absent | Absent | Present | Absent | Absent | Absent |
| 9 | Mr. Santanu Paul | NA | NA | NA | NA | NA | NA | NA | NA | NA | Present | Present |
| 10 | Mr. Lazar Zdravkovic | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA | Present |

Disclosure of relationships between directors inter-se:

None of the Directors of the Company are related to each other.

Core skills/expertise/competencies held by the Directors:

The list of core skills/ expertise/ competencies identified by the Board of Directors are given herein below:

| Name | Designation | Experience | Skills/expertise/competencies served to the Board |
|----------------|-------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------|
| Vineet Sukumar | Managing Director | Vineet Sukumar is the Managing Director, Promoter and co-founder of our Company. He holds a bachelor's degree in technology (mechanical engineering) from Indian Institute of Technology, Kharagpur and a postgraduate diploma in management from Indian Institute of Management, Bangalore. He is also the managing director of Vivriti Asset Management Private Limited. He was previously the Chief Financial Officer of Northern Arc Capital Limited (<i>formerly known as IFMR Capital Limited</i>) and the Chief Executive Officer of Northern Arc Investment Managers Private Limited (<i>formerly known as IFMR Investment Managers Private Limited</i>) (wholly owned subsidiary of IFMR Capital). He was previously also associated with Standard Chartered Bank. | Financial services, Treasury |

| Name | Designation | Experience | Skills/expertise/competencies served to the Board |
|-----------------|------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------|
| Gaurav Kumar | Non-Executive Director | Gaurav Kumar is a Non-Executive Director, Promoter and co-founder of our Company. He holds a bachelor's degree in arts from Delhi University and a post graduate diploma in rural management from Institute of Rural Management Anand. He is also the managing director of Credavenue Private Limited and Credavenue Securities Private Limited. He was previously the Chief Business Officer of Northern Arc Capital Limited (<i>formerly known as IFMR Capital Limited</i>) and the CEO of Northern Arc Investment Managers Private Limited (<i>formerly known as IFMR Investment Managers Private Limited</i>) (a wholly owned subsidiary of IFMR Capital Private Limited). He was awarded the 'Young Entrepreneur' award at the Young Entrepreneur Summit and Award 2020 by Business World. | Financial services, Technology |
| John Tyler Day | Nominee Director | John Tyler Day is a Nominee Director of our Company. He holds a bachelor's degree in business administration from University of Texas at Austin and a master's degree in business administration from J.L. Kellogg School of Management, Northwestern University. He is currently associated with Creation Investment Capital Management LLC as a partner and member of the investment committee. He has over 12 years of experience in the field of financial services. He was a Technical Advisor to the microfinance institution, Five Talents Uganda in Kampala, Uganda. Prior to that, he was a Financial Analyst in the mergers and acquisitions group at the investment banking firm Houlihan Lokey. | Private equity, Financial Services |
| Namrata Kaul | Independent Director | Namrata Kaul is an Independent Director of our Company. She holds a post-graduate diploma from Indian Institute of Management, Ahmedabad and was also awarded the Chevening Scholarship to study Leadership and Excellence at the London School of Economics and Political Science. She has over 33 years of experience in the finance sector in India and UK. In the past she has worked with Grindlays Bank and Deutsche Bank and is currently an independent director on several boards including Havells India Limited, Schneider Electric, Bhopal Smart City Development Corporation Limited. Ms. Namrata Kaul has over 25 years of experience in Banking and Finance Industry. Her rich experience spans across Corporate and Investment Banking functions, Global Markets and Treasury. | Financial Services |
| Kartik Srivatsa | Nominee Director | <p>Mr. Kartik Srivatsa is the Managing Partner at LGT Lightstone Fund S.A, which provides patient capital and business-building support to world class entrepreneurs across four themes – Healthcare and Education, Clean Energy and Mobility, Food & Agriculture and Consumer Value Chains and Essential Digital goods & Financial Services.</p> <p>Prior, he was with Lightspeed Venture Partners, a global venture capital firm with over \$2 billion under management, where he was a founding member of the India office. Earlier, he was a management consultant with McKinsey and Company. He received a BTech in Mechanical Engineering and MTech in Energy Technology both from the Indian Institute of Technology (IIT), Madras.</p> <p>He currently serves on the Boards of Capital Float, Waycool, SV Agri, Lithium, Aye Finance and EM3.</p> | Private equity, Financial Services |

| Name | Designation | Experience | Skills/expertise/competencies served to the Board |
|------------------|----------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------|
| Anita Belani | Independent Director | <p>Ms. Anita Belani has significant experience of over 3 decades in Human Resource and Strategy orientation. Her experience includes consultation across sectors at Board / CEO levels in areas such as Org Transformation, Market Entry Strategy, Leadership, Strategy Clarification, CEO Succession & Culture Building.</p> <p>Ms. Anita has served as the Managing Director and India Head for Russel & Reynolds, an operating partner at Gaja Capital Partners, and has held senior roles at KPMG, Jardine Fleming, Sun Microsystems.</p> | Human Resource |
| Gopal Srinivasan | Nominee Director | <p>Mr. Gopal Srinivasan is a Nominee Director of our Company. He has a master's degree in business administration from the Graduate School of Business Administration, University of Michigan, Ann Arbor, USA. He is the founder, chairman and managing director of TVS Capital Funds Private Limited. He is the founding member of "The Chennai Angels", one of the premier angels investing networks in India. He is a non-official member on the National Start-up Advisory Council (NSAC), formed by the Department for Promotion of Industry and Internal Trade (DPITT) to advise the Government of India on measures needed to build a strong eco-system for nurturing innovation and start-ups in the country to drive sustainable economic growth and generate large scale employment opportunities. He is also the chairman of Chennai International Centre, a think-tank that brings together a wealth of thought leaders from the spheres of business, the economy, policymaking, science, art, culture, and entrepreneurship. He has been recently appointed as the Honorary Consul for the Kingdom of Netherlands in Tamil Nadu. He was also the Member of the Venture Capital Investment Committee for SIDBI's Fund of Funds for Start-ups (FFS) program in 2018-2019.</p> | Private equity, Financial Services |
| Santanu Paul | Independent Director | <p>Mr. Santanu Paul is an Independent Director of our Company. He holds a bachelor's degree of technology in computer science from the Indian Institute of Technology, Madras and Doctor of Philosophy in computer science and engineering from the University of Michigan. He is a director on the board of directors of NSDL Payments Bank Limited, Talentsprint Private Limited and TalentSprint INC. Earlier, he served as Senior Vice President for Global Delivery Operations and Head of Indian Operations for Virtusa Corporation, which went public on NASDAQ in 2007. He also worked as Chief Technology Officer at OpenPages and Viveca, both venture-backed US technology firms funded by Sigma Partners and Matrix Partners.</p> <p>He began his career at the prestigious IBM T.J. Watson Research Center in Yorktown Heights, New York.</p> | Technology and Information Services |
| Lazar Zdravkovic | Nominee Director | <p>Mr. Lazar Zdravkovic is a Nominee Director of our Company. He holds a bachelor's degree in business administration in finance and international business from McDonough School of Business at Georgetown University. He is a nominee on the Board on behalf of Creation Investments. He is the Vice President of Creation Investments and previously he was associated with Barclays as investment banker.</p> <p>He has worked extensively with Creation Investments portfolio companies in India over the last 6 years. He is involved in advising debt and equity financing, strategic and financial planning, hiring and financial reporting. He also has the</p> | Private equity, Financial Services |

| Name | Designation | Experience | Skills/expertise/competencies served to the Board |
|------|-------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------|
| | | experience of working with several portfolio companies of Creation Investments outside of India, including banks, non-bank lenders and Insurance Companies in Republic of Georgia, Sri Lanka, Indonesia, Albania, Poland, Mexico, Peru, Chile and Brazil. As an Investment Banking professional, he has also advised multiple financial institutions in the S&P 500, FTSE 100 as well as OMXS 30 on Debt and Equity raises, Mergers and Acquisitions along with multiple other transactions. | |

Change in Board & KMP Composition

a) Details of Directors or Key Managerial personal appointed or resigned or details of change in designation during the Financial Year under review:

| S. No | Name of the Director/ KMP | Change in Designation | Date of Appointment/ change in designation | Date of Cessation |
|-------|------------------------------|--------------------------------------------------|--------------------------------------------|-------------------|
| 1 | Mr. Gopal Srinivasan | Appointment as Additional (Nominee) Director | 27 May 2022 | - |
| 2 | Mr. Gopal Srinivasan | Appointment as Nominee Director | 22 Sep 2022 | - |
| 3 | Mr. Kenneth Dan Vander Weele | Resignation from the post of Nominee Director | - | 09 Feb 2023 |
| 4 | Mr. Santanu Paul | Appointment as Additional (Independent) Director | 09 Feb 2023 | - |
| 5 | Mr. Lazar Zdravkovic | Appointment as Additional (Nominee) Director | 31 Mar 2023 | - |
| 6 | Mr. Santanu Paul | Appointment as Independent Director | 05 Apr 2023 | - |
| 7 | Mr. Lazar Zdravkovic | Appointment as Nominee Director | 05 Apr 2023 | - |

ANNUAL BOARD EVALUATION AND INDEPENDENT DIRECTORS' MEETING

A formal annual evaluation of the Board of the Company was carried out by the entire Board as required under regulations. The evaluation was broadly carried out around effectiveness of Board and functioning, meetings and procedures, business strategy and risk management, Board communication and Committees. The annual evaluation of the Board was found to be satisfactory by the Independent Directors.

As stipulated under the Code of Independent Directors under the Companies Act, 2013 and Rules made thereunder and LODR Regulations, as amended from time to time, one Meeting of Independent Directors was held during the year. Accordingly, the meeting was held on March 21, 2023 and the requisite quorum was present for the said meeting.

On an ongoing basis, as a part of the agenda of the meetings of the Board and its Committees, presentations are being made regularly to the Independent Directors on various matters inter alia covering the Company's businesses and operations, strategies, risk management framework, industry and regulatory updates and other relevant matters from time to time. These presentations enable one-on-one interaction between the Board of Directors and the senior management of the Company

/ internal auditor of the Company. The details of programmes for familiarization of Independent Directors with the Company, their roles, rights and responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company and related matters along with the details of number of programmes and number of hours spent by each of the Independent Directors during the Financial Year 2022-23 in terms of requirements of LODR Regulations, are available on the website of the Company and can be accessed at:

<https://www.vivriticapital.com/Reg-62-Disclosure.html>

Committee of the Board / Company

The following are the Statutory and operational committees of the Board of Directors / Company:

1. Audit Committee
2. Nomination & Remuneration Committee
3. Stakeholders' Relationship Committee
4. Corporate Social Responsibility Committee
5. Risk Management Committee
6. IT Strategy Committee
7. IT Steering Committee
8. Asset Liability Committee
9. Credit Committee
10. ESG Risk Assessment Committee
11. Borrowing Committee
12. ESOP Committee

All decisions pertaining to the constitution of the Committees, appointment of the members and the terms of reference for each of the Committees are taken by the Board of Directors from time to time. Details pertaining to the role and composition of these committees, including the number of meetings held during the financial year and the attendance thereof are provided below:

1. Audit Committee:

The Company has an Audit Committee which acts as a link between the management, the statutory and internal auditors and the Board. Its composition, quorum, powers, role and scope are in accordance with the provisions of Section 177 of the Companies Act, 2013, Regulation 18 of LODR Regulations and the RBI Master Directions. All the members of the Committee are financially literate and possess high expertise in the fields of Finance.

1.1 Composition:

The Composition of Audit Committee as of March 31, 2023 is as follows:

| Members | Designation |
|--------------------|------------------------------------|
| Ms. Namrata Kaul | Independent Director (Chairperson) |
| Mr. Vineet Sukumar | Managing Director |
| Ms. Anita Belani | Independent Director |

1.2 Brief description of terms of reference:

The terms of reference of the Committee are in line with the regulatory requirements mandated by the Companies Act, 2013 and rules made thereunder, LODR Regulations and RBI Master Directions as amended from time to time. The roles and responsibilities of the Audit Committee inter-alia includes:

- (a) 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.
- (b) Recommending to the Board, the appointment, re-appointment (including remuneration and other terms of appointment thereof) and, if required, the replacement or removal of the auditors and the fixation of audit fees.
- (c) Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, in general and with particular reference to:
 - (i) matters required to be included in the director's responsibility statement to be included in the board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013
 - (ii) Changes, if any, in accounting policies and practices and reasons for the same.
 - (iii) Major accounting entries involving estimates based on the exercise of judgment by management.
 - (iv) Significant adjustments made in the financial statements arising out of audit findings
 - (v) Compliance with listing and other statutory requirements relating to financial statements
 - (vi) Disclosure of any related party transactions
 - (vii) Modified opinion(s) in the draft audit report.
- (d) Reviewing, with the management, the quarterly financial results before submission to the Board for approval.
- (e) Reviewing, with the management, the statement of uses/ application of funds raised through an issue (public issue, rights issue, preferential issue, private placement, etc.), the statement of funds utilized for purposes other than those stated in the offer document/ prospectus/ notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public issue, private placement or rights issue, or preferential issue or qualified institutions placement and making appropriate recommendations to the Board to take up steps in this matter

- (f) Reviewing the adequacy of internal audit function, if any, including its structure, staffing and seniority of the official who heads the department, reporting structure coverage and frequency of internal audit.
- (g) Valuation of undertakings or assets of the Company, wherever it is necessary
- (h) Evaluation of internal financial controls and risk management systems
- (i) Reviewing with the management, adequacy of the internal control systems
- (j) Discussion with internal auditors any significant findings and follow up there on.
- (k) 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.
- (l) 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.
- (m) To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors
- (n) To review functioning of the vigil mechanism in accordance with the Whistle blower Policy/ Mechanism of the Company on a quarterly basis by overseeing activities including but not limited to the following:
 - (i) Review of protected disclosure, received if any during the review period
 - (ii) Authorise investigation into the case as required
 - (iii) Recommend the findings of protected disclosure to the Board and to the Management to take the required actions
 - (iv) Call for further information from the complainant
 - (v) Appoint any external investigator for investigation, as may be required on case to case basis
 - (vi) Maintain confidentiality at all times in relation to the above.
- (o) Approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate
- (p) A potential complainant as per the whistle blower policy shall have right to access to the Chairperson of the Committee and the Chairperson is authorised to prescribe suitable directions in this regard.
- (q) Exercise decisions in accordance with the provisions of Companies Act, 2013.
- (r) Review and monitor the auditor's independence and performance, and effectiveness of audit process, at least once a year.

- (s) Review the auditors' eligibility in accordance with the guidelines issued by the Reserve Bank of India and such other regulators, as amended from time to time.
- (t) Approval or any subsequent modification of transactions of the Company with related parties.
- (u) Review the following information for the approval of a proposed related party transaction ("RPT"):
 - (i) Type, material terms and particulars of the proposed transaction
 - (ii) Name of the related party and its relationship with the listed entity or its subsidiary, including nature of its concern or interest (financial or otherwise);
 - (iii) Tenure of the proposed transaction (particular tenure shall be specified);
 - (iv) Value of the proposed transaction;
 - (v) The percentage of the listed entity's annual consolidated turnover, for the immediately preceding financial year, that is represented by the value of the proposed transaction (and for a RPT involving a subsidiary, such percentage calculated on the basis of the subsidiary's annual turnover on a standalone basis shall be additionally provided);
 - (vi) If the transaction relates to any loans, inter-corporate deposits, advances or investments made or given by the listed entity or its subsidiary:
 - a. details of the source of funds in connection with the proposed transaction;
 - b. where any financial indebtedness is incurred to make or give loans, inter-corporate deposits, advances or investments,
 - i. nature of indebtedness;
 - ii. cost of funds; and
 - iii. tenure;
 - c. applicable terms, including covenants, tenure, interest rate and repayment schedule, whether secured or unsecured; if secured, the nature of security; and
 - d. the purpose for which the funds will be utilized by the ultimate beneficiary of such funds pursuant to the RPT.
 - (vii) Justification as to why the RPT is in the interest of the listed entity;
 - (viii) A copy of the valuation or other external party report, if any such report has been relied upon;
 - (ix) Percentage of the counter-party's annual consolidated turnover that is represented by the value of the proposed RPT on a voluntary basis;

- (x) Any other information that may be relevant or required under the applicable laws, as may be amended from time to time.

The Committee shall also review the status of long-term (more than one year) or recurring RPTs on an annual basis. Provisions (including changes) made under Listing Regulations related to the aforementioned and/ or approval of RPT by the Audit Committee shall be deemed to be incorporated herein.

- (v) Scrutiny of inter-corporate loans and investments.
- (w) Monitoring the end use of funds raised through private placement and public offers and related matters.
- (x) Any deviations to be approved and thereon recommended for Board's noting, as and when required on a case to case basis.
- (y) To review the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision.
- (z) To consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders.
- (aa) Oversight of the Risk Based Internal Audit Policy.
- (bb) Oversight of the Internal Audit function's performance.
- (cc) To review and approve granting of loans & advances or awarding of any contracts aggregating to INR 5 Crores or above to the following:
 - (i) Directors (including the Chairman/ Managing Director) of the Company or relatives of directors;
 - (ii) any firm in which any of the directors of the Company or their relatives, is interested as a partner, manager, employee or guarantor;
 - (iii) any company in which any of the directors of the Company, or their relatives, is interested as a major shareholder, director, manager, employee or guarantor.

"Majority Shareholder" shall mean a person holding 10 % or more of the paid-up share capital or five crore rupees in paid-up shares, whichever is lower or as may be amended from time to time.

- (dd) To approve granting of any loans & advances and/ or awarding contracts to Senior Officers and/ or their relatives aggregating to INR 5 Crores or above.
- (ee) The Committee shall ensure that the details of such loans & advances granted, or contracts awarded shall be placed before the Board on quarterly basis.
- (ff) The Committee to ensure that necessary declarations shall be obtained from the borrower along with the details of the relationship of the borrower to the

directors/ Senior Officers of the Company for loans and advances aggregating Rupees five crore and above.

- (gg) The Committee may review the disclosures to be made in the financial statements of the Company with respect to the sanctioned loans & advances or contracts before the same will be placed before the Board for approval.

Powers of the Audit Committee

The Committee shall have powers, which include the following:

- (a) To call for the comments of the auditors about internal control systems, the scope of audit, including the observations of the auditors and review of financial statement before their submission to the Board and may also discuss any related issues with the internal and statutory auditors and the management of the Company.
- (b) To investigate any activity covered under this Charter.
- (c) To seek any specific information, as may be required from any employee of the Company and concerned employee(s) shall co-operate with the request of the Committee.
- (d) To obtain outside legal or other professional advice as may be required from time to time.
- (e) Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
- (f) To take note of and recommend to the Board any related party transactions on a quarterly basis;
- (g) To ensure that an Information System Audit of the internal systems and processes is conducted at least once in two years to assess operational risks. Further, to take note of the IS Audit Report and recommend the same for noting of the Board, if required.
 - (i) The Committee shall be empowered to provide its comments and suggest procedural or other changes, wherever required.
 - (ii) The feedback shall be shared with the management of the Company.
- (h) To secure attendance of outsiders with relevant expertise, if it considers necessary.
- (i) The Company shall bear all such expenses to support the requirements of the Committee.

Reviewing Power

The Audit Committee shall mandatorily review the following information:

- (a) management discussion and analysis of financial condition and results of operations;

- (b) management letters / letters of internal control weaknesses issued by the statutory auditors;
- (c) internal audit reports relating to internal control weaknesses; and
- (d) the appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the Committee.

1.3 The Audit Committee met 7 times during the FY 22-23:

| Name of Director Member | 27-04-2022 | 27-05-2022 | 10-08-2022 | 08-11-2022 | 09-02-2023 | 21-03-2023 | 31-03-2023 | Total |
|-------------------------|------------|------------|------------|------------|------------|------------|------------|-------|
| Mr. Vineet Sukumar | Present | Present | Present | Present | Present | Present | Present | 7 |
| Ms. Namrata Kaul | Present | Present | Present | Present | Present | Present | Present | 7 |
| Ms. Anita Belani | Present | Present | Present | Present | Present | Present | Present | 7 |

In addition to the members of the Audit Committee, these meetings were also attended by the Chief Financial Officer, Internal Auditors, Representatives of Statutory Auditors and other senior executives who were considered necessary for providing inputs to the management. The Company Secretary acts as the Secretary to the Audit Committee. During the FY 2022-23, the Board had accepted all the recommendations of the Committee.

2. Nomination and Remuneration Committee:

The Nomination and Remuneration Committee of the Company is in compliance with the provisions of the Section 178 of the Companies Act, Regulation 19 of LODR Regulations and RBI Master Directions.

2.1 Composition:

The Composition of Nomination and Remuneration Committee as of March 31, 2023 is as follows:

| Members | Designation |
|----------------------|------------------------------------|
| Ms. Namrata Kaul | Independent Director |
| Ms. Anita Belani | Independent Director (Chairperson) |
| Mr. Gopal Srinivasan | Nominee Director |

**Note: During the year, Mr. Gaurav Kumar ceased to be a member of the Committee due to its reconstitution. Also, consequent to the resignation of Mr. Kenneth Vander with effect from February 09, 2023, the constitution of the Committee has been changed to appoint Mr. Gopal Srinivasan.*

2.2 Brief description of terms of reference:

The terms of reference of the Committee are in line with the regulatory requirements mandated under the Companies Act, 2013, LODR Regulations and RBI Master Directions as

amended from time to time. The roles and responsibilities of the Nomination and Remuneration Committee inter-alia includes:

- a. Formulation and recommendation of criteria for determining qualifications, positive attributes and independence of a director for recommending and appointing directors (including executive/non-executive directors and independent directors) to the board and the board committees and recommend to the board the Nomination and Remuneration Policy, relating to the remuneration of the directors, KMPs, and other employees and periodically review the same;
- b. Review matters related to remuneration and benefits payable to directors, KMPs and the Senior Management.

For the purpose of Nomination and Remuneration Committee Charter:

“Senior Management” shall mean officers/personnel of the Company who are members of its core management team excluding Board of Directors and normally this shall comprise all members of management one level below the chief executive officer/managing director/whole-time director/manager (including chief executive officer/manager, in case they are not part of the Board) and shall specifically include company secretary and chief financial officer

- c. In respect of appointment of independent director(s) the Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation prepare a description on the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:
 - i. consider candidates from a wide range of backgrounds, having due regard to diversity;
 - ii. consider the time commitments of the candidates; and
 - iii. may use the services of an external agency, if required
- d. The process for appointing and removal of directors and the Senior Management;
- e. To ensure adherence of fit & proper criteria for all the Directors in line with RBI guidelines;
- f. To ascertain that there is no conflict of interest between the Company and Directors, KMP & Senior Management of the Company;
- g. Ensuring there is an appropriate induction in place for new directors and KMP;
- h. Formulating and recommending development and implementation of a process for evaluating the performance of the independent directors, board, its committees;
- i. Devising a policy on diversity of the Board;
- j. Identifying persons who are qualified to become directors and who may be appointed in Senior Management in accordance with the criteria laid down and recommend to the Board appointment and removal.

- k. Assess whether to extend or continue the term of appointment of the independent director on the basis of the report of performance evaluation of independent directors.
- l. To assist and advise the Board on remuneration policies and practices for the Board, the CEO, the chief financial officer (CFO), Senior Management and other persons whose activities, individually or collectively;
- m. Recommending remuneration/compensation structure including the stock option plans of the directors, KMP, Senior Management and other employees of the Company;
- n. Recommending the formation of any new committee of the Board, if required suggesting members of Board and management for constitution of such committees to the Board;
- o. Recommend changes in Board composition to the Board;
- p. Developing a succession plan for Board and KMP and regularly reviewing the plan; and
- q. Considering any other matters at the request of the Board and such matters as may be required to be considered by law.

Nomination and Remuneration Committee shall be responsible for the following in relation to Employee Stock Option Plan:

- (a) To formulate ESOP Schemes, from time to time and recommend the same to the Board for its approval;
- (b) Decide the total quantum of incentive to be offered in the form of Stock Options during the year based on the performance of the employees
- (c) To exercise such powers as envisaged to carry out the objectives in the ESOP Scheme;
- (d) To employ professionals and other persons to help the committee in the administration of the scheme and fix their remuneration
- (e) To formulate, approve, evolve, decide upon and bring into effect, suspend, withdraw or revive any sub-scheme or plan for the purpose of grant of Options to the employees and to make any modifications, changes, variations, alterations or revisions in such sub-scheme or plan from time to time;
- (f) To delegate to the Managing Director any responsibility or action to be taken for successful implementation of ESOP Schemes;
- (g) To review the ESOP as and when required, and recommend appropriate changes in its terms and conditions, if any, to the Board of Directors. The Committee may recommend changes in case:
 - (i) This ESOP does not fulfil the objectives set out for the same
 - (ii) There are changes in legislation which need to be incorporated in the ESOP
 - (iii) Such changes that would facilitate implementation of the ESOP

- (iv) Such changes are for the welfare of the employees;
- (h) Any deviations from ESOP Committee shall be reviewed and be further recommended to the Board for its noting, if required.
- (i) The MIS dashboard containing the option details shall be placed for review before the Committee on a quarterly basis.

2.3 The Nomination and Remuneration Committee met 6 times during the FY 22-23:

| Name of Director Member | 27-05-2022 | 10-08-2022 | 14-10-2022 | 08-11-2022 | 09-02-2023 | 31-03-2023 | Total |
|------------------------------|------------|------------|------------|------------|------------|------------|-------|
| Ms. Anita Belani | Present | Present | Present | Present | Present | Present | 6 |
| Ms. Namrata Kaul | Present | Present | Present | Present | Present | Present | 6 |
| Mr. Kenneth Dan Vander Weele | Present | Present | Present | Present | Absent | NA | 4 |
| Mr. Gaurav Kumar | Present | Present | NA | NA | NA | NA | 2 |
| Mr. Gopal Srinivasan | NA | NA | NA | NA | NA | Absent | - |

**Note: During the year, Mr. Gaurav Kumar ceased to be a member of the Committee due to its reconstitution. Also, consequent to the resignation of Mr. Kenneth Vander with effect from February 09, 2023, the constitution of the Committee has been changed to appoint Mr. Gopal Srinivasan.*

The Company Secretary acts as the Secretary to the Nomination and Remuneration Committee. During the FY 22-23, the Board had accepted all the recommendations of the Nomination and Remuneration Committee.

2.4 Performance Evaluation Criteria for Independent Directors

The Nomination and Remuneration Committee had approved a framework for performance evaluation of the Board of Directors, its Committees and individual Board members. Pursuant to the provisions of Companies Act, 2013 and LODR Regulations as amended from time to time, the Board has carried out an annual performance evaluation of its own performance, evaluation of the working of its Committees as well as performance of all the Directors individually (including Independent Directors).

The performance evaluation criteria for independent directors are based on various factors which includes their participation and contribution to Board meetings and matters related thereto, commitment, interests, effective deployment of knowledge and expertise, integrity and maintenance of confidentiality and independence of behavior and judgment.

Feedback was sought by welldefined and structured questionnaires covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its

Committees, areas of responsibility, execution and performance of specific duties, obligations and governance, compliance, etc.

3. Stakeholders Relationship Committee:

The Company has Stakeholders' Relationship Committee in compliance with the provisions of Section 178(5) of the Companies Act, 2013 and Regulation 20 of LODR regulations.

3.1 Composition:

The Composition of Stakeholders' Relationship Committee as of March 31, 2023 is as follows:

| Members | Designation |
|--------------------|---------------------------------------|
| Mr. John Tyler Day | Nominee Director |
| Mr. Santanu Paul* | Independent Director (Chairperson) |
| Mr. Vineet Sukumar | Managing Director |

**Note: During the year, the composition of the Committee was changed to admit Mr. Santanu Paul as the Chairperson of the Committee and Ms. Namrata Kaul ceased to be a member and Chairperson of the Committee.*

3.2 Brief description of terms of reference:

The terms of reference of the Committee are in line with the regulatory requirements mandated under the Companies Act, 2013, LODR Regulations and RBI Master Directions as amended from time to time. The roles and responsibilities of the Stakeholders Relationship Committee inter-alia includes:

- (a) The Committee shall consider and oversee the implementation of the objectives stated in this Charter;
- (b) The Committee may consult with other committees of the Board, if required, while discharging its responsibilities;
- (c) The Committee shall review and reassess the adequacy of this Charter periodically and recommend any proposed changes to the Board for approval;
- (d) Resolving the grievances of the security holders of the Company including complaints related to transfer/transmission of shares, non-receipt of the annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings, etc;
- (e) Review of measures taken for the effective exercise of voting rights by shareholders;
- (f) Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the registrar & share transfer agent;
- (g) Review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company;

- (h) To undertake self-evaluation of its own functioning and identification of areas for improvement towards better governance;
- (i) To monitor and review any investor grievances received by the Company and ensure its timely and speedy resolution, in consultation with the members of the Committee, Board of Directors and registrar & share transfer agent of the Company; and
- (j) To perform such other functions or duties as may be required under the relevant provisions of Listing Regulations and the Act and as may be specifically delegated to the Committee by the Board from time to time.
- (k) The Committee shall not be responsible for handling the grievances received under grievance redressal mechanism as applicable to Company under RBI Regulations, amended from time to time.

3.3 Details of investor complaints:

| No. of Complaints received | No. of Complaints not solved to the satisfaction of the shareholders | No. of Complaints pending at the end of the year |
|----------------------------|----------------------------------------------------------------------|--------------------------------------------------|
| Nil | Nil | Nil |

3.4 The Stakeholders Relationship Committee met 1 time during the FY 22-23:

| Name of Director Member | 09-02-2023 | Total |
|-------------------------|------------|-------|
| Ms. Namrata Kaul* | Present | 1 |
| Mr. John Tyler Day | Present | 1 |
| Mr. Vineet Sukumar | Present | 1 |
| Mr. Santanu Paul* | NA | - |

**Note: During the year, the composition of the Committee was changed to admit Mr. Santanu Paul as the Chairperson of the Committee and Ms. Namrata Kaul ceased to be a member and Chairperson of the Committee.*

The Company Secretary acts as the Secretary to the Stakeholder's Relationship Committee.

4. Risk Management Committee:

The Risk Management Committee of the Company is constituted in compliance with Regulation 21 of LODR regulations and RBI Master Directions and the Committee monitors the risk management strategy of the Company. In order to ensure best governance practices, the Company has established risk management process for each line of its business and operations. These processes have been implemented through the specific policies adopted by the Board of Directors of the Company from time to time.

4.1 Composition:

The Composition of Risk Management Committee as of March 31, 2023 is as follows:

| Members* | Designation |
|--------------------|------------------------------------|
| Mr. John Tyler Day | Nominee Director |
| Ms. Namrata Kaul | Independent Director (Chairperson) |
| Ms. Anita Belani | Independent Director |
| Mr. Vineet Sukumar | Managing Director |

**Note: During the year, Mr. Gaurav Kumar ceased to be a member of the Committee due to its reconstitution.*

4.2 Brief terms of reference:

The terms of reference of Risk Management Committee are in line with the LODR Regulations and RBI Master Directions as amended from time to time. The roles and responsibilities of the Risk Management Committee inter-alia includes:

- i. To formulate a detailed risk management policy, which shall include:
 - a. A framework for identification of internal and external risks specifically faced by the listed entity, including financial, operational, sectoral, sustainability (particularly, ESG related risks), information technology, cyber security risks or any other risk as may be determined by the Committee;
 - b. Measures for risk mitigation including systems and processes for internal control of identified risks; and
 - c. Business continuity plan.

(hereinafter the “**Risk Management Policy**”)
- ii. On an annual basis, the Committee shall annually review and approve the Risk Management Policy of the Company, including by considering the changing industry dynamics and evolving complexity. All deviation to the approved Risk Management Policy requires the approval of the Committee.
- iii. To monitor and oversee implementation of the Risk Management Policy, including evaluating the adequacy of risk management systems.
 - a) **Risk classification:** The Committee shall be responsible to oversee the classification of all the borrowers under the respective risk category in accordance with the RBI Master Directions.
 - b) **Risk profile:** The Committee shall oversee the performance of high-risk exposures that the Company classifies as watchlist as per the Risk Management Policy. The Committee shall review the performance of entities that have breached risk triggers defined in the Risk Management Policy.
 - c) **Credit deviations:** Any credit deviation approved by the Credit Committee shall be presented to the Risk Management Committee on a quarterly basis for review.
 - d) **Risk assessment:**
 - i. To oversee ‘Money Laundering and Terrorist Financing Risk Assessment’ exercise periodically to identify, assess and take

effective measures to mitigate its money laundering and terrorist financing risk for clients, countries or geographic areas, products, services, transactions or delivery channels, etc.

- ii. To oversee evaluating the overall risks faced by the NBFC including liquidity risk in accordance with Liquidity Risk Management Framework issued by RBI (RBI/2019-20/88) dated November 4, 2019.
 - iii. The Committee shall ensure that the assessment factors in the overall sector-specific vulnerabilities, and that the internal risk assessment carried out by the RE should be commensurate to its size, geographical presence, complexity of activities/structure, etc.
 - iv. Advise on Risk Based Approach for mitigation and management of the identified risk.
 - v. Ensure that appropriate training on money laundering and terrorist financing to employees/ staff is being carried out whenever required.
 - vi. To monitor and review such functions including cyber security, critical asset management and preventive actions wherever required.
 - vii. The Committee may seek information from any employee, obtain outside legal or other professional advice and secure attendance of outsiders with relevant expertise, as may be required.
 - viii. To manage all integrated risks faced by the Company and take all necessary actions in this connection.
- e) **Risk appetite:**
- i. The Committee shall review and approve portfolio thresholds - sector wise, product wise and entity wise.
 - ii. The Committee may place a sector or a client on watchlist and task the management with appropriate action, which could be freezing of exposure, run down of exposure, sale of exposure, client engagement etc. as required.
- f) **General Roles and Responsibilities:**
- i. To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;
 - ii. To keep the Board informed about the nature and content of its discussions, recommendations and actions to be taken;
 - iii. The appointment, removal and terms of remuneration of the 'Chief Risk Officer' (if any) shall be subject to review by the Committee;
 - iv. The Committee shall coordinate its activities with other committees, in instances where there is any overlap with activities of such

committees, as per the framework laid down by the Board, from time to time;

- v. To carry out any other function or undertake any other activity (from time to time) as is referred/specified by the Board or enforced by any statutory notification/amendment or modification as may be applicable, whether under the Act, the Listing Regulations or by any other regulatory authority.

4.3 The Risk Committee met 4 times during the FY 22-23:

| Name of Director Member | 27-04-2022 | 10-08-2022 | 08-11-2022 | 09-02-2023 | Total |
|-------------------------|------------|------------|------------|------------|-------|
| Mr. Gaurav Kumar* | Present | Present | NA | NA | 2 |
| Mr. Vineet Sukumar | Present | Present | Present | Present | 4 |
| Ms. Anita Belani | Present | Present | Present | Present | 4 |
| Ms. Namrata Kaul | Present | Present | Present | Present | 4 |
| Mr. John Tyler Day | Present | Present | Present | Present | 4 |

**Note: During the year, Mr. Gaurav Kumar ceased to be a member of the Committee due to its reconstitution.*

The Company Secretary acts as the Secretary to the Risk Management Committee. During the FY 2022-23, the Board accepted all recommendations of the Risk Management Committee.

5. IT Strategy Committee:

The Information Technology (“IT”) Strategy Committee of the Company was formed as per the provisions of RBI Master Direction No. RBI/DNBS/2016-17/53 DNBS.PPD. No.04/66.15.001/2016-17 dated June 08, 2017 pertaining to “Information Technology Framework for the NBFC Sector”.

5.1 Composition:

The Composition of IT Strategy Committee as of March 31, 2023 is as follows:

| Members | Designation |
|---------------------|--------------------------------------------------------|
| Mr. Gaurav Kumar* | Non-executive Director |
| Mr. John Tyler Day | Nominee Director |
| Ms. Namrata Kaul | Independent Director (Chairperson)* |
| Mr. Vineet Sukumar | Managing Director |
| Mr. Santanu Paul | Independent Director (Chairperson) |
| Mr. Prasenjit Datta | Chief Technology Officer and Chief Information Officer |

**Note: During the year, Mr. Gaurav Kumar ceased to be a member of the Committee due to its reconstitution. During the year, Mr. Santanu Paul inducted into the Committee as the Chairperson of the Committee and consequently, Ms. Namrata Kaul ceased to be the Chairperson of the Committee.*

5.2 Brief description of terms of reference:

The terms of reference of the Committee is in line with the regulatory requirements. The primary focus of the IT Strategy Committee as per the IT Framework laid down by RBI, is on IT Governance, IT Policy, Information & Cyber Security, IT Operations, IS Audit, Business Continuity Planning and IT Services Outsourcing arrangements and any other matter related to IT Governance gap-analysis vis-à-vis the Master Direction, as applicable from time to time.

The roles and responsibilities of the IT Strategy Committee inter-alia includes:

- a) Approving IT strategy and policy documents and ensuring that the management has put an effective strategic planning process in place.
- b) Ascertaining that management has implemented processes and practices that ensure that the IT delivers value to the business.
- c) Ensuring proper balance of IT investments for sustaining Vivriti Capital's growth and becoming aware of exposure towards IT risks and controls.
- d) Ensuring IT investments represent a balance of risks and benefits and that budgets are acceptable.
- e) Monitoring the method that management uses to determine the IT resources needed to achieve strategic goals and provide high-level direction for sourcing and use of IT resources.

5.3 The IT Strategy Committee met 4 times during the FY 22-23:

| Name of Member | 27-04-2022 | 27-05-2022 | 08-11-2022 | 09-02-2023 | Total |
|---------------------|------------|------------|------------|------------|-------|
| Mr. Gaurav Kumar* | Present | Present | NA | NA | 2 |
| Mr. John Tyler Day | Present | Present | Present | Present | 4 |
| Ms. Namrata Kaul | Present | Present | Present | Present | 4 |
| Mr. Vineet Sukumar | Present | Present | Present | Present | 4 |
| Mr. Santanu Paul | NA | NA | NA | NA | - |
| Mr. Prasenjit Datta | NA | Absent | Present | Present | 2 |

**Note: During the year, Mr. Gaurav Kumar ceased to be a member of the Committee due to its reconstitution. During the year, Mr. Santanu Paul inducted into the Committee as the Chairperson of the Committee and consequently, Ms. Namrata Kaul ceased to be the Chairperson of the Committee.*

The Company Secretary acts as the Secretary to the IT Strategy Committee. During FY 2022-23, the Board accepted all recommendations of the IT Strategy Committee.

6. Corporate Social responsibility (CSR) Committee

The Corporate Social Responsibility Committee of the Company was formed as per the provisions of Section 135 of the Companies Act, 2013.

6.1 Composition

The Composition of Corporate Social Responsibility Committee as of March 31, 2023 is as follows:

| Members | Designation |
|--------------------|------------------------------------|
| Mr. Vineet Sukumar | Managing Director |
| Ms. Namrata Kaul | Independent Director (Chairperson) |
| Ms. Anita Belani | Independent Director |

6.2 Brief description of terms of reference

The Corporate Social Responsibility Committee is a committee of the Board of Directors established in accordance with the Company's constitution and authorised by the Board to assist and fulfil its Corporate Social Responsibility ("CSR"). Further the Committee, shall recommend the amount of expenditure to be incurred on the identified CSR activities and related aspects.

The terms of reference of this Committee are in line with the regulatory requirements. The roles and responsibilities of the Corporate Social Responsibility Committee inter-alia includes:

- a. Formulate and recommend to the Board, CSR Policy which is in alignment of the broad objectives of the Company;
- b. Identify the activities to be considered by the Company and the projects and timelines and recommend the same to the Board for its approval;
- c. Identify the "**Key Focus Areas**" for CSR expenditure which are in alignment with organisational objectives and in pursuant to schedule VII of the Act;
- d. Recommend amount of expenditure to be incurred on activities undertaken, during each financial year with preference to the local areas of operation and keep a track of timelines of expenditure on a regular basis;
- e. Identify and recommend to the Board constructive mechanism for implementation and execution of CSR initiatives/ activities;
- f. Review performance of the Company in the areas of activities/ projects undertaken.
- g. Institute a transparent monitoring mechanism for implementation of projects/ programs/ activities undertaken and review amount spent;
- h. Review synergy with various activities along with CSR partners to make sure the projects undertaken are alignment with organizational goals and vision.

- i. Ensure and take update on compliance, corporate governance and reporting;
- j. Review the policy's effectiveness and implementation on a regular basis and report relevant findings and make appropriate recommendations to the Board;
- k. Review and finalise CSR Report as part of the Annual Report and website disclosure of the Company;
- l. Implement and monitor the implementation of the CSR Policy;
- m. Place Action Taken Report on CSR activities before the Board, including responses/ actions in respect of the queries and recommendations of the Board;
- n. All such acts, deeds, matters as may be required for successful execution, implementation and smooth compliance of matters pertaining to CSR, as and when required.
- o. Delegate operational and functional tasks to CSR Working Committee of the Company and oversee its performance on a periodical basis.

6.3 The CSR Committee met 3 times during the FY 22-23

| Name of Director Member | 27-05-2022 | 08-11-2022 | 07-03-2023 | Total |
|-------------------------|------------|------------|------------|-------|
| Mr. Vineet Sukumar | Present | Present | Present | 3 |
| Ms. Namrata Kaul | Present | Present | Present | 3 |
| Ms. Anita Belani | Present | Present | Present | 3 |

The Company Secretary acts as the Secretary to the Corporate Social Responsibility Committee. During FY 2022-23, the Board accepted all recommendations of the Corporate Social Responsibility Committee.

7. IT Steering Committee

7.1 Composition

| Members | Designation |
|---------------------|--------------------------------------------------------|
| Mr. Vineet Sukumar | Managing Director |
| Mr. Prasenjit Datta | Chief Technology Officer and Chief Information Officer |

**Note: During the year, Mr. Gaurav Kumar ceased to be a member of the Committee due to its reconstitution.*

7.2 Brief description of terms of reference

The IT Steering Committee is an executive committee of the management in accordance with the requirements of Master Direction - Information Technology Framework for the NBFC Sector dated June 08, 2017 ("Master Direction"). The Committee is operating at an executive level and focuses on priority setting, resource allocation and project tracking. During the period under review committee meeting was held on 21st March 2022. All the

members were present. The roles and responsibilities of the Committee inter-alia includes:

- a) Priority setting in terms of execution of a project;
- b) Oversight and monitoring of progress of the project, including:
 - i. Deliverables to be realized at each phase of the project;
 - ii. Milestones to be reached according to the timelines.
- c) Role in respect of outsourced IT operations
- d) Sponsoring or assisting in governance, risk, and control framework, and also directing and monitoring key IT Governance processes
- e) Defining project success measures and following up progress on IT projects.
- f) Advice on infrastructure products.
- g) Provide direction relating to technology standards and practices.
- h) Ensure that vulnerability assessments of new technology is performed.
- i) Verify compliance with technology standards and guidelines.
- j) Consult and advice on the application of architecture guidelines.
- k) Ensure compliance to regulatory and statutory requirements.
- l) Provide direction to IT architecture design and ensure that the IT architecture reflects the need for legislative and regulatory compliance, the ethical use of information and business continuity.

The Company Secretary acts as the Secretary to the IT Steering Committee.

8. Other Committees

8.1 Asset Liability Committee (ALCO):

The Asset Liability Committee was established by the Board of Directors of the Company to assist the Board in oversight of the Company's liquidity and interest rate risk profiles. As per the RBI Master Directions, the Asset – Liability Committee was formed to oversee the risk management policy / strategy of the Company relating to liquidity, interest rate and asset liability gap from time to time.

The Chairperson shall be elected at each meeting of the Committee. The Composition of ALCO as of March 31, 2023 is as follows:

| Sl. No. | Name | Designation |
|---------|---------------------|-------------------------|
| 1 | Vineet Sukumar | Managing Director |
| 2 | Srinivasaraghavan B | Chief Financial Officer |
| 3 | Hemang Mehta | Chief Risk Officer |

The ALCO met monthly once and as and when required during the year under review. The Committee shall on annual basis review its performance under its Charter.

8.2 Borrowing Committee

The Borrowing Committee was established by the Board of Directors of the Company for assisting the Board in oversight of the Company's fund-raising activities. The Chairperson shall be elected at each meeting of the Committee. The following is the Composition of Borrowing Committee as of March 31, 2023:

| Sl. No. | Name | Designation |
|---------|---------------------|-------------------------|
| 1 | Vineet Sukumar | Managing Director |
| 2 | Srinivasaraghavan B | Chief Financial Officer |

The Committee met as and when necessary during the year under review and accorded its approval to various proposals for availing financial assistance from other lenders and to approve issuance and allotment of non-convertible debentures and commercial paper by the Company from time to time.

8.3 Credit Committee

The Credit Committee was established by the Board of Directors of the Company to assist the Board in oversight of the Company's lending activities. The Chairperson shall be elected at each meeting of the Committee. The following is the Composition of Borrowing Committee as of March 31, 2023:

| Sl. No. | Name | Designation |
|---------|---------------------|-------------------------|
| 1 | Vineet Sukumar | Managing Director |
| 2 | Srinivasaraghavan B | Chief Financial Officer |

The Committee met as and when necessary during the year under review and accorded its approval to various proposals w.r.t due diligence and onboarding of clients, product, sector etc as may be required from time to time.

8.4 ESG Risk Assessment Committee

The ESG Risk Assessment Committee was established by the Board of Directors of the Company to ensure compliance with internal thresholds approved by the Board (as laid down in the ESG Policy). The Chairperson shall be elected at each meeting of the Committee. The following is the Composition of Borrowing Committee as of March 31, 2023:

| Sl. No. | Name | Designation |
|---------|----------------|-------------------------|
| 1 | Vineet Sukumar | Managing Director |
| 2 | Hemang Mehta | Chief Financial Officer |
| 3 | Ashish Malani | Chief Credit Officer |

The Committee met as and when necessary during the year under review and accorded its approval to various proposals relating to ESG diligence and practices adopted by the Company.

8.5 ESOP Committee

The ESOP Committee was established by the Board of Directors of the Company to carry out the ESOP-related activities of the Company from identification of employees. The following is the Composition of Borrowing Committee as of March 31, 2023:

| Sl. No. | Name | Designation |
|---------|----------------|---------------------------------|
| 1 | Vineet Sukumar | Managing Director (Chairperson) |

| Sl. No. | Name | Designation |
|---------|------------|--------------------|
| 2 | Sowjanya V | Vice President, HR |

The Committee meets as and when necessary for granting of options and exercise such other power in line with its terms of reference from time to time.

Details of Remuneration to Directors

1. Remuneration to Executive Directors

The details of the remuneration paid to Mr. Vineet Sukumar, Managing Director of the Company, during the financial year 2022-23 is as under:

| Sl.No | Particulars of Remuneration | Mr. Vineet Sukumar Managing Director (INR.) (in Lakhs) |
|-------|----------------------------------------------------------------------------------|--------------------------------------------------------------|
| 1 | Gross salary | 249.56 |
| | (a) Salary as per provisions contained in section 17(1) of the Income Tax. 1961. | - |
| | (b) Value of perquisites u/s 17(2) of the Income tax Act, 1961 | - |
| | (c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961 | - |
| 2 | Stock option | - |
| 3 | Sweat Equity | - |
| 4 | Commission | - |
| | as % of profit | - |
| | others (specify) | - |
| 5 | Others, please specify | - |
| | Total (A) | 249.56 |

2. Remuneration to Independent / Non-executive Directors including pecuniary relationship*:

During FY 2022-23, there were no pecuniary relationships / transactions of any non-executive directors with the Company, apart from receipt of sitting fees by the Independent Non-executive Directors. No stock options are granted to any of the non-executive directors.

| Sl. No | Particulars of Remuneration | Name of the Directors (INR.) (in Lakhs) | | | Total Amount (INR.) (in Lakhs) |
|--------|----------------------------------------------------------------|--------------------------------------------|--------------|--------------|-----------------------------------|
| | | Namrata Kaul | Anita Belani | Santanu Paul | |
| 1 | Independent Directors | | | | |
| | (a) Fee for attending board committee meetings (Sitting Fees*) | 13.08 | 14.17 | 2.18 | 29.43 |
| | (b) Commission | - | - | - | - |
| | (c) Others, please specify | - | - | - | - |

| Sl. No | Particulars of Remuneration | Name of the Directors (INR.) (in Lakhs) | | | Total Amount (INR.) (in Lakhs) |
|--------|-----------------------------|-----------------------------------------|-------|------|--------------------------------|
| | Total | 13.08 | 14.17 | 2.18 | 29.43 |

* Sitting Fees given above is inclusive of GST chargeable on Reverse Charge Mechanism

The Nomination & Remuneration Policy of the Company is made available on the Company's website which includes the criteria for making payments to non-executive directors: <https://www.vivriticapital.com/policies.html>

General Body meetings:

Annual General meeting:

| Date | Time | Venue | Special Resolutions passed |
|---------------------------------|----------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 22 nd September 2022 | 12.30 PM | Through Video Conferencing mode Regd. Office Address: Prestige Zackria Metropolitan, No. 200/1-8, 2 nd Floor, Block 1, Annasalai Chennai – 600002 Tamil Nadu, India | <ol style="list-style-type: none"> 1. To approve and adopt the restated Articles of Association of the Company 2. To consider and approve the remuneration of Mr. Vineet Sukumar, Managing Director of the Company for the Financial Year 2021-22 3. To consider and approve the remuneration of Mr. Gaurav Kumar for the Financial Year 2021-22 4. To consider and approve the reclassification of authorized share capital and amendment of Memorandum of Association of the Company 5. To approve adoption and implementation of revised Vivriti Employee Stock Option Plan 2018 6. To approve adoption and implementation of revised Vivriti Employee Stock Option Plan 2019 7. To approve adoption and implementation of revised Vivriti Employee Stock Option Plan 2019 – II 8. To approve adoption and implementation of revised Vivriti Employee Stock Option Plan 2020 9. To approve adoption and implementation of revised Vivriti Employee Stock Option Plan 2022 and issuance of shares to Vivriti ESOP Trust 10. To approve the grant of option to identified employees during any one year, equal to or exceeding 1 percent of the issued capital of the Company at the time of grant of option 11. To approve granting of loan to Vivriti ESOP Trust |

Attendance at the AGM

| Sl. No. | Name | Mode of Participation |
|---------|--------------------------|----------------------------------------|
| 1 | Gaurav Kumar | Absent |
| 2 | Vineet Sukumar | Video Conferencing mode |
| 3 | Namrata Kaul | Video Conferencing mode |
| 4 | John Tyler Day | Absent |
| 5 | Kenneth Dan Vander Weele | Absent |
| 6 | Kartik Srivatsa | Absent |
| 7 | Anita Belani | Absent |
| 8 | Gopal Srinivasan | Absent |
| 9 | Santanu Paul | Not Applicable, Appointed after AGM |
| 10 | Lazar Zdravkovic | Not Applicable, Appointed after AGM |

Additional disclosures required under LODR Regulations:

1. Location and time, where last three annual general meetings held;

| Date | Time | Venue | Special Resolutions passed |
|------------------------------|---------|---------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 17 th August 2021 | 5.00 pm | Through Video Conferencing mode Regd. Office Address: 12th Floor, Prestige Polygon, No. 471, Annasalai, Nandanam Chennai – 600035, Tamil Nadu | - |
| 30 th May 2020 | 5.30 pm | 12th Floor, Prestige Polygon, No. 471, Annasalai, Nandanam Chennai – 600035, Tamil Nadu | <ol style="list-style-type: none">1. To approve the revised borrowing limits2. To approve revised borrowing limits through issue of Debentures3. To approve the borrowing limits through issue of Commercial Paper4. To approve creation of Security cover as per Sec 180 (1) (a)5. To approve adoption and implementation of Vivriti Employee Stock Option Plan 20206. To approve the grant of option to identified employees during any one |

| Date | Time | Venue | Special Resolutions passed |
|-----------------------------|---------|-----------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| | | | <p>year, equal to or exceeding 1 percent of the issued capital of the Company at the time of grant of option</p> <p>7. To approve granting of loan to Vivriti ESOP Trust</p> <p>8. To approve the grant of option to identified employees of the Subsidiaries Company</p> <p>9. To approve appointment of Mr. Kartik Srivatsa, having DIN 03559152 as Nominee Director (Non-executive) of the Company</p> |
| 22 nd April 2019 | 6.00 pm | 12th Floor, Prestige Polygon, No. 471, Annasalai, Nandanam Chennai – 600035, Tamil Nadu | <p>1. To approve increase in borrowing limits</p> <p>2. To approve issuance of Non-Convertible Debentures</p> <p>3. To approve Vivriti Employee Stock Option Plan 2019 and grant of employee stock options to employees of the Company thereunder</p> <p>4. To approve for increase in authorized capital by amending Memorandum of Association</p> <p>5. To approve the issue of Compulsorily Convertible Preference Shares</p> |

2. whether any special resolutions passed in the previous three annual general meetings; - Yes
3. whether any special resolution passed last year through postal ballot – details of voting pattern; - Nil
4. person who conducted the postal ballot exercise; - Not applicable
5. whether any special resolution is proposed to be conducted through postal ballot; - No
6. procedure for postal ballot. – Not applicable

Extra-Ordinary General Meeting:

During the year under review, there were 4 Extra-Ordinary General meetings held.

Other Disclosures:

a. Adherence to Accounting Standards

The Company has complied with the applicable Indian Accounting Standards (Ind-AS) notified by the Ministry of Corporate Affairs under Section 133 of the Companies Act, 2013. The financial statements for the year have been prepared in accordance with Schedule III to the Companies Act, 2013.

b. Risk Management and internal control policies adopted by the Company

The Company has a well-defined Risk Management Framework in place. The Company has procedures to periodically place before the Audit Committee / Risk Management Committee and the Board, the risk assessment and mitigation plans being followed by the Company.

c. Secretarial Standards

The Company has complied with the applicable provisions of secretarial standards issued by The Institute of Company Secretaries of India.

d. Succession Planning

Succession planning is a process of ascertaining the need for filling position at the Board and Senior Management positions. It involves identification for the said roles, assessment of their potential and developing next generation of leaders as potential successors for key leadership roles in an organisation. The process of development primarily concentrates on coaching, mentoring and training the identified employees to assume higher responsibilities when the need arises. The Company has always endeavoured to nurture, train and increase the skill sets of employees at all levels, with the key objective of ensuring smooth succession without impacting the performance in current role.

The Company has in place Succession Planning Policy for appointments to the Board and to the Senior Management.

Investor Grievances

Ms. Amritha Paitenkar, Company Secretary of the Company is the Compliance Officer for the purpose of the LODR Regulations. There were no investor complaints pending as of March 31, 2023.

Means of communication

The information required to be disseminated by the Company in terms LODR Regulations including quarterly, half-yearly and annual financial results are intimated to the BSE Limited and published in the Financial Express (in English) and Makkal Kural (in Tamil). The respective Financial Results are also uploaded on the website of the Company at <https://www.vivriticapital.com/investors.html>. There are no official press releases. Further the Company is not required to display any presentations made to institutional investors or to the analysts on its website.

GENERAL SHAREHOLDER INFORMATION

6th Annual General Meeting

Day and Date: Saturday, September 30, 2023

Time: 5:00 P.M

Venue/Mode of AGM: Through Video Conferencing (“VC”) / Other Audio-Visual Means (“OAVM”)

Financial Year: April 1, 2022, to March 31, 2023

Dividend Payment date: There are no dividends payable for the Financial Year

Listing on stock exchanges:

The non-convertible securities of the Company are listed on the debt market segment of BSE Limited.

| Name of Stock Exchange | Address |
|------------------------|---------------------------------------------------------|
| BSE Limited | Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai-400 001 |

Annual listing fees, as prescribed, have been paid to the said stock exchanges up to March 31, 2023.

Stock Code - The equity shares of the Company are not listed on the Stock Exchange; hence the Stock code is not applicable.

Market price data and performance in comparison to broad-based indices such as BSE sensex, CRISIL, Index etc. - Not applicable, as the equity shares of the Company are not listed.

Suspension of Securities from trading - During FY 2022-23, debt listed securities of the Company were not suspended from trading except due to operational reasons, on account of delisting of respective ISINs post maturity, from time to time.

Registrar and share transfer agent and Share transfer system - In terms of Regulation 7 of the LODR Regulations, Integrated Registry Management Services Private Limited continues to be the Registrar and Share Transfer Agent of the Company to handle all relevant share registry services.

Share Transfer System - The Company has its internal compliance team to handle any share transfer requests.

Distribution of shareholding –

a. List of Equity Shareholders as on March 31, 2023

| Name | Number of shares held | Shareholding percentage (%) |
|--------------------------------------------------------------------------|-----------------------|-----------------------------|
| Gaurav Kumar | 66,32,577 | 30.74 |
| Vineet Sukumar | 67,37,840 | 31.23 |
| Aniket Satish Deshpande | 5,51,000 | 2.55 |
| Soumendra Nath Ghosh Equity | 5,82,200 | 2.70 |
| Shaik Mohammed Irfan Basha | 5,09,550 | 2.36 |
| Vivriti ESOP Trust | 44,83,965 | 20.78 |
| Creation Investments India III, LLC | 1,31,596 | 0.61 |
| Lightrock Growth Fund I S.A., SICAV-RAIF (formerly Lightstone Fund S.A.) | 2,32,512 | 1.08 |
| LR India Fund I S.à r.l., SICAV-RAIF. (formerly LR India Holdings Ltd.) | 2,32,512 | 1.08 |
| TVS Shriram Growth Fund 3 | 2,87,313 | 1.33 |
| Namrata Kaul | 1,15,161 | 0.53 |

| Name | Number of shares held | Shareholding percentage (%) |
|-------------------------------------------------------|-----------------------|-----------------------------|
| Sridhar Srinivasan | 93,075 | 0.43 |
| Sanjiv Malhotra | 93,075 | 0.43 |
| Narayan Ramachandran | 1,15,161 | 0.53 |
| Kalpa S Mehta and Shailesh J Mehta (Joint Holders) | 2,25,000 | 1.04 |
| Trenton Investments Company Private Limited | 1,05,265 | 0.49 |
| Ananta Capital Ventures Fund 1 | 1,05,265 | 0.49 |
| Nisa Family Trust | 1,05,265 | 0.49 |
| Anita Belani | 21,053 | 0.10 |
| Others – Equity shares | 2,16,350 | 1.00 |
| Total | 2,15,75,735 | 100.00 |

b. List of Compulsorily Convertible Preference Shareholders as on March 31, 2023

| Name | Number of shares held | Shareholding percentage (%) |
|-----------------------------------------------------------------------------|-----------------------|-----------------------------|
| Creation Investments India III LLC | 6,41,24,177 | 71.23 |
| Lightrock Growth Fund I S.A., SICAV-RAIF (Formerly Lightstone Fund S.A.) | 1,15,93,166 | 12.88 |
| Financial Investments SPC (affiliate of LGT) | 1,00,77,113 | 11.19 |
| LR India Fund I S.à r.l., SICAV-RAIF. (formerly LR India Holdings Ltd.) | 15,15,954 | 1.68 |
| TVS Shriram Growth Fund 3 | 27,11,556 | 3.01 |
| Total | 9,00,21,966 | 100.00 |

Dematerialization of shares and liquidity –

As on March 31, 2023, the total equity capital of the Company was held in dematerialised form with National Securities Depository Limited and Central Depository Services (India) Limited, except the shares held by Lightrock Growth Fund I S.A., SICAV-RAIF (“LGF”) (Formerly Lightstone Fund S.A.), and LR India Holdings Ltd. which were held in physical form.

As the equity shares of the Company are not listed on the Stock Exchange, the shares were not traded on the Stock Exchange. The Company had outstanding of Compulsorily Convertible Preference shares (“CCPS”) as at end of the financial year. The details of such holdings are provided under ‘Distribution of Shareholding’ para above. Further, the conversion period for CCPS, being issued in multiple tranches shall be determined from the respective closing dates of such CCPS and the same shall convert into proportionate number of equity shares as per the agreed terms of Shareholder’s Agreement (“SHA”). Such conversion will impact into bringing changes to the shareholding pattern as or the SHA terms.

Outstanding Global Depository Receipts (“GDRs”)/American Depository Receipts (“ADRs”)/Warrants or any Convertible Instruments, Conversion Date and likely impact on equity - As on March 31, 2023, the Company did not have any outstanding GDRs/ADRs/Warrants or any Convertible Instruments.

Commodity price risk or foreign exchange risk and hedging activities – The Company does not deal in any commodity and hence is not directly exposed to any commodity price risk. In the past the Company has entered into derivative transactions with various counter parties to hedge its foreign exchange risks and interest rate risks associated with External Commercial Borrowings (ECBs). The ECBs are fully hedged and possess no foreign exchange risk.

Plant locations – The Company is engaged in the business of financial services, hence, there are no plants in operation.

Address for correspondence – The Registered Office of the Company for Financial Year 2022-23 shall be Prestige Zackria Metropolitan No. 200/1-8,2nd Floor, Block -1, Annasalai, Chennai – 600002.

List of all credit ratings obtained by the entity along with any revisions thereto during the relevant financial year, for all debt instruments of such entity or any fixed deposit programme or any scheme or proposal of the listed entity involving mobilization of funds, whether in India or abroad –

| Credit Rating Agency | Instrument | Ratings | Rated Amount (INR) Crores |
|----------------------|-----------------------------------|-------------------------------------|---------------------------|
| ICRA | Market Linked debentures (MLD) | PP-MLD[ICRA] A (Stable); reaffirmed | 75.65 |
| | Non-Convertible Debenture | [ICRA] A (Stable); reaffirmed | 298.00 |
| | Non-Convertible Debenture | [ICRA] A (Stable); assigned | 300.00 |
| | Long Term – Fund-based CC | [ICRA] A (Stable); reaffirmed | 55.00 |
| | Long Term – Fund-based term loans | [ICRA] A (Stable); reaffirmed | 2,045.00 |
| CARE | Market Linked debentures (MLD) | CARE PP-MLD A; Positive | 1,400.00 |
| | Commercial Paper | CARE A1 | 150.00 |
| | Non-Convertible Debentures | CARE A; Positive | 700.00 |
| | Long Term – Bank Facilities | CARE A; Positive | 2,750.00 |

Disclosures on materially significant related party transactions that may have potential conflict with the interests of listed entity at large – There have been no materially significant related party transactions, pecuniary transaction or relationships between the Company and the Directors that may have potential conflict with the interests of the company except in the ordinary course of business. Pursuant to the provisions of the Act and LODR Regulations, the Board on recommendation of the Audit Committee, has adopted the policy for dealing with related party transactions and the said policy is available on the website of the Company at: <https://www.vivriticapital.com/policies.html>

All related party transactions are placed before the Audit Committee and the Board of Directors for their approvals on quarterly basis. Transactions with the related parties, as per the requirements of Ind-As and Regulation 53 (1) (f) of LODR regulations, are disclosed in Note no 36 of the notes forming part of the Standalone Financial Statements of the Company. All the related party transactions that were entered into by the Company were on arm's length basis and in ordinary course of business.

Details of non-compliance by the listed entity, penalties, strictures imposed on the listed entity by stock exchange(s) or the board or any statutory authority, on any matter related to capital markets, during the last three years – The BSE had imposed penalties against our company for alleged non-

compliance of various provisions of LODR Regulations. Based on the response submitted by our company the BSE has withdrawn all the fines that were levied.

Details of establishment of vigil mechanism/ whistle blower policy, and affirmation that no personnel has been denied access to the audit committee – The Company has a whistle blower policy which is made available to all its stakeholder, including employees, wherein modes of access to audit committee has been provided. The policy is available on the website of the Company at <https://www.vivriticapital.com/investors.html>

None of the Company's personnel have been denied access to the Audit Committee.

Details of compliance with mandatory requirements and adoption of the non-mandatory requirements – As on March 31, 2022, the Company is in compliance with all the mandatory requirements specified in Regulation 17 to 27 of SEBI Listing Regulations which have been made applicable to the Company as a High Value Debt Listed Entity effective February, 2022 on a 'comply or explain' basis until March 31, 2023. The Company has been providing the necessary explanation in the quarterly compliance report on Corporate Governance submitted to the Stock Exchanges and also in this report.

Web link where policy for determining 'material' subsidiaries and policy on dealing with related party transactions is disclosed - <https://www.vivriticapital.com/investors.html>.

Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A). – Not applicable.

Certificate from a company secretary in practice that none of the directors on the board of the company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority - The Company has received a certificate from M/s BP & Associates, Company Secretaries to the effect that none of the directors on the Board of the Company has been debarred or disqualified from being appointed or continuing as director of the Company by SEBI/ Ministry of Corporate Affairs or such other statutory authority. The said certificate has been enclosed as **Annexure - I**.

Where the board had not accepted any recommendation of any committee of the board which is mandatorily required, in the relevant financial year, the same to be disclosed along with reasons thereof - During the reporting period FY 22-23, the Board has accepted all the recommendations made by its Committee(s), from time to time.

Fees paid to Statutory Auditor –

| S. No. | Particulars | Amount (INR in Lakhs / AED) |
|--------------------------------------------------------------------------------|---------------------------|-----------------------------|
| Vivriti Capital Limited (formerly known as Vivriti Capital Private Limited) | | |
| 1. | Fee as Statutory Auditors | INR 90.00 |
| 2. | Fee for other services | INR 14.80 |
| Vivriti Asset Management Private Limited ('Subsidiary') | | |
| 1. | Fee as Statutory Auditors | INR 30.00 |
| 2. | Fee for Tax Audit | - |
| CredAvenue Private Limited ('Subsidiary') | | |
| 1. | Fee as Statutory Auditors | INR 35.00 |

| S. No. | Particulars | Amount (INR in Lakhs / AED) |
|--------|------------------------------------------------------|-----------------------------|
| | CredAvenue Securities Private Limited ('Subsidiary') | |
| 1. | Fee as Statutory Auditors | INR 7.50 |
| | Spocto Solutions Private Limited ('Subsidiary') | |
| 1. | Fee as Statutory Auditors | INR 7.50 |
| | Bluevine Technologies Private Limited | |
| 1. | Fee as Statutory Auditors | INR 5.50 |
| | CredAvenue Spocto Technology Ltd | |
| 1. | Fee as Statutory Auditors | AED 6,000 |
| | | |

Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 – The required disclosure forms part of the Directors Report forming part of this Annual Report.

'Loans and advances in the nature of loans to firms/companies in which directors are interested by name and amount' – The required disclosure forms part of the Form AOC -2 of Directors Report forming part of this Annual Report.

Non-compliance of any requirement of corporate governance report of sub-paras (2) to (10) above, with reasons thereof shall be disclosed - The Company is a High Value Debt Listed Entity ('HVDLE') as per the provisions of LODR regulations. Accordingly, regulation 15 to 27 of LODR Regulations are applicable to the Company on a 'comply or explain basis' till March 31, 2024. The Company has complied with the provisions to the extent possible and has provided adequate disclosures in this report containing reasons, wherever it is yet to comply with any provision.

Discretionary requirements under Part E of Schedule of SEBI (LODR) Regulations, 2015:

- a. **The Board** – The Board has a designated non-executive director as the chairperson. The Chairperson was entitled to reimbursement of expenses incurred in performance of his/her duties.
- b. **Shareholder rights** – The shareholders' rights are derived from its Articles of Association read with SHA. The Board has from time to time provided summary of financial performance, significant events and other significant business updates to the shareholders.
- c. **Modified opinion(s) in audit report** – The Auditors did not issue a modified opinion in their report.
- d. **Separate posts of Chairperson and the Managing Director or the Chief Executive Officer** – The Company has appointed a Chairperson other than Managing Director for conducting its Board meetings, who was a non-executive director and not related to the Managing Director. The Company does not have a Chief Executive Officer.
- e. **Reporting of internal auditor** – The Internal Auditors reported to the Audit Committee on a quarterly basis wherein they presented their observations from the audit conducted. The Internal Auditors did not issue a modified opinion during the year.

Familiarization Program - Details of familiarization programmes imparted to Independent Directors is disclosed on its website at <https://www.vivriticapital.com/notices/public-disclosure/Familiarisation%20Program.pdf>

Compliance certificate on Corporate Governance – The Company is a High Value Debt Listed Entity ('HVDLE') as per the provisions of LODR regulations. Accordingly, the Company has been submitting

the quarterly governance compliance report to the Stock Exchange as required under Regulation 27(2) of the LODR Regulations. The Company has obtained a certificate from M/s BP & Associates, Company Secretaries regarding compliance with the provisions of corporate governance laid down under the LODR Regulations. The said certificate is annexed as **Annexure II** to this report.

Compliance with corporate governance requirements specified in Regulation 17 to 27 and 46(2) of LODR Regulations– The relevant disclosures are provided in Annexure IX and are made available on the website of the Company at <https://www.vivriticapital.com/Reg-62-Disclosure.html> and <https://www.vivriticapital.com/investors.html>

Code of conduct of Board of Directors and Senior Management – The Company is a High Value Debt Listed Entity ('HVDLE') as per the provisions of LODR regulations. Accordingly, the Company has formulated a code of conduct for its directors and Senior Management of the Company. The code has been placed on the website of the Company and can be accessed at <https://www.vivriticapital.com/policies.html>.

All the Board members and the Senior Management personnel have affirmed compliance with the code for the year ended March 31, 2023. A declaration to this effect signed by the Managing Director forms part of the Annual report as **Annexure III** to this report.

Declaration signed by the chief executive officer stating that the members of board of directors and senior management personnel have affirmed compliance with the code of conduct of board of directors and senior management – Enclosed as **Annexure IV** to this report.

Detailed Reasons for the resignation of an Independent Director who resigns before the expiry of the tenure – None of the Independent Directors of the Company has resigned before the expiry of his / her respective tenure during the FY 2022-23.

Details of Material Subsidiaries of the listed entity including the date and place of incorporation and the name and date of appointment of the Statutory auditors of such subsidiary: The material subsidiary of the Company for the FY 2022-23 is CredAvenue Private Limited ("CAPL"). The Company was incorporated as a private limited company under the Companies Act, 2013, pursuant to a certificate of incorporation issued by the RoC on August 21, 2020. The CIN of CAPL is U72900TN2020PTC137251. The registered office of CAPL is located at 12th Floor, Prestige Polygon, No. 471, Annasalai, Nandanam, Chennai 600 035, Tamil Nadu, India. The Statutory auditors of CAPL is M/s BSR & Co LLP, Chartered Accountants and were appointed at the Second Annual General Meeting of CAPL held on July 15, 2022 for a consecutive period of 5 years.

Company correspondence

Vivriti Capital Limited

(formerly known as Vivriti Capital Private Limited)

Name: P S Amritha, Company Secretary & Compliance Officer

Address: Prestige Zackria Metropolitan No. 200/1-8, 2nd Floor, Block -1, Annasalai, Chennai – 600002

Tel: +91 44 4007 4811

Website: <https://www.vivriticapital.com/home.html>

Email: vcpl.compliance@vivriticapital.com

Registrar and Share Transfer Agent

Integrated Registry Management Services Private Limited

Address: 5A, 5th Floor, Kences Towers, 1, Ramakrishna Street, T. Nagar, Chennai-600 017

Tel: 022 - 4066 1800 / 2287 4675 / 2287 4676; Fax: N.A.

Website: <http://www.integratedindia.in>

Email: yuvraj@integrated.india.in

Debenture Trustees

Catalyst Trusteeship Limited

Address: Windsor, 6th Floor, Office No 604, C.S.T Road, Kalina, Santacruz (East), Mumbai – 400 098

Tel. No.: +91 022 4922 0555

Contact person: Deesha Trivedi

Email: dt.mumbai@ctltrustee.com

Beacon Trusteeship Limited

Address: 4C & D, Siddhivinayak Chambers, Gandhi Nagar, Opp MIG Cricket Club, Bandra East, Mumbai – 400 051

Tel. No.: +91 955 544 9955

Contact person: Kaustubh Kulkarni

Email: contact@beacontrustee.co.in

IDBI Trusteeship Limited

Address: Universal Insurance Building, Ground Floor, Sir PM Road, Fort Mumbai, Maharashtra – 400 001, India

Tel. No.: +022 40807000

Contact person: Sheetal Mehta

Email: itsl@idbitrustee.com



**CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS
(Pursuant to Regulation 34(3) and Schedule V Para C clause
(10)(i) of the SEBI (Listing Obligations and Disclosure
Requirements) Regulations, 2015)**

To,
The Members,
Vivriti Capital Private Limited,
Prestige Zackria Metropolitan No. 200/1-8,
2nd Floor, Block -1, Annasalai,
Chennai-600002, Tamilnadu, India.

We have examined the relevant Registers, Records, Forms, Returns and Disclosures received from the Directors of Vivriti Capital Private Limited having CIN: U65929TN2017PTC117196 and having registered office at Prestige Zackria Metropolitan No. 200/1-8, 2nd Floor, Block -1, Annasalai, Chennai – 600002, Tamil Nadu, India (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, We hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2023 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.



| SR. NO. | NAME OF DIRECTOR | DIN | DATE OF APPOINTMENT IN COMPANY* |
|---------|----------------------|----------|---------------------------------|
| 1. | Mr. Gaurav Kumar | 07767248 | 22/06/2017 |
| 2. | Mr. Vineet Sukumar | 06848801 | 30/08/2017 |
| 3. | Ms. Namrata Kaul | 00994532 | 12/01/2019 |
| 4. | Mr. John Tyler Day | 07298703 | 18/01/2019 |
| 5. | Mr. Kartik Srivatsa | 03559152 | 30/05/2020 |
| 6. | Ms. Anita Belani | 01532511 | 07/05/2021 |
| 7. | Mr. Gopal Srinivasan | 00177699 | 27/05/2022 |
| 8. | Mr. Santanu Paul | 02039043 | 09/02/2023 |
| 9. | Mr. Lazar Zdravkovic | 10052432 | 31/03/2023 |

*The original date of appointment is as per the MCA Portal.

Ensuring the eligibility of the appointment/continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Date: 04-05-2023

Place: Thailand

For BP & Associates
Company Secretaries

PRABHAKAR
CHANDRASEKAR
AN

Digitally signed by PRABHAKAR CHANDRASEKARAN
DN: c=IN, o=PERSONAL, title=2566,
pseudonym=d8101c478973f0e27cad834f5dc3f766,
2.5.4.20=88F071C7D88A64B0D008EC20E1D7764CD2D5
66771786B2C52EE3D08028058EBA,
postalCode=600083, st=Tamil Nadu,
serialNumber=5d5b3827e28828e25bf902570f80a3ad9b
07b49921869f78a7be0eddc6181cb25, cn=PRABHAKAR
CHANDRASEKARAN
Date: 2023.05.04 18:57:39 +05'30'

C. Prabhakar
Partner

FCS: 11722 | CP No:11033

UDIN: F011722E000249740

Peer Review No: P2015TN040200



Certificate on Compliance under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To

The Members

Vivriti Capital Private Limited

Prestige Zackria Metropolitan No. 200/1-8,
2nd Floor, Block -1, Annasalai, Chennai – 600002,
Tamilnadu, India.

We have examined the compliance of conditions of Corporate Governance by Vivriti Capital Private Limited (“Company”), for the year ended on 31st March, 2023, as stipulated in Regulations 17 to 27 and para C and D of Schedule V to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the “Listing Regulations”).

Management’s Responsibility

The compliance of conditions of Corporate Governance is the responsibility of the Management. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure compliance with the conditions of the Corporate Governance stipulated in the Listing Regulations.

Auditor’s Responsibility

Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

We have examined the books of account and other relevant records and documents maintained by the Company for the purposes of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.

We also refer to the Section 15(1A) of the Listing Regulations where it provides that the provisions of the listing regulations and Regulation 16 to Regulation 27 shall be applicable to a ‘high value debt listed entity’ on a ‘comply or explain’ basis until 31st March, 2023 and on a mandatory basis thereafter.



“**Comply or explain basis**” shall means that the high value debt listed entity shall recognized to comply with the provisions and achieve full compliance by 31st March, 2023. In case the entity is not able to achieve full compliance with the provisions, till such time, it shall explain the reasons for such non-compliance/ partial compliance and the steps initiated to achieve full compliance in the quarterly compliance report filed under clause (a), sub-regulation (2) of regulation 27 of the listing regulations.

Opinion

Based on our examination of the relevant records and according to the information and explanations provided to us and the representations provided by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Regulations 17 to 27 and para C and D of Schedule V on Comply or explain basis as stipulated under the Listing Regulations during the year ended 31st March, 2023.

We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

Date: 04th May, 2023
Place: Thailand

For BP & Associates
Company Secretaries

PRABHAKAR
CHANDRASEKARAN

Digitally signed by PRABHAKAR CHANDRASEKARAN
DN: c=IN, o=PERSONAL, email=2566,
ou=sdmym=810142872990230835453766,
2.5.4.20=8F071C708A64B008CDE1D7844FC1256677178
8E5C72E5D0E0209585E4, postalCode=600083, st=Thailand, serialNumber=54533827c2828a20499257098a3a49907b4992
189F7807ac6de1511822, cn=PRABHAKAR CHANDRASEKARAN
Date: 2023.05.04 18:56:03 +05'30'

C. Prabhakar
Partner

FCS: 11722 | CP No: 11033

UDIN: F011722E000249707

Peer Review No: P2015TN040200



DECLARATION BY THE MANAGING DIRECTOR

In accordance with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, I hereby confirm that, all the Directors and Senior Management Personnel of the Company have affirmed compliance to the Code of Conduct for the financial year ended March 31, 2023.

For and on behalf of **Vivriti Capital Private Limited**

For VIVRITI CAPITAL PRIVATE LIMITED

Vineet Sukumar
Vineet Sukumar
Managing Director
DIN: 06848801
Place: Chennai
Date:

Managing Director



VIVRITI CAPITAL PRIVATE LIMITED

CIN - U65929TN2017PTC117196
GST - 33AAFCV9757P1ZE (Chennai)
GST - 27AAFCV9757P1Z7 (Mumbai)

www.vivriticapital.com

REGD. OFFICE:

Prestige Zackria Metropolitan, 2nd Floor
Block 1, No.200/1-8, Anna Salai
Chennai 600002
Contact : +91-44-4007 4800
contact@vivriticapital.com

MUMBAI OFFICE:

Vibgyor Towers, Unit No. 502, 5th Floor
Block G, Bandra Kurla Complex
Mumbai - 400051
Contact: +91-22-6826 6800





COMPLIANCE CERTIFICATE

[as per Regulation 17(8) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015]

- A. I have reviewed the Standalone and Consolidated financial statement(s) and the cash flow statements of M/s. Vivriti Capital Private Limited for the year ended March 31, 2023, and that to the best of my knowledge and belief:
- These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.;
 - These statements together present a true and fair view of the listed entity's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B. There are, to the best of my knowledge and belief, no transactions entered into by the listed entity during the year which are fraudulent, illegal or violative of the listed entity's code of conduct.
- C. I accept responsibility for establishing and maintaining internal controls for financial reporting and that I have evaluated the effectiveness of internal control systems of the listed entity pertaining to financial reporting and I have disclosed to the auditor and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which I am aware and the steps I have taken or propose to take to rectify these deficiencies.
- D. I have indicated to the auditor and the Audit Committee:
- Significant changes, if any, in internal control over financial reporting during the year;
 - That there are no changes in accounting policies during the year and the same have been disclosed in the notes to the financial statements; and
 - instances of significant fraud of which they have become aware and the involvement therein, if any, of the management or an employee having a significant role in the listed entity's internal control system over financial reporting.

For VIVRITI CAPITAL PRIVATE LIMITED

Vineet Sukumar

Managing Director

Vineet Sukumar
Managing Director
DIN: 06848801
Place: Chennai
Date: 04-05-2023



VIVRITI CAPITAL PRIVATE LIMITED

CIN - U65929TN2017PTC117196
GST - 33AAFCV9757P1ZE (Chennai)
GST - 27AAFCV9757P1Z7 (Mumbai)

www.vivriticapital.com

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contact@vivriticapital.com

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COMPLIANCE CERTIFICATE

[as per Regulation 17(8) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015]

- A. I have reviewed the Standalone and Consolidated financial statement(s) and the cash flow statements of M/s. Vivriti Capital Private Limited for the year ended March 31, 2023, and that to the best of my knowledge and belief:
- These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.;
 - These statements together present a true and fair view of the listed entity's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B. There are, to the best of my knowledge and belief, no transactions entered into by the listed entity during the year which are fraudulent, illegal or violative of the listed entity's code of conduct.
- C. I accept responsibility for establishing and maintaining internal controls for financial reporting and that I have evaluated the effectiveness of internal control systems of the listed entity pertaining to financial reporting and I have disclosed to the auditor and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which I am aware and the steps I have taken or propose to take to rectify these deficiencies.
- D. I have indicated to the auditor and the Audit Committee:
- Significant changes, if any, in internal control over financial reporting during the year;
 - That there are no changes in accounting policies during the year and the same have been disclosed in the notes to the financial statements; and
 - instances of significant fraud of which they have become aware and the involvement therein, if any, of the management or an employee having a significant role in the listed entity's internal control system over financial reporting.

For VIVRITI CAPITAL PRIVATE LIMITED

Authorised Signatory

Srinivasaraghavan B
Chief Financial officer
Place: Chennai
Date: 04-05-2023



VIVRITI CAPITAL PRIVATE LIMITED

CIN - U65929TN2017PTC117196
GST - 33AAFCV9757P1ZE (Chennai)
GST - 27AAFCV9757P1Z7 (Mumbai)

www.vivriticapital.com

REGD. OFFICE:

Prestige Zackria Metropolitan, 2nd Floor
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contact@vivriticapital.com

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Mumbai - 400051
Contact: +91-22-6826 6800



CREDAVENUE PRIVATE LIMITED

Secretarial Audit – Presentation to the Board for the
year ended 31st March, 2023.



BP & Associates | Company Secretaries

RISK MATRIX-EXECUTIVE SUMMARY

During the financial year under review and for the purpose of the Audit, we have covered the various laws, rules and regulations as given in the scope of secretarial audit.

The Company have made Issue and allotment of shares under private placement, Adoption of New ESOP Schemes, Reclassification of Authorised Capital, Appointment and resignation of directors, Appointment of Auditors etc. with respect of the compliances required under the companies Act 2013 and there are no material non-compliances observed during the financial year under review.

The company had the stock broker license and have not commenced the operations and subsequently have surrendered its license to SEBI during the audit period under review. We have verified and checked the compliances with respect to the licensing conditions.

The company have also made downstream investments and complied in respect to applicable FEMA Regulations in the timely manner.

Risk Matrix in respect of the compliances have been given below,

| Impact \ Legislation | Degree of Compliance | Degree of Non-Compliance | Overall Rating |
|----------------------|----------------------|--------------------------|----------------|
| Companies Act | High | Low | High |
| FEMA | High | Low | High |

Risk Matrix- Heat Mapping is based on;

- Impact on Compliance
- Impact on Non –Compliance
- Urgency of action on Compliance

| Classification | Risk% |
|----------------|------------|
| Low | >20% |
| Moderate | >=20%,<60% |
| High | >=60%,<80% |
| Critical | >=80% |

Content

- Statute and Scope of the Secretarial Audit.
- Significant Events held during the year.

Statute and Scope of the Secretarial Audit.

Statue – Secretarial Audit

Section 204 of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 :

Credavenue Private Limited (“the Company”) not covered under section 204 of Companies Act, 2013 for conducting the Secretarial Audit for the financial year 2022-23. However, Company has taken voluntarily step to provides an independent assurance of the compliances in the Company.

Scope of the Secretarial Audit

CredAvenue Private Limited is financial-technology company that through its Online Platform Supports Corporate Borrowers & Debt Investors and the audit was conducted with key emphasis on following acts, rules, regulation and directions:

- The Companies Act, 2013, Rules and Standards thereunder;
- The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- Foreign Exchange Management Act - Reserve Bank of India

Significant Events – Credavenue Private Limited

Significant Events - Credavenue

I. Change in Board of Directors

- Mr. Atanu Chakraborty (DIN: 01469375) appointed independent director on 28th September 2022.
- Mr. Mahalingam G (DIN:09660723) appointed as additional director on 10th December, 2022 and subsequently changed as an Independent Director with effect from 04th January 2023.
- Ms. Shuvi Srivastava (DIN:09748791) appointed as an additional director on 03rd January 2022 and subsequently changed as Nominee Director with effect from 04th January 2023.
- Mr. Aditya Sharma (DIN: 08166016) resigned as a Nominee Director from the board with effect from 13th December 2022.
- Mr. Anup Wadhawan (DIN:03565167) as an Additional Director on 18th February 2023 and subsequently changed as Independent Director with effect from 17th April 2023

Significant Events - Credavenue

II. Investments

- The Company has invested INR. 175 crores in Bluevine Technologies Private Limited and consequently it has become Wholly Owned Subsidiary.
- The Company has further invested INR 395 crores in CredAvenue Securities Private Limited, a wholly owned subsidiary of the company.

III. Auditors

- BSR & CO LLP was appointed as Statutory Auditor of the Company for the period of 5 years in the AGM held on 15th July 2022.

Significant Events - Credavenue

IV. ESOP

- The Company has approved YUBI Bonus Conversion Program and grant of Employees Stock Options to eligible employees in the AGM held on 15th July 2022

V. Surrender of License

- The Company has surrendered the Stock Broking license and Membership and the SEBI has approved the same on 12th December 2022.

VI. Reclassification of Authorised Capital

- The Company has Reclassified its Existing Authorized Capital to Equity Shares into Class A- With Voting Rights and Class B - Without Voting Right in the AGM held on 15th July 2022.

Issue and Allotment of Securities

Equity Share Capital :

| S. No | Date of Allotment | Type of issue | Type of security | No. of securities | Value of securities (In INR) |
|-------|-----------------------------|-------------------------------------------------------------------------------------------------|------------------|-------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------|
| 1. | 28 th April 2022 | Issue of shares for consideration other than Cash | Equity Shares | 1,35,520 at INR 971 each (Face Value INR 10 each and Premium of INR 961 each) | Consideration other than cash |
| 2. | 26 th April 2022 | Making first and final calls on equity shares allotted to Mr. Gaurav Kumar & Mr. Vineet Sukumar | Equity Shares | 1,33,36,000 (One Crore Thirty Three Lakhs Thirty Six Thousand) | INR. 20,16,40,320 (Indian Rupees Twenty Crore Sixteen Lakhs Forty Thousand Three Hundred Twenty ONLY) |

Annex IX - Compliance Requirements of Regulation 17 to 27 of SEBI (LODR) Regulations, 2015

| Particulars | Regulation Number | Compliance status (Yes/No/NA) refer note below |
|---------------------------------------------------------------------------------------------------------------------|--------------------------|-------------------------------------------------------|
| Independent director(s) have been appointed in terms of specified criteria of 'independence' and / or 'eligibility' | 16(1)(b) & 25(6) | Yes |
| Board composition | 17(1), 17(1A) & 17(1B) | Yes, with exceptions provided below |
| Meeting of board of directors | 17(2) | Yes |
| Quorum of board meeting | 17(2A) | Yes |
| Review of Compliance Reports | 17(3) | Yes |
| Plans for orderly succession for Appointments | 17(4) | Yes, with exceptions provided below |
| Code of Conduct | 17(5) | Yes |
| Fees/compensation | 17(6) | Yes |
| Minimum Information | 17(7) | Yes |
| Compliance Certificate | 17(8) | Yes |
| Risk Assessment & Management | 17(9) | Yes |
| Performance Evaluation of Independent Directors | 17(10) | Yes |
| Recommendation of board | 17(11) | Yes |
| Maximum number of directorship | 17A | Yes |
| Composition of Audit Committee | 18(1) | Yes |
| Meeting of Audit Committee | 18(2) | Yes |
| Composition of Nomination & Remuneration Committee | 19(1) & (2) | Yes |
| Quorum of Nomination and Remuneration Committee meeting | 19(2A) | Yes |
| Meeting of Nomination & Remuneration Committee | 19(3A) | Yes |
| Composition of Stakeholder Relationship Committee | 20(1), 20(2) and 20(2A) | Yes, with exceptions provided below |
| Meeting of Stakeholder Relationship Committee | 20 (3A) | Yes, with exceptions provided below |

Exception Note:

Exceptions to the points mentioned above / explanation for non-compliance/ partial compliance of Regulation(s) 15 to 27 of Listing Regulations that are applicable to the Company on a comply or explain basis are as follows:

1. Regulation 17 - Composition of Board of Directors

The Company had eight (8) directors until February 2023 with a non-executive chairperson. Subsequently, Mr. Santanu Paul was appointed as the Independent Director of the Company with effect from February 09,

2023, for a period of five (5) years and his appointment was approved by the Members of the Company at the Extra-ordinary General Meeting held on 5th April 2023 to satisfy the Board Composition under Regulation 17.

2. *Regulation 17(1C) – Approval of Shareholders for appointment of a person on Board of Directors*

Mr. Gopal Srinivasan was appointed as the Nominee Director representing one of the investors on the Board of the Company with effect from 27th May 2022. His appointment was approved by the Members of the Company at the Annual General Meeting of the Company held on 22nd September 2022 which is beyond the stipulated period prescribed under Regulation 17(1C) of Listing Regulations. The same was done in order to take up the matter at the Annual General Meeting of the Company, in the interest of time and to avoid holding two different meetings of shareholders.

3. *Regulation 17(4) – Succession Planning*

The “Board and Senior Management Succession Planning Policy” was approved by the Board of Directors at their meeting held on 31st March 2023.

4. *Regulation 20 – Stakeholders Relationship Committee*

The Company had constituted Stakeholders Relationship Committee at the Board meeting held on 8th November 2022 with the stipulated composition as required.

Management Discussion and Analysis report

- Industry structure and developments

- Macroeconomic view

The last two years have seen the global economy show resilience amidst overlapping crises, including the recent liquidity troubles after a series of global bank crises.

Global macroeconomic outlook is highly volatile and undergoing a massive shift. The global growth is forecasted to slow from an estimated 6.1% in 2021 to 3.2% in 2022 and 2.8% in 2023. Global headline inflation in the baseline is set to fall from 8.7% in 2022 to 7% in 2023 on the back of lower commodity prices but underlying inflation is likely to decline more slowly.

While there is a global slowdown, International Monetary Fund (IMF) expects India to grow by 5.9% in FY 2023-24, double of the projected global growth rate this year. India is expected to grow by an average rate of 6.1% and contribute greater than 20% towards global growth in the next five years.

The policies have been pre-emptive and re-calibrated dynamically to the evolving perspective while also increasing market confidence and supporting revival in economic activity. The regulators might continue to adopt a nuanced approach to liquidity management while maintaining adequate liquidity in the system.

- Industry specific updates

Credit offtake rose by 15.0% YoY growth as of Mar'23, in absolute terms, it expanded by INR 17.8 lakh crore to INR 136.8 lakh crore this year from Mar'22. The growth has been driven by robust growth in NBFCs and higher working capital requirements by enterprises.

NBFCs and Fintechs are solving for scale and act as the last mile lenders in catalyzing the delivery of credit and can potentially include > 25% of the incremental credit to the MSME segment in the next 5 years.

The core strength of NBFCs continues to include an underserved customer base, strong distribution, and servicing reach at a quicker pace with a higher risk appetite. Many NBFCs also re-calibrated their business strategies, leveraging digital technology with a strong emphasis on data analytics. Leading firms continue to make significant investments in digital and analytics capabilities across functions as they scale up.

The product offerings by the new-age fintechs are a step towards bridging the credit gap in the country with a focus on sub-prime and new-to-credit customers, categories that traditional banks do not cater to. The industry has entered a new business landscape wherein it needs to continuously strive to innovate and add new products to its toolkit.

Opportunities and Threats

- Opportunities

- The Company ended the financial year FY23 with a PAT of INR 129.29 Cr, i.e., 93% Y-o-Y growth amidst a challenging macro environment, which signifies that the Company is well-placed to meet the scale-up goals in the years to come.
- The Company reimagined enterprise tech and has built capabilities to scale that will enable business growth through the in-house propriety tech products that will enhance speed, flexibility, and client responsiveness.
- Despite the touch current market conditions, India's financial sector remains resilient and stable. Overall, the broadening of economic activity along the fiscal consolidation with a focus on capital spending and the comfortable level of foreign exchange reserves are developments that will further bolster India's macroeconomic stability.

- Threats

- India is in the midst of a steep monetary policy tightening cycle with possible rate hikes owing to unprecedented uncertainty in geopolitics and global economic slowdown.
- The impact of the liquidity troubles triggered by global bank crises could reflect in price pressures, currency dips, trade tensions, and asset price volatility which in turn might compound the current price inflation cycle.

- Segment-wise and product-wise performance

Gross loan disbursements during the year grew 70%+ from the previous year at INR 8,388 Cr in FY22-23 as against INR 4,973 Cr in FY21-22. The Company has increased our total client base to 300+ enterprises while onboarding 350+ new enterprises across products and sectors. The Company partnered with 26+ co-lending partners and 25+ anchors for supply chain programs. The Company substantially expanded its presence across 40+ sectors during the year with new sector exposures in Manufacturing, Electric Vehicles, Fleet Operations, Agri Processing, Metals, Pharmaceuticals, E-Commerce, Real Estate & Construction and much more.

Further, the Company focused on scaling up its products to make the book more granular and diversified, as well as ensure that the Company is more responsive to the needs of its customers. Vivriti Capital had a collection efficiency of 98.3% as of 31st March 2023, which indicates stellar asset quality.

| Products | AUM (In Cr) | % of AUM |
|------------------------------------------------------|-------------|----------|
| Lending and other products to Mid Market Enterprises | 5,836 | 100% |

The Company's liquidity position has enormously improved with 60+ strong partnerships as of date while adding 14 new lenders during the year. Lenders have taken higher exposure with many high ticket loans sanctioned through the year to the Company totalling debt raise of INR 3,992 Cr.

Borrowing Product Wise:

| Products | Borrowing (In Cr) | % of Debt |
|-----------|-------------------|-----------|
| Term Loan | 3,166 | 66% |
| Bonds | 1,416 | 30% |
| WCDL & CP | 180 | 4% |

• Outlook

The Company also expects steady growth in its enterprise lending business and intends to significantly increase its client base while leveraging technology to improve risk management, and ability to manage complexities. The Company aims to continue growing its exposures across products to its borrowers – term loans, working capital, supply chain finance, co-lending, bonds and others . We expect profits to grow steadily with a higher asset base, lower cost of funding, controlled credit cost, and operating expenses. Rising inflation and tightened monetary policies could have a consequential impact due to the ongoing geopolitical tensions.

• Risks and concerns

Vivriti Capital has deployed a three-layered pyramid structure for risk management:

- ***Specialization with centralized decision making:*** Strong credit and risk team, presenting independent views on each new onboarding. All approval decisions are centralized with the Credit Committee or the Credit Subcommittee. For lower ticket sizes, decision making is parameterised.
- ***Technology and policies:*** Leveraging technology to assess the client including independent external data sources has helped VC gain more control on risk monitoring and streamline the process. Phase I of Early Warning Signs (EWS) engine has been rolled out covering comprehensive coverage of the client enabling the analyst to monitor various parameters real-time. Additionally, VC policies restrict maximum exposure size at an entity and Group level thereby leading to granular portfolio at a client level as well as sector level.
- ***Board Overview:*** The Risk Management Committee (“RMC”) chaired by an Independent Director closely oversees the lending book and portfolio management. The Chief Risk

Officer reports into the RMC. The RMC reviews the risk management framework and risk appetite of the Company, examines the adequacy and effectiveness of the risk management policy, and ensures appropriate and adequate reporting to the Board with recommendations. The RMC identifies risk on an ongoing basis, measures its potential impact against a broad set of assumptions, activates what is necessary to manage these risks proactively, and decides the Company's appetite and tolerance for risk.

- **Internal control systems and their adequacy**

Internal control systems at Vivriti Capital are adequate and commensurate with its size and the nature of its operations. The Company's system of internal controls is designed to provide a high degree of assurance regarding the effectiveness and efficiency of operations, the adequacy of safeguards for assets, the reliability of financial controls and compliance with applicable laws and regulations. An internal control framework, including internal financial controls, encompassing clear delegation of authority and standard operating procedures, are available across all businesses and functions. Clear segregation of duties exists between various functions.

The Company has created an Internal Audit Function and appointed the Head of Internal Audit (HIA) as its independent internal auditor. The HIA along with the internal audit team conducts quarterly internal audits of crucial business, functions, and processes to evaluate the completeness and adequacy of internal financial controls of the Company and presents the findings and recommendations to the Audit Committee, chaired by an Independent Director. The internal audit reports are shared with the Statutory auditor of the Company.

- **Discussion on financial performance with respect to operational performance**

The company reported strong financial results for FY 2023:

| P&L Statement | Mar-23 INR Cr | Mar-22 INR Cr |
|------------------------------|--------------------------|--------------------------|
| Total Income | 671 | 352 |
| Interest Income | 599 | 323 |
| Interest Cost | 390 | 199 |
| Provision for Doubtful Debts | 9.2 | 15 |
| Operating Expenses | 91.1 | 47 |
| Profit Before Tax | 173 | 91 |
| Profit After Tax | 129.3 | 67.4 |

| Balance Sheet | Mar-23 INR Cr | Mar-22 INR Cr |
|-------------------------------------|--------------------------|--------------------------|
| Equity | 1,565 | 1,196 |
| Liabilities | 5,121 | 3,587 |
| Borrowings | 4,762 | 3,550 |
| Total Equity and Liabilities | 6,686 | 4,783 |
| Assets | | |
| Cash & cash equivalents | 554 | 753 |
| Loans | 4,540 | 2,961 |
| Investments | 1,403 | 985 |
| Other Assets | 188 | 84 |
| Total Assets | 6,686 | 4,783 |

- Profitability for FY23 has witnessed growth of 93% over FY22 owing to the increase in the total client base to 300+ mid-market enterprises with the disbursal increase of 70%. This has been achieved with 75% provision coverage ratio, resulting in 0.08% NNPA.
 - Asset quality through the year has been consistently well-maintained with GNPA of 0.31%
 - Equity capital of INR 231 Cr was raised as part of second tranche of Series C funding in May 2022. The Company closed the year with a comfortable, unencumbered cash position of INR 345 Cr.
 - Currently investment in subsidiaries is capped at 10% of Net worth of Vivriti Capital.
- **Material developments in Human Resources / Industrial Relations front, including number of people employed:**

During the year, 109 personnel joined the Group at various levels, out of which ~16% were senior hires across teams with a focus on regional expansion. This ensured that there was a high performing, engaged leadership structure with cohesive team in place to drive and support the growth and objectives of the Group.

- Key financial ratios, along with detailed explanations therefor, including:
 - Debt Equity Ratio – 3.05x
 - Net Profit Margin (%) – 19.8%
 - Gross Non-Performing Assets (GNPA) Ratio – 0.31%
 - Net Non-Performing Assets (NNPA) Ratio – 0.08%
 - Total debts to total assets – 71.32%
 - Capital adequacy ratio or capital-to-risk weighted assets ratio (CRAR) – 25.74%

- Details of any change in Return on Net Worth as compared to the immediately previous financial year along with a detailed explanation thereof.

The ROE for FY23 is 8.9% as against 7.8% in FY22. The economy had an adverse impact through the fiscal year owing to the overlapping crises, including disruptive regulatory changes and the recent liquidity troubles after a series of global bank crises. Though it had a ripple effect, the Company was able to maintain stellar asset quality amidst a challenging macro environment owing to stringent credit and risk policies.

B S R & Co. LLP

Chartered Accountants

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No. 1, Harrington Road, Chetpet,
Chennai – 600 031, India.

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Independent Auditor's Report

To the Members of Vivriti Capital Private Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the standalone financial statements of Vivriti Capital Private Limited (the "Company") which comprise the standalone balance sheet as at 31 March 2023, and the standalone statement of profit and loss (including other comprehensive income), standalone statement of changes in equity and standalone statement of cash flows for the year then ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2023, and its profit and other comprehensive loss, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those SAs 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 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 thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our opinion on the standalone financial statements.

Key Audit Matter

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Impairment of loans and advances including off balance sheet elements

Charge: INR 917.00 lakhs for year ended 31 March 2023, Provision: INR 3,915.50 lakhs as at 31 March 2023

Refer Notes 3.6, 6, 7, 19 and 28 to standalone financial statements

B S R & Co. (a partnership firm with Registration No. BA61223) converted into B S R & Co. LLP (a Limited Liability Partnership with LLP Registration No. AAB-8181) with effect from October 14, 2013

Registered Office:

14th Floor, Central B Wing and North C Wing, Nesco IT Park 4, Nesco Center, Western Express Highway, Goregaon (East), Mumbai - 400063

Independent Auditor's Report (Continued)

Vivriti Capital Private Limited

| The key audit matter | How the matter was addressed in our audit |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p>Under Ind AS 109 - Financial Instruments, credit loss assessment is based on expected credit loss (ECL) model. The Company's impairment allowance is derived from estimates including the historical default and loss ratios. Management exercises judgement in determining the quantum of loss based on a range of factors.</p> <p>The determination of impairment loss allowance is inherently judgmental and relies on managements' best estimate due to the following:</p> <p>Segmentation of loans given to the customer.</p> <p>Criteria selected to identify significant increase in credit risk.</p> <p>Increased level of data inputs for capturing the historical data to calculate the Probability of Default ('PDs') and Loss Given Default ("LGD") and the completeness and accuracy of that data.</p> <p>Use of management judgement for considering the forward looking macro-economic factors, economic environment and timing of cash flows.</p> <p>The underlying forecasts and assumptions used in the estimates of impairment loss allowance are subject to uncertainties which are often outside the control of the Company.</p> <p>Given the size of loan portfolio relative to the balance sheet and the impact of impairment loss allowance on the standalone financial statements, we have considered this as a key audit matter.</p> | <p>In view of the significance of the matter, we applied the following key audit procedures, among others to obtain sufficient appropriate audit evidence:</p> <p>Performed process walkthroughs to identify the controls used in the impairment allowance processes.</p> <p>Assessed the design and implementation of controls in respect of the Company's impairment allowance process such as the timely recognition of impairment loss, the completeness and accuracy of reports used in the impairment allowance process and management review processes over the calculation of impairment allowance.</p> <p>Obtained understanding of management's processes, compliance with the RBI circulars pertaining to impairment loss allowance, systems and controls implemented in relation to impairment allowance process including management rationale for determination of criteria of significant increase in credit risk.</p> <p>Evaluated whether the methodology applied by the Company is compliant with the requirements of the relevant accounting standards and confirmed that the calculations are performed in accordance with the approved methodology, including checking mathematical accuracy of the workings.</p> <p>Tested the periods considered for capturing underlying data as base to PD and LGD calculations are in line with Company's recent experience of past observed periods.</p> <p>Tested the accuracy of the key inputs used in the calculation and independently evaluated the reasonableness of the assumptions made.</p> <p>Challenged completeness and validity of impairment allowance including the management overlays, particularly in response to the pandemic with assistance of our financial risk modelling experts by critically evaluating the risks that have been addressed by management.</p> |

Independent Auditor's Report (Continued)

Vivriti Capital Private Limited

| | |
|--|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| | <p>Performed test of details, on a sample basis, on underlying data relating to segmentation, staging as at 31 March 2023 and other key inputs for computation of ECL.</p> <p>Assessed whether the disclosures on key judgements, assumptions and quantitative data with respect to impairment loss allowance in the standalone financial statements are appropriate and sufficient.</p> |
|--|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

Other Information

The Company's Management and Board of Directors are responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements and auditor's report thereon. The annual report is expected to be made available to us after the date of this auditor's report.

Our opinion on the standalone financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take necessary actions, as applicable under the applicable laws and regulations.

Management's and Board of Directors' Responsibilities for the Standalone Financial Statements

The Company's Management and Board of Directors are 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 state of affairs, profit/ loss and other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the 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 and Board of Directors 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 Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Independent Auditor's Report (Continued)

Vivriti Capital Private Limited

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 skepticism 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 control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting in preparation of standalone financial statements 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.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central

Independent Auditor's Report (Continued)

Vivriti Capital Private Limited

Government of India in terms of Section 143(11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2 A. As required by Section 143(3) of the Act, we report that:

- a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c. The standalone balance sheet, the standalone statement of profit and loss (including other comprehensive income), the standalone statement of changes in equity and the standalone statement of cash flows dealt with by this Report are in agreement with the books of account.
- d. In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act.
- e. On the basis of the written representations received from the directors as on 31 March 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2023 from being appointed as a director in terms of Section 164(2) of the Act.
- f. With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

B. 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:

- a. The Company has disclosed the impact of pending litigations as at 31 March 2023 on its financial position in its standalone financial statements - Refer Note 38 to the standalone financial statements.
- b. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts – Refer Notes 7, 14 and 19 to the standalone financial statements.
- c. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
- d (i) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the Note 45 (v) to the standalone financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall 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.
- (ii) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the Note 45 (vi) to the standalone financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Parties ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (iii) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (i) and (ii) above, contain any material misstatement.

Independent Auditor's Report (Continued)

Vivriti Capital Private Limited

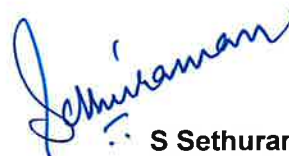
- e. The Company has neither declared nor paid any dividend during the year.
- f. As proviso to rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable for the Company only with effect from 1 April 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 is not applicable.
- C. With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act:

In our opinion and according to the information and explanations given to us, the Company is not a public company. Accordingly, the provisions of Section 197 of the Act are not applicable to the Company. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

For **B S R & Co. LLP**

Chartered Accountants

Firm's Registration No.:101248W/W-100022



S Sethuraman

Partner

Place: Chennai

Date: 04 May 2023

Membership No.: 203491

ICAI UDIN:23203491BGYXWM6245

Annexure A to the Independent Auditor's Report on the Standalone Financial Statements of Vivriti Capital Private Limited for the year ended 31 March 2023

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

- (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.
- (i) (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has a regular programme of physical verification of its Property, Plant and Equipment by which all property, plant and equipment are verified in a phased manner over a period of 3 years. In accordance with this programme, certain property, plant and equipment were verified during the year. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties (other than immovable properties where the Company is the lessee and the leases agreements are duly executed in favour of the lessee) disclosed in the standalone financial statements are held in the name of the Company.
- (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.
- (e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- (ii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company is a Non- Banking Financial Company without accepting deposits (NBFC-ND), primarily engaged in lending activities. Accordingly, it does not hold any physical inventories. Thus, paragraph 3(ii)(a) of the Order is not applicable.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets. In our opinion, the quarterly returns or statements filed by the Company with such banks or financial institutions are in agreement with the books of account of the Company.
- (iii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has made investments, provided guarantee or security, granted loans and advances in the nature of loans, secured or unsecured to companies, limited liability partnership and other parties.
- (a) Based on the audit procedures carried on by us and as per the information and explanations given to us, the principal business of the Company is to give loans. Accordingly, Clause 3(iii)(a) of the order is not applicable.
- (b) According to the information and explanations given to us and based on the audit procedures conducted by us, in our opinion the investments made, guarantees provided, security given during the year and the terms and conditions of the grant of loans and guarantees provided during the year are, prima facie, not prejudicial to the interest of the Company. Further, the Company has not given any advance in the nature of loan to any party during the year.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in the case of loans given, in our opinion the repayment of



**Annexure A to the Independent Auditor's Report on the Standalone Financial Statements of Vivriti Capital Private Limited for the year ended 31 March 2023
(Continued)**

principal and payment of interest has been stipulated by the Company. Having regard to the voluminous nature of loan transactions, it is not practicable to furnish entity-wise details of amounts, due date for repayment or receipt and the extent of delay (as suggested in the Guidance Note on CARO 2020, issued by the Institute of Chartered Accountants of India for reporting under this clause) in this Annexure A, in respect of loans and advances which were not repaid/ paid when they were due or were repaid/ paid with a delay, in the normal course of lending business. Further, except for those instances where there are delays or defaults in repayment of principal and / or interest as at the balance sheet date, in respect of which the Company has disclosed asset classification in note 42.3 (and summarised below) to the standalone financial statements in accordance with Indian Accounting Standards (Ind AS) and the guidelines issued by the Reserve Bank of India, the parties are repaying the principal amounts, as stipulated, and are also regular in payment of interest as applicable.

| Number of customers/ borrowers | Amount (INR Lakhs) | Due Date | Extent of delay |
|-----------------------------------|-----------------------|-------------------|-------------------|
| 8 | 2,995.42 | Various due dates | Up to 30 days |
| 4 | 48.38 | Various due dates | 31 to 89 days |
| 11 | 1,803.97 | Various due dates | more than 90 days |

- (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no overdue amount for more than ninety days in respect of loans (and advance in the nature of loan) given except an amount of INR 1,803.97 lakhs (principal amount) as at 31 March 2023. In our opinion, reasonable steps have been taken by the Company for recovery of the principal and interest. Further, the Company has not given any advance in the nature of loan to any party during the year
- (e) Based on the audit procedures carried on by us and as per the information and explanations given to us, the principal business of the Company is to give loans. Accordingly, Clause 3(iii)(e) of the order is not applicable.
- (f) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment.
- (iv) According to the information and explanations given to us and on the basis of our examination of records of the Company, the provisions of Section 185 of the Companies Act, 2013 ("the Act") is not applicable to the Company. In relation to investments made by the Company, the Company has complied with the provisions of section 186 of the Act, to the extent applicable.
- (v) The Company has not accepted any deposits or amounts which are deemed to be deposits from the public. Accordingly, clause 3(v) of the Order is not applicable.
- (vi) According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under Section 148(1) of the Act for the services provided by it. Accordingly, clause 3(vi) of the Order is not applicable.
- (vii) (a) The Company does not have liability in respect of Service tax, Duty of excise, Sales tax and Value added tax during the year since effective 1 July 2017, these statutory dues has been subsumed into GST.

**Annexure A to the Independent Auditor's Report on the Standalone Financial Statements of Vivriti Capital Private Limited for the year ended 31 March 2023
(Continued)**

According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion amounts deducted / accrued in the books of account in respect of undisputed statutory dues including Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues have generally been regularly deposited with the appropriate authorities, though there have been slight delays in a few cases of Provident Fund.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, no undisputed amounts payable in respect of Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues were in arrears as at 31 March 2023 for a period of more than six months from the date they became payable.

- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no statutory dues relating to Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues, which have not been deposited with the appropriate authorities on account of any dispute.
- (viii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year.
- (ix) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not defaulted in repayment of loans and borrowing or in the payment of interest thereon to any lender.
 - (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a wilful defaulter by any bank or financial institution or government or government authority.
 - (c) In our opinion and according to the information and explanations given to us by the management, term loans were applied for the purpose for which the loans were obtained.
 - (d) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.
 - (e) According to the information and explanations given to us and on an overall examination of the standalone financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries or associates as defined under the Act.
 - (f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries or associate companies (as defined under the Act).
- (x) (a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments). Accordingly, clause 3(x)(a) of the Order is not applicable.
 - (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment of shares or fully or partly convertible debentures during the year. In respect of private placement of equity and preference shares made during the year, the Company has duly complied with the requirements of section 42 and section 62 of the Companies Act, 2013. The proceeds from issue of equity and preference shares have been used for the purposes for which the funds were raised.
- (xi) (a) Based on examination of the books and records of the Company and according to the

**Annexure A to the Independent Auditor's Report on the Standalone Financial Statements of Vivriti Capital Private Limited for the year ended 31 March 2023
(Continued)**

- information and explanations given to us, no fraud by the Company or on the Company has been noticed or reported during the course of the audit.
- (b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.
- (xii) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3(xii) of the Order is not applicable.
- (xiii) The Company is a private limited company and accordingly the requirements as stipulated by the provisions of Section 177 of the Act are not applicable to the Company. In our opinion and according to the information and explanations given to us and on the basis of our examination of records of the Company, transactions with the related parties are in compliance with Section 188 of the Act where applicable and details of such transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.
- (xiv) (a) Based on information and explanations provided to us and our audit procedures, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
- (b) We have considered the internal audit reports of the Company issued till date for the period under audit.
- (xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence, provisions of Section 192 of the Act are not applicable to the Company.
- (xvi) (a) In our opinion and according to the information and explanation provided to us, the Company is required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934 and has obtained the registration.
- (b) In our opinion and according to the information and explanations given to us, the Company has not conducted any Non-Banking Financial or Housing Finance activities without a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934.
- (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.
- (d) According to the information and explanations provided to us, the Group (as per the provisions of the Core Investment Companies (Reserve Bank) Directions, 2016) does not have any CIC.
- (xvii) The Company has not incurred cash losses in the current and in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year. Accordingly, clause 3(xviii) of the Order is not applicable.
- (xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any

**Annexure A to the Independent Auditor's Report on the Standalone Financial Statements of Vivriti Capital Private Limited for the year ended 31 March 2023
(Continued)**

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.

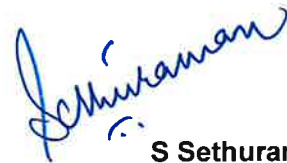
Also refer to the Other Information paragraph of our main audit report which explains that the other information comprising the information included in annual report is expected to be made available to us after the date of this auditor's report.

- (xx) In our opinion and according to the information and explanations given to us, there is no unspent amount under sub-section (5) of Section 135 of the Act pursuant to any project. Accordingly, clauses 3(xx)(a) and 3(xx)(b) of the Order are not applicable.

For **B S R & Co. LLP**

Chartered Accountants

Firm's Registration No.:101248W/W-100022



S Sethuraman

Partner

Place: Chennai

Date: 04 May 2023

Membership No.: 203491

ICAI UDIN:23203491BGYXWM6245

Annexure B to the Independent Auditor's Report on the standalone financial statements of Vivriti Capital Private Limited for the year ended 31 March 2023

Report on the internal financial controls with reference to the aforesaid standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Act

(Referred to in paragraph 2(A)(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Opinion

We have audited the internal financial controls with reference to financial statements of Vivriti Capital Private Limited ("the Company") as of 31 March 2023 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2023, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

Management's and Board of Directors' Responsibilities for Internal Financial Controls

The Company's Management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to financial statements.

Meaning of Internal Financial Controls with Reference to Financial Statements

A company's internal financial controls with reference to financial statements is a process designed to

**Annexure B to the Independent Auditor's Report on the standalone financial statements of Vivriti Capital Private Limited for the year ended 31 March 2023
(Continued)**

provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements include 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 standalone financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the standalone financial statements.

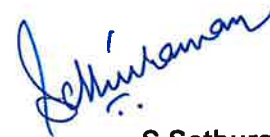
Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

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

For **B S R & Co. LLP**

Chartered Accountants

Firm's Registration No.:101248WW-100022



S Sethuraman

Partner

Place: Chennai

Date: 04 May 2023

Membership No.: 203491

ICAI UDIN:23203491BGYXWM6245

Vivriti Capital Private Limited
Standalone Balance Sheet as at 31 March 2023
(All amounts are in Rupees lakhs, unless stated otherwise)

| Particulars | Note | As at | |
|---------------------------------------------------------------------------------------------|------|-------------------|-------------------|
| | | 31 March 2023 | 31 March 2022 |
| ASSETS | | | |
| Financial assets | | | |
| Cash and cash equivalents | 4 | 29,454.89 | 43,391.04 |
| Bank balances other than cash and cash equivalents | 5 | 25,965.12 | 31,894.68 |
| Derivative financial instruments | 14 | 384.32 | - |
| Receivables | 6 | 773.99 | 423.41 |
| Loans | 7 | 453,997.47 | 296,048.09 |
| Investments | 8 | 140,365.14 | 98,544.16 |
| Other financial assets | 9 | 4,100.15 | 1,821.22 |
| Total financial assets | | 655,041.08 | 472,122.60 |
| Non-financial assets | | | |
| Current tax assets (net) | 10 | 3,245.90 | 1,859.81 |
| Deferred tax assets (net) | 32 | 980.12 | 590.76 |
| Investment property | 11 | 932.84 | 948.61 |
| Property, plant and equipment | 12.1 | 2,466.07 | 719.41 |
| Capital work-in-progress | 12.2 | 400.08 | - |
| Right of use assets | 12.3 | 2,571.15 | 602.98 |
| Intangible assets under development | 12.4 | 238.71 | 14.06 |
| Other intangible assets | 12.5 | 267.95 | 317.99 |
| Other non-financial assets | 13 | 2,446.22 | 1,108.13 |
| Total non-financial assets | | 13,549.04 | 6,161.75 |
| Total assets | | 668,590.12 | 478,284.35 |
| EQUITY AND LIABILITIES | | | |
| LIABILITIES | | | |
| Financial liabilities | | | |
| Derivative financial instruments | 14 | - | 382.00 |
| Trade payables | 15 | | |
| (i) total outstanding dues of micro enterprises and small enterprises | | 14.17 | - |
| (ii) total outstanding dues of creditors other than micro enterprises and small enterprises | | 1,955.81 | 954.58 |
| Debt securities | 16 | 151,887.19 | 107,051.35 |
| Borrowings (other than debt securities) | 17 | 350,101.65 | 247,962.03 |
| Other financial liabilities | 18 | 7,487.56 | 1,756.13 |
| Total financial liabilities | | 511,446.38 | 358,106.09 |
| Non-financial liabilities | | | |
| Provisions | 19 | 351.44 | 191.49 |
| Other non-financial liabilities | 20 | 317.75 | 372.11 |
| Total non-financial liabilities | | 669.19 | 563.60 |
| Total liabilities | | 512,115.57 | 358,669.69 |
| EQUITY | | | |
| Equity share capital | 21 | 1,708.12 | 1,252.24 |
| Convertible preference share capital | 21A | 9,002.20 | 8,739.15 |
| Other equity | 22 | 145,764.23 | 109,623.27 |
| Total equity | | 156,474.55 | 119,614.66 |
| Total equity and liabilities | | 668,590.12 | 478,284.35 |

Significant accounting policies

2 and 3

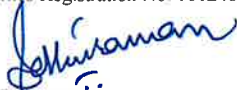
The accompanying notes form an integral part of the standalone financial statements

As per our report of even date attached

for **BSR & Co. LLP**

Chartered Accountants

Firm's Registration No. 101248W/W-100022



S. Sethuraman

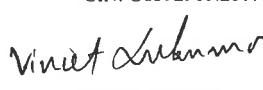
Partner

Membership No: 203491

For and on behalf of the Board of Directors of

Vivriti Capital Private Limited

CIN: U65929TN2017PTC117196



Vineet Sukumar

Managing Director

DIN: 06848801



B. Srinivasaraghavan

Chief Financial Officer



Gaurav Kumar

Director

DIN: 07767248



Amritha Paitenkar

Company Secretary

Membership No: A49121

Place: Chennai

Date: 4 May 2023

Place: Chennai

Date: 4 May 2023

Vivriti Capital Private Limited

Standalone Statement of Profit and Loss for the year ended 31 March 2023

(All amounts are in Rupees lakhs, unless stated otherwise)

| Particulars | Note | Year ended 31 March 2023 | Year ended 31 March 2022 |
|----------------------------------------------------------------------------------|------|-----------------------------|-----------------------------|
| Revenue from operations | | | |
| Interest income | 23 | 59,927.01 | 32,344.09 |
| Fees and commission income | 24 | 2,033.55 | 1,359.31 |
| Net gain on fair value change on financial instruments | 25 | 3,249.87 | 739.71 |
| Net gain on derecognition of financial instruments | | 104.70 | 44.08 |
| Total revenue from operations | | 65,315.13 | 34,487.19 |
| Other income | 26 | 1,806.24 | 679.72 |
| Total income | | 67,121.37 | 35,166.91 |
| Expenses | | | |
| Finance costs | 27 | 39,041.75 | 19,905.55 |
| Impairment on financial instruments | 28 | 917.00 | 1,462.38 |
| Employee benefits expenses | 29 | 5,513.38 | 2,309.07 |
| Depreciation and amortisation | 30 | 769.20 | 487.07 |
| Other expenses | 31 | 3,595.57 | 1,938.79 |
| Total expenses | | 49,836.90 | 26,102.86 |
| Profit before tax | | 17,284.47 | 9,064.05 |
| Tax expense | 32 | | |
| - Current tax | | 4,572.81 | 1,882.70 |
| - Deferred tax charge / (benefit) | | (218.09) | 444.37 |
| Total tax expense | | 4,354.72 | 2,327.07 |
| Net profit after tax | | 12,929.75 | 6,736.98 |
| Other comprehensive income | | | |
| Items that will not be reclassified to profit or loss | | | |
| Remeasurements of the defined benefit asset/ (liability) | | (34.04) | (2.48) |
| Income tax relating to items that will not be reclassified to profit or loss | | 8.57 | 0.62 |
| Sub-total (A) | | (25.47) | (1.86) |
| Items that will be reclassified to profit or loss | | | |
| Fair valuation of financial instruments through other comprehensive income (net) | | (634.75) | 232.31 |
| Changes in cash flow hedge reserve | | (11.70) | (324.77) |
| Income tax relating to items that will be reclassified to profit or loss | | 162.70 | 23.27 |
| Sub-total (B) | | (483.75) | (69.19) |
| Other comprehensive income (A + B) | | (509.22) | (71.05) |
| Total comprehensive income for the year, net of income tax | | 12,420.53 | 6,665.93 |
| Earnings per equity share (Face value INR 10 per share) | 33 | | |
| Basic (₹) | | 77.09 | 53.96 |
| Diluted (₹) | | 13.49 | 7.76 |

Significant accounting policies

2 and 3

The accompanying notes form an integral part of the standalone financial statements

As per our report of even date attached

for **BSR & Co. LLP**

Chartered Accountants

Firm's Registration No. 101248W/W-100022



S Sethuraman

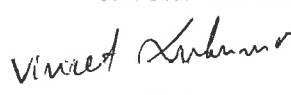
Partner

Membership No: 203491

For and on behalf of the Board of Directors of

Vivriti Capital Private Limited

CIN: U65929TN2017PTC117196



Vineet Sukumar

Managing Director

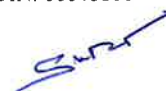
DIN: 06848801



Gaurav Kumar

Director

DIN: 07767248



B Srinivasaraghavan

Chief Financial Officer



Amritha Paitenkar

Company Secretary

Membership No: A49121

Place: Chennai

Date: 4 May 2023

Place: Chennai

Date: 4 May 2023

Vivriti Capital Private Limited
Standalone Statement of Cash flows for the year ended 31 March 2023
(All amounts are in Rupees lakhs, unless stated otherwise)

| Particulars | Year ended 31 March 2023 | Year ended 31 March 2022 |
|-------------------------------------------------------------------------------|-----------------------------|-----------------------------|
| Cash flow from operating activities | | |
| Profit before tax | 17,284.47 | 9,064.05 |
| <i>Adjustments for:</i> | | |
| Depreciation and amortisation | 769.20 | 487.07 |
| Gain on sale of fixed assets | (6.49) | (222.44) |
| Gain on termination of finance leases | - | (220.65) |
| Impairment on financial instruments (net) | 917.00 | 1,462.38 |
| Fair valuation gain on derivative contract | (766.32) | 382.00 |
| Unrealised change in fair value of financial instruments | 543.82 | 252.41 |
| Net gain on derecognition of financial instruments | (104.70) | 44.08 |
| Employee share based payment expenses | 1,202.32 | 78.49 |
| Finance costs | 39,041.75 | 19,905.55 |
| Interest income on bank balances other than cash and cash equivalents | (1,286.02) | (445.98) |
| Stock compensation expenses | - | 407.50 |
| Gain on sale of shares in associate company | (1,622.05) | - |
| Operating Profit before working capital changes | 55,972.98 | 31,194.46 |
| Changes in working capital and other changes | | |
| Increase in loans | (158,761.68) | (136,458.24) |
| (Increase)/Decrease in trade receivables | (350.58) | 0.15 |
| Increase in other financial assets | (2,220.55) | (1,185.52) |
| (Increase)/Decrease in other non-financial assets | (1,338.09) | (586.03) |
| Increase in trade payables | 1,015.40 | 131.75 |
| (Increase) / Decrease in other financial liability | 3,632.51 | 647.41 |
| Increase / (Decrease) in other non-financial liability | (54.36) | 158.18 |
| Increase / (Decrease) in provisions | 125.91 | (280.83) |
| Cash used in operating activities | (101,978.46) | (106,378.67) |
| Finance cost paid | (31,398.30) | (15,346.83) |
| Income tax paid (net) | (5,958.90) | (2,799.28) |
| Net cash flows used in operating activities (A) | (139,335.66) | (124,524.78) |
| Cash flows from investing activities | | |
| Investment in bank balances other than cash and cash equivalents (net) | 6,438.47 | (22,382.88) |
| Interest received on bank balances other than cash and cash equivalents | 777.11 | 342.58 |
| Purchase of property plant and equipment | (2,657.53) | (1,016.36) |
| Sale of property plant and equipment | 173.58 | 644.77 |
| Intangible assets under development (net) | (224.65) | 34.90 |
| Purchase of investments other than alternative investment funds (net) | (27,590.22) | (58,115.52) |
| Investment in alternative investment funds (net) | (14,789.74) | (11,375.66) |
| Proceeds from sale of shares in associate | 1,637.20 | - |
| Net cash flows used in investing activities (B) | (36,235.77) | (91,868.18) |
| Financing activities | | |
| Proceeds from issue of share capital including securities premium | 23,242.21 | 32,554.59 |
| Proceeds from issue of debt securities | 117,343.21 | 84,473.03 |
| Repayment of debt securities | (78,663.46) | (20,832.83) |
| Proceeds from borrowings (other than debt securities issued) | 266,327.85 | 219,786.08 |
| Repayment of borrowings (other than debt securities issued) | (166,194.82) | (69,619.41) |
| Payment of lease liabilities | (419.70) | (395.10) |
| Net cash flows generated from financing activities (C) | 161,635.29 | 245,966.35 |
| Net increase / (decrease) in cash and cash equivalents (A) + (B) + (C) | (13,936.15) | 29,573.39 |
| Cash and cash equivalents at the beginning of the year | 43,391.04 | 13,817.64 |
| Cash and cash equivalents at the end of the year | 29,454.89 | 43,391.04 |




Vivriti Capital Private Limited
Standalone Statement of Cash flows for the year ended 31 March 2023
(All amounts are in Rupees lakhs, unless stated otherwise)

| Particulars | Note | As at | As at |
|------------------------------------------------|------|------------------|------------------|
| | | 31 March 2023 | 31 March 2022 |
| Components of cash and cash equivalents | | | |
| Balances with banks | | | |
| In current accounts | 4 | 29,454.89 | 43,391.04 |
| Total cash and cash equivalents | | 29,454.89 | 43,391.04 |

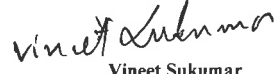
Significant accounting policies 2 and 3
The accompanying notes form an integral part of the standalone financial statements


As per our report of even date attached

for **BSR & Co. LLP**
Chartered Accountants
Firm's Registration No. 101248W/W-100022



S. Sethuraman
Partner
Membership No: 203491

For and on behalf of the Board of Directors of
Vivriti Capital Private Limited
CIN: U65929TN2017PTC117196


Vineet Sukumar
Managing Director
DIN: 06848801


B. Srinivasaraghavan
Chief Financial Officer


Gaurav Kumar
Director
DIN: 07767248


Amritha Paitenkar
Company Secretary
Membership No: A49121

Place: Chennai
Date: 4 May 2023

Place: Chennai
Date: 4 May 2023

Vivriti Capital Private Limited
Standalone Statement of changes in equity for the year ended 31 March 2023
(All amounts are in Rupees lakhs, unless stated otherwise)

A. Equity share capital

| Particulars | Note | Equity Share capital |
|-------------------------------------------------|------|----------------------|
| Balance as at 1 April 2021 | | 1,146.39 |
| Changes in equity share capital during the year | 21 | 105.85 |
| Balance as at 31 March 2022 | | 1,252.24 |
| Changes in equity share capital during the year | 21 | 455.88 |
| Balance as at 31 March 2023 | | 1,708.12 |

B. Convertible preference share capital


| Particulars | Note | Compulsorily Convertible Preference Shares (CCPS) | Optionally Convertible Redeemable Preference Shares (OCRPS) | Total |
|-----------------------------------------------------------------|------|---------------------------------------------------|-------------------------------------------------------------|----------|
| Balance as at 1 April 2021 | | 8,342.06 | 8.11 | 8,350.17 |
| Changes in convertible preference share capital during the year | 21A | 388.98 | - | 388.98 |
| Balance as at 31 March 2022 | | 8,731.04 | 8.11 | 8,739.15 |
| Changes in convertible preference share capital during the year | 21A | 271.16 | (8.11) | 263.05 |
| Balance as at 31 March 2023 | | 9,002.20 | - | 9,002.20 |

C. Other Equity

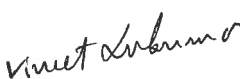
| Particulars | Reserves and Surplus | | | | Other Comprehensive Income | | Total |
|--------------------------------------------------------------------------|----------------------|--------------------|-----------------------------------|-------------------|-----------------------------------|-------------------------|------------|
| | Statutory Reserve | Securities Premium | Employee Stock Option outstanding | Retained Earnings | Financial Instruments through OCI | Cash flow hedge reserve | |
| Balance as at 1 April 2021 | 842.48 | 66,097.26 | 399.71 | 2,742.71 | 135.47 | - | 70,217.63 |
| Changes in equity for the year ended 31 March 2022 (also refer note 8.1) | | | | | | | |
| Shares issued during the year | - | 32,434.19 | - | - | - | - | 32,434.19 |
| Share issue expenses | - | (7.68) | - | - | - | - | (7.68) |
| Stock Compensation expense during the year | - | - | 78.49 | - | - | - | 78.49 |
| Stock compensation expense - recoverable from related parties | - | - | 234.71 | - | - | - | 234.71 |
| Remeasurement of defined benefit liability | - | - | - | (1.86) | - | - | (1.86) |
| Fair valuation of financial instruments (net) | - | - | - | - | 173.84 | - | 173.84 |
| Cash flow hedge reserve | - | - | - | - | - | (243.03) | (243.03) |
| Profit for the year | - | - | - | 6,736.98 | - | - | 6,736.98 |
| Transfer to statutory reserve | 1,347.40 | - | - | (1,347.40) | - | - | - |
| Balance as at 31 March 2022 | 2,189.88 | 98,523.77 | 712.91 | 8,130.43 | 309.31 | (243.03) | 109,623.27 |
| Changes in equity for the year ended 31 March 2023 | | | | | | | |
| Shares issued during the year | - | 22,211.61 | - | - | - | - | 22,211.61 |
| Receipt of balance subscription price of OCRPS | - | 922.23 | - | - | - | - | 922.23 |
| Conversion of OCRPS in to equity shares | - | 64.06 | - | - | - | - | 64.06 |
| Share issue expenses | - | (738.16) | - | - | - | - | (738.16) |
| Stock Compensation expense during the year | - | - | 1,202.32 | - | - | - | 1,202.32 |
| Stock compensation expense - recoverable from related parties | - | - | 58.38 | - | - | - | 58.38 |
| Remeasurement of defined benefit liability | - | - | - | (25.47) | - | - | (25.47) |
| Fair valuation of financial instruments (net) | - | - | - | - | (475.00) | - | (475.00) |
| Cash flow hedge reserve | - | - | - | - | - | (8.76) | (8.76) |
| Profit for the year | - | - | - | 12,929.75 | - | - | 12,929.75 |
| Transfer to statutory reserve | 2,585.95 | - | - | (2,585.95) | - | - | - |
| Balance as at 31 March 2023 | 4,775.83 | 120,983.51 | 1,973.61 | 18,448.76 | (165.69) | (251.79) | 145,764.23 |

Significant accounting policies 2 and 3
The accompanying notes form an integral part of the standalone financial statements
As per our report of even date attached

for **B S R & Co, LLP**
Chartered Accountants
Firm's Registration No. 101248/WW-100022


S Seshuraman
Partner
Membership No. 203491

For and on behalf of the Board of Directors of
Vivriti Capital Private Limited
CIN: U65929TN2017PTC117196


Vineet Sukumar
Managing Director
DIN: 06848801


Ganesh Kumar
Director
DIN: 07767248


Srinivasaraghavan
Chief Financial Officer


Amritha Paitenkar
Company Secretary
Membership No. A49121

Place Chennai
Date: 4 May 2023

Place Chennai
Date: 4 May 2023

1 Corporate Information

Vivriti Capital Private Limited (the Company) is a private limited Company domiciled in India and incorporated on June 22, 2017 under the provisions of the Companies Act, 2013 ("the Act"). The Company is registered with the Reserve Bank Of India ("RBI") under Section 45 IA of the RBI Act, 1934 as Non-Banking Financial Company (Non Deposit Accepting or Holding) (NBFC-ND) with effect from January 5, 2018. The Company is a systematically important Non Banking Finance Company - Investment & Credit Company (ICC) pursuant to circular dated February 22, 2019, issued by the RBI, which is engaged in financing to various corporates through enterprise financing and retail financing through co-lending and supply chain financing. The Company's registered office is at No. 200/1-8, Block-1, Prestige Zackria Metropolitan, Annasalai, Chennai - 600002.

2 Basis of preparation

2.1 Statement of compliance

These Standalone Financial Statements ("financial statements") have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time, notified under Section 133 of the Act, other relevant provisions of the Act and in compliance with RBI requirements in this regard.

These standalone financial statements were authorised for issue by the Company's Board of Directors on 4 May 2023.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to the existing accounting standard requires a change in the accounting policy hitherto in use.

Details of the Company's accounting policies are disclosed in note 3.

2.2 Presentation of financial statements

The Balance Sheet, the Statement of Profit and Loss, Statement of Changes in Equity, are presented in the format prescribed under Division III of Schedule III as amended from time to time, for Non-Banking Financial Company ("NBFC") that are required to comply with Ind AS. The statement of cash flows has been presented as per the requirements of Ind AS 7 Statement of Cash Flows. The Company presents its balance sheet in order of liquidity. An analysis regarding recovery or settlement within 12 months after the reporting date (current) and more than 12 months after the reporting date (non-current) is presented separately in the notes to these financial statements.

Financial assets and financial liabilities are generally reported gross in the balance sheet. They are only offset and reported net when, in addition to having an unconditional legally enforceable right to offset the recognised amounts without being contingent on a future event, the parties also intend to settle on a net basis.

2.3 Functional and presentational currency

These standalone financial statements are presented in Indian Rupees (INR), which is also the Company's functional currency. All amounts have been rounded-off to the nearest lakhs (two decimals), unless otherwise indicated.

2.4 Basis of measurement

The standalone financial statements have been prepared on the historical cost basis except for the following items:

| Items | Measurement basis |
|---------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------|
| Investments in Mutual Funds, Alternative Investment funds and Market Linked Debentures (At FVTPL) | Fair value |
| Investments in Non-convertible debentures and pass through certificates (At FVOCI) | Fair value |
| Derivative Financial instruments | Fair value |
| Liabilities for equity-settled share-based payment arrangements | Fair value |
| Net defined benefit (asset)/ liability | Fair value of plan assets less present value of defined benefit obligations |

2.5 Use of estimates and judgements

The preparation of the financial statements in conformity with Ind AS requires management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. Accounting estimates could change from period to period. Actual results could differ from those estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.



2.5 Use of estimates and judgements (continued)

Information about judgements, estimates and assumptions made in applying accounting policies that have the most significant effects on the amounts recognised in the standalone financial statements is included in the following notes:

i) Business model assessment

Classification and measurement of financial assets depends on the results of business model test and the sole payments of principal and interest ('SPPI') test. The Company determines the business model at a level that reflects how groups of financial assets are managed together to achieve a particular business objective. This assessment includes judgement reflecting all relevant evidence including how the performance of the assets is evaluated and their performance measured, the risks that affect the performance of the assets and how these are managed and how the managers of the assets are compensated. The Company monitors financial assets measured at amortised cost or fair value through other comprehensive income or fair value through profit and loss 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.

ii) Fair value of financial instruments

The fair value of financial instruments is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e. an exit price) regardless of whether that price is directly observable or estimated using another valuation technique. When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be derived from active markets, they are determined using a variety of valuation techniques that include the use of valuation models. The inputs to these models are taken from observable markets where possible, but where this is not feasible, estimation is required in establishing fair values.

iii) Effective Interest Rate ('EIR') method

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

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

iv) Impairment of financial assets

The measurement of impairment losses across all categories of financial assets requires judgement, in particular, the estimation of the amount and timing of future cash flows and collateral values when determining impairment losses and the assessment of a significant increase in credit risk. These estimates are driven by a number of factors, changes in which can result in different levels of allowances.

The Company's expected credit loss ('ECL') calculations are outputs of complex models with a number of underlying assumptions regarding the choice of variable inputs and their interdependencies. Elements of the ECL models that are considered accounting judgements and estimates include :

- a) The Company's criteria for assessing if there has been a significant increase in credit risk and so allowances for financial assets should be measured on a life time expected credit loss ('LTECL') basis.
- b) Development of ECL models, including the various formulas and the choice of inputs.
- c) Determination of associations between macroeconomic scenarios and economic inputs, such as consumer spending, lending interest rates and collateral values, and the effect on probability of default ('PD'), exposure at default ('EAD') and loss given default ('LGD').
- d) Selection of forward-looking macroeconomic scenarios and their probability weightings, to derive the economic inputs into ECL models.



v) Provisions and other contingent liabilities

The Company operates in a regulatory and legal environment that, by nature, has a heightened element of litigation risk inherent to its operations. As a result, it is involved in litigation, arbitration and regulatory inspections in the ordinary course of the Company's business.

When the Company can reliably measure the outflow of economic benefits in relation to a specific case and considers such outflows to be probable, the Company records a provision against the case. Where the outflow is considered to be probable, but a reliable estimate cannot be made, a contingent liability is disclosed.

Given the subjectivity and uncertainty of determining the probability and amount of losses, the Company takes into account a number of factors including legal advice, the stage of the matter and historical evidence from similar incidents. Significant judgement is required to conclude on these estimates.

These estimates and judgements are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances. Management believes that the estimates used in preparation of the standalone financial statements are prudent and reasonable.

vi) Other assumptions and estimation uncertainties

Information about critical judgements in applying accounting policies, as well as estimates and assumptions that have the most significant effect to the carrying amounts of assets and liabilities within the next financial year are included in the following notes:

- a) Measurement of defined benefit obligations: key actuarial assumptions;
- b) Estimated useful life of property, plant and equipment and intangible assets;
- c) Recognition of deferred taxes;
- d) Upfront recognition of Excess Interest Spread (EIS) in relation to assignment transactions.

3 Significant accounting policies

3.1 Revenue Recognition

Revenue (other than for those items to which Ind AS 109 Financial Instruments are applicable) towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of goods sold and services rendered is net of variable consideration, if any. Ind AS 115 Revenue from contracts with customers outlines a single comprehensive model of accounting for revenue arising from contracts with customers and supersedes current revenue recognition guidance found within Ind ASs.

The Company recognises revenue from contracts with customers based on a five step model as set out in Ind AS 115 :

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.

A. Recognition of interest income on financial instruments

Under Ind AS 109, interest income is recorded using the effective interest rate ('EIR') method for all financial instruments measured at amortised cost, financial instrument measured at Fair value through other comprehensive income ('FVOCI') and financial instrument measured at Fair Value Through Profit and Loss ('FVTPL'). The EIR is the rate that exactly discounts estimated future cash receipts through the expected life of the financial instrument or, when appropriate, a shorter period, to the net carrying amount of the financial asset.

The EIR is calculated by taking into account any discount or premium on acquisition, fees and costs that are an integral part of the EIR. The Company recognises interest income using a rate of return that represents the best estimate of a constant rate of return over the expected life of the financial instrument.

If expectations regarding the cash flows on the financial asset are revised for reasons other than credit risk, the adjustment is booked as a positive or negative adjustment to the carrying amount of the asset in the balance sheet with an increase or reduction in interest income. The adjustment is subsequently amortised through Interest income in the statement of profit and loss.

The Company calculates interest income by applying EIR to the gross carrying amount of financial assets other than credit impaired assets.

In case of the penal interest relating to the loans are accounted on the collection basis.

B. Interest income on deposits

Interest income on deposits is recognised on a time proportionate basis.



3.1 Revenue Recognition (continued)

C. Fees and commission income

Arranger fees and advisory fees are recognised after the performance obligation in the contract is fulfilled and commission income such as guarantee commission, service income etc. are recognised on point in time or over the period basis, as applicable.

D. Dividend income

Dividend income (including from FVOCI investments) is recognised when the Company's right to receive the payment is established, it is probable that the economic benefits associated with the dividend will flow to the Company and the amount of the dividend can be measured reliably.

E. Other income

All items of other income is recognized on an accrual basis, when there is no uncertainty in the ultimate realisation / collection.

F. Foreign Currency Transactions

The Company's financial statements are presented in Indian Rupees (INR) which is also the Company's functional currency. Transactions in foreign currencies are initially recorded by the Company at their respective functional currency spot rates at the date the transaction first qualifies for recognition. Income and expenses in foreign currencies are initially recorded by the Company at the exchange rates prevailing on the date of the transaction.

Foreign currency denominated monetary assets and liabilities are translated at the functional currency spot rates of exchange at the reporting date and exchange gains and losses arising on settlement and restatement are recognized in the statement of profit and loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognized in OCI or profit or loss are also recognized in OCI or profit or loss, respectively).

3.2 Financial instruments - Initial recognition

A. Date of recognition

Financial instruments comprise of financial assets and financial liabilities. Financial assets and liabilities are recognized when the company becomes the party to the contractual provisions of the instruments. Financial assets primarily comprise of loans and advances, investments, trade receivables and cash and cash equivalents. Financial liabilities primarily comprise of borrowings and trade payables.

B. Initial measurement of financial instruments

The classification of financial instruments at initial recognition depends on their contractual terms and the business model for managing the instruments. Recognised financial assets and financial liabilities are initially measured at fair value except for trade receivables which are initially measured at transaction price. Transaction costs and revenues that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at FVTPL) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs and revenues directly attributable to the acquisition of financial assets or financial liabilities at FVTPL are recognised immediately in statement of profit or loss.

C. Measurement categories of financial assets and liabilities

The Company classifies all of its financial assets based on the business model for managing the assets and the asset's contractual terms, measured at either:

- i) Amortised cost
- ii) Fair value through other comprehensive income ('FVOCI')
- iii) Fair value through profit and loss ('FVTPL')

3.3 Financial assets and liabilities

A. Financial assets

Business model assessment

The Company determines its business model at the level that best reflects how it manages groups of financial assets to achieve its business objective.

The Company's business model is not assessed on an instrument-by-instrument basis, but at a higher level of aggregated portfolios and is based on observable factors such as:

- a) The performance of the business model and the financial assets held within that business model are evaluated and reported to the Company's key management personnel.
- b) The risks that affect the performance of the business model (and the financial assets held within that business model) and, in particular, the way those risks are managed.
- c) How managers of the business are compensated (for example, whether the compensation is based on the fair value of the assets managed or on the contractual cash flows collected).
- d) The expected frequency, value and timing of sales are also important aspects of the Company's assessment.



3.3 Financial assets and liabilities (continued)

Sole 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 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 a financial asset (for example, if there are repayments of principal or amortisation of the premium/ discount). The most significant elements of interest within a lending arrangement are typically the consideration for the time value of money and credit risk. To make the SPPI assessment, the Company applies judgement and considers relevant factors such as the period for which the interest rate is set.

In contrast, contractual terms that introduce a more than *de minimis* exposure to risks or volatility in the contractual cash flows that are unrelated to a basic lending arrangement do not give rise to contractual cash flows that are solely payments of principal and interest on the amount outstanding. In such cases, the financial asset is required to be measured at FVTPL.

Accordingly, financial assets are measured as follows:

i) Financial assets carried at amortised cost (AC)

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

ii) Financial assets at fair value through other comprehensive income (FVOCI)

A financial asset is measured at FVOCI 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. Since the financial assets are held to sale and collect contractual cash flows, they are measured at FVOCI.

iii) Financial assets at fair value through profit or loss (FVTPL)

A financial asset which is not classified in any of the above categories is measured at FVTPL. The Company records investments in Alternative investment funds (AIF), mutual funds and market linked debentures at FVTPL.

iv) Investment in subsidiaries and associate

The Company has accounted for its investments in subsidiaries and associates at cost.

B. Financial liability

i) Initial recognition and measurement

All financial liabilities are initially recognized at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial liability, which are not at fair value through profit or loss, are adjusted to the fair value on initial recognition.

ii) Subsequent measurement

Financial liabilities are carried at amortized cost using the Effective Interest Rate Method.

3.4 Reclassification of financial assets and liabilities

If the business model under which the Company holds financial assets changes, the financial assets affected are reclassified. The classification and measurement requirements related to the new category apply prospectively from the first day of the first reporting period following the change in business model that result in reclassifying the Company's financial assets. During the current financial year and previous accounting period there was no change in the business model under which the Company holds financial assets and therefore no reclassifications were made.

3.5 Derecognition of financial assets and liabilities

A. Derecognition of financial assets due to substantial modification of terms and conditions

The Company derecognises a financial asset, such as a loan to a customer, when the terms and conditions have been renegotiated to the extent that, substantially, it becomes a new loan, with the difference recognised as a de-recognition gain or loss, to the extent that an impairment loss has not already been recorded.

B. Derecognition of financial assets other than due to substantial modification

i) Financial Assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised when the contractual rights to the cash flows from the financial asset expires or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

On derecognition of a financial asset in its entirety, the difference between the carrying amount (measured at the date of derecognition) and the consideration received (including any new asset obtained less any new liability assumed) is recognised in the statement of profit and loss. Accordingly, gain on sale or derecognition of assigned portfolio are recorded upfront in the statement of profit and loss as per Ind AS 109.

ii) Financial Liability

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expires. Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability. The difference between the carrying value of the original financial liability and the consideration paid is recognised in the statement of profit and loss.



3.6 Impairment of financial assets

A. Overview of Expected Credit Loss ('ECL') principles

In accordance with Ind AS 109, the Company uses ECL model, for evaluating impairment of financial assets other than those measured at fair value through profit and loss (FVTPL).

Expected credit losses are measured through a loss allowance at an amount equal to:

- i) The 12-months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or
- ii) Lifetime expected credit losses (LTECL) (expected credit losses that result from all possible default events over the life of the financial instrument)

Both LTECLs and 12 months ECLs are calculated on collective basis.

Based on the above, the Company categorises its financial assets into Stage 1, Stage 2 and Stage 3, as described below:

Stage 1:

When loans are first recognised, the Company recognises an allowance based on 12 months ECL. Stage 1 loans includes those loans where there is no significant credit risk observed.

Stage 2:

When a loan has shown a significant increase in credit risk since origination, the Company records an allowance for the life time ECL.

Stage 3:

Loans considered credit impaired are the loans which are past due for more than 90 days. The Company records an allowance for life time ECL.

B. Calculation of ECLs

The mechanics of ECL calculations are outlined below and the key elements are, as follows:

PD:

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

EAD:

Exposure at Default ("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. In case of stage 3 loans, EAD represents exposure when the default occurred.

LGD:

Loss Given Default ("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 Company would expect to receive, including from the realisation of any collateral. It is usually expressed as a percentage of the EAD.

The Company has calculated PD, EAD and LGD to determine impairment loss on the portfolio of loans and discounted at an approximation to the EIR. At every reporting date, the above calculated PDs, EAD and LGDs are reviewed and changes in the forward looking estimates are analysed.

The mechanics of the ECL method are summarised below:

Stage 1:

The 12 months ECL is calculated as the portion of LTECLs that represent the ECLs that result from default events on a financial instrument that are possible within the 12 months after the reporting date. The Company calculates the 12 months ECL allowance based on the expectation of a default occurring in the 12 months following the reporting date. These expected 12-months default probabilities are applied to a forecast EAD and multiplied by the expected LGD and discounted by an approximation to the original EIR.

Stage 2:

When a financial asset has shown a significant increase in credit risk since origination, the Company records an allowance for the LTECLs. The mechanics are similar to those explained above, but PDs and LGDs are estimated over the lifetime of the instrument. The expected cash shortfalls are discounted by an approximation to the original EIR.

Stage 3:

For financial assets considered credit-impaired, the Company recognises the lifetime expected credit losses for these financial assets.

C. Financial Assets measured at FVOCI

The ECLs for financial assets measured at FVOCI do not reduce the carrying amount of these financial assets in the balance sheet, which remains at fair value. Instead, an amount equal to the allowance that would arise if the assets were measured at amortised cost is recognised in OCI as an accumulated impairment amount with a corresponding charge to profit or loss. The accumulated loss recognised in OCI is recycled to the profit and loss upon derecognition of the assets.

D. Loan Commitment

When estimating LTECLs for undrawn loan commitments, the Company estimates the expected portion of the loan commitment that will be drawn down over its expected life. The ECL is then based on the present value of the expected shortfalls in cash flows if the loan is drawn down. The expected cash shortfalls are discounted at an approximation to the expected EIR on the loan. For an undrawn loan commitment, ECLs are calculated and presented under provisions.



3.6 Impairment of financial assets (continued)

E. Forward looking information

The Company considers a broad range of forward looking information with reference to external forecasts of economic parameters such as GDP growth, unemployment rates etc., as considered relevant so as to determine the impact of macroeconomic factors on the Company's ECL estimates. The inputs and models used for calculating ECLs are recalibrated periodically through the use of available incremental and recent information. Further, internal estimates of PD, LGD rates used in the ECL model may not always capture all the characteristics of the market / external environment as at the date of the financial statements. To reflect this, qualitative adjustments or overlays are made as temporary adjustments to reflect the emerging risks reasonably.

3.7 Write-offs

The gross carrying amount of a financial asset is written off when there is no reasonable expectation of recovering the asset. If the amount to be written off is greater than the accumulated loss allowance, the difference is first treated as an addition to the allowance that is then applied against the gross carrying amount. Any subsequent recoveries are credited to impairment on financial instruments in the statement of profit and loss.

3.8 Determination of fair value

The Company measures financial instruments such as derivatives, investments etc at fair value at each Balance Sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company has taken into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

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

Level 2 financial instruments: Those where the inputs that are used for valuation and are significant, are derived 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; and

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

3.9 Property, plant and equipment

i. Recognition and measurement

Items of property, plant and equipment are stated at cost, which includes capitalised borrowing costs, less accumulated depreciation and accumulated impairment losses, if any.

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.

Any gain or loss on disposal of an item of property, plant and equipment is recognised in statement of profit or loss.

ii. Subsequent expenditure

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

iii. Depreciation

Depreciation is calculated on cost of items of property, plant and equipment less their estimated residual values over their estimated useful lives using the Straight Line method, and is generally recognised in the statement of profit and loss.

The Company follows estimated useful lives which are given under Part C of the Schedule II of the Companies Act, 2013. The estimated useful lives of items of property, plant and equipment are as follows:

| Asset category | Estimated Useful life |
|---------------------------|-----------------------|
| Computers and accessories | 3 years |
| Servers | 6 years |
| Office equipment | 5 years |
| Furniture and fixtures | 10 years |

Leasehold improvements are depreciated on a straight line basis over the remaining period of lease or estimated useful life of the assets, whichever is lower.

Depreciation on additions (disposals) is provided on a pro-rata basis i.e. from (upto) the date on which asset is ready for use (disposed of)



3.10 Intangible assets

i. Intangible assets

Intangible assets including those acquired by the Company are initially measured at cost. Such intangible assets are subsequently measured at cost less accumulated amortisation and any accumulated impairment losses.

ii. Subsequent expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on internally generated goodwill and brands, is recognised in statement of profit or loss as incurred.

iii. Internally generated:

Expenditure on research activities is recognised in profit or loss as incurred

Development expenditure is capitalised as part of the cost of the resulting intangible asset only if the expenditure can be measured reliably, the product is technically and commercially feasible, future economic benefits are probable, and the Company intends to and has sufficient resources to complete development and to use the asset. Otherwise, it is recognised in profit or loss as incurred. Subsequent to initial recognition, the asset is measured at cost less accumulated amortisation and any accumulated impairment losses.

The Company generally uses the Agile method for platform development activities which is based on iterative/repetition of feature requirements and solutions based on customer expectations/business needs which is carried out through 'sprints'. Research, development, testing, upgrade, minor/major enhancements, etc. are all carried out simultaneously during software development.

Activities associated with research, product planning etc. are expensed. All efforts during the sprints development are considered for capitalisation except for efforts towards defect fix, knowledge acquisition, technical feasibility etc. which are expensed. Efforts towards training, application monitoring etc. are also expensed.

iv. Amortisation

Amortisation is calculated to write off the cost of intangible assets less their estimated residual values over their estimated useful lives using the straight line method, and is included in depreciation and amortisation in statement of profit and loss.

| Asset category | Estimated Useful life |
|--------------------|-----------------------|
| Computer softwares | 4 years |

Amortisation method, useful lives and residual values are reviewed at the end of each financial year and adjusted if appropriate.

3.11 Investment property

Investment property represents property held to earn rentals or for capital appreciation or both. Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any.

Depreciation on building classified as investment property has been provided on the straight-line method over a period of 60 years based on the Company's estimate of their useful lives taking into consideration technical factors, which is the same as the period prescribed in Sch II to the Companies Act 2013.

Though the Company measures investment property using cost based measurement, the fair value of investment property is disclosed in the notes. Fair values are determined based on an annual evaluation performed by an external independent valuer applying valuation models. Investment properties are derecognised either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in the statement of profit and loss in the period of derecognition.

3.12 Impairment of non-financial assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or Group of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

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. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The Company bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Company's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year.

To estimate cash flow projections beyond periods covered by the most recent budgets/forecasts, the Company extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. In any case, this growth rate does not exceed the long-term average growth rate for the products, industries, or country or countries in which the entity operates, or for the market in which the asset is used. Impairment losses of continuing operations, are recognised in the statement of profit and loss.



3.12 Impairment of non-financial assets (continued)

For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit or loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

3.13 Employee benefits

i. Post-employment benefits

Defined contribution plan

The Company's contribution to provident fund are considered as defined contribution plan and are charged as an expense as they fall due based on the amount of contribution required to be made and when the services are rendered by the employees.

Defined benefit plans

Gratuity

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Company'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').

Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses and the effect of the asset ceiling (if any, excluding interest), are recognised in OCI. The 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 statement of 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.

ii. Other long-term employee benefits

Compensated absences

The employees can carry forward a portion of the unutilised accrued compensated absences and utilise it in future service periods or receive cash compensation on termination of employment. Since the compensated absences do not fall due wholly within twelve months after the end of such period, the benefit is classified as a long-term employee benefit. The Company records an obligation for such compensated absences in the period in which the employee renders the services that increase this entitlement. The obligation is measured on the basis of independent actuarial valuation using the projected unit credit method.

iii. Short-term employee benefits

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognized during the year when the employees render the service. These benefits include performance incentive and compensated absences which are expected to occur within twelve months after the end of the year in which the employee renders the related service. The cost of such compensated absences is accounted as under :

- (a) in case of accumulated compensated absences, when employees render the services that increase their entitlement of future compensated absences; and
- (b) in case of non-accumulating compensated absences, when the absences occur.

iv. Share Based Payments

The Company operates an Employee Stock Option Scheme for its employees through a trust (ESOP Trust) formed for the purpose. Equity shares are issued to the trust on the basis of the Company's expectation of the number of options that may be exercised by employees. 'Stock options are granted to the employees under the stock option scheme. The costs of stock options granted to the employees (equity-settled awards) is determined by the fair value at the date when the grant is made using Black-Scholes option pricing valuation model. For each stock option, the measurement of fair value is performed on the grant date.

The grant date is the date on which the Company and the employees agree to the stock option scheme. The fair value so determined is revised only if the stock option scheme is modified in a manner that is beneficial to the employees. This cost is recognised, together with a corresponding increase in Employee Stock Option outstanding reserves in other equity, over the period in which the performance and/or service conditions are fulfilled in employee benefits expense. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Company's best estimate of the number of equity instruments that will ultimately vest.



3.13 Employee benefits (continued)

The statement of profit and loss expense or credit for a period represents the movement in cumulative expense recognised as at the beginning and end of that period and is recognised in employee benefits expense. The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share. If the options vests in instalments (i.e. the options vest pro rata over the service period), then each instalment is treated as a separate share option grant because each installment has a different vesting period.

The balance equity shares not exercised and held by the ESOP Trust are disclosed as a reduction from the share capital and securities premium account with an equivalent adjustment to the subscription loan advanced to the Trust.

3.14 Income tax

Income tax comprises current and deferred tax. It is recognised in statement of profit or loss except to the extent that it relates to a business combination or to an item recognised directly in equity or in other comprehensive income.

i. Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date.

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.

Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions when appropriate.

ii. Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax is also recognised in respect of carried forward tax losses and tax credits. Deferred tax is not recognised for:

- temporary differences arising on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss at the time of the transaction;
- temporary differences related to investments in subsidiaries, associates and joint arrangements to the extent that the Company is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future.

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which they can be used. The existence of unused tax losses is strong evidence that future taxable profit may not be available. Therefore, in case of a history of recent losses, the Company recognises a deferred tax asset only to the extent that it has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profit will be available against which such deferred tax asset can be realised. Deferred tax assets – unrecognised or recognised, are reviewed at each reporting date and are recognised/ reduced to the extent that it is probable/ no longer probable respectively that the related tax benefit will be realised.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date.

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

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

3.15 Leases

The Company as lessee:

The Company's lease asset classes primarily consist of leases for office premises. 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 ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee.

Certain lease arrangements include the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

ROU assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.



3.15 Leases (continued)

ROU assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option.

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

Estimating the incremental borrowing rate

The Company cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Company would have to pay for its borrowings.

3.16 Trade receivables

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition. The Company uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated for changes in the forward looking estimates.

3.17 Borrowing cost

Borrowing costs are interest and other costs incurred in connection with the borrowings of funds. Borrowing costs directly attributable to acquisition or construction of an asset which necessarily take a substantial period of time to get ready for their intended use are capitalized as part of the cost of the asset. Other borrowings costs are recognized as an expense in the statement of profit and loss account on an accrual basis using the Effective Interest Rate Method.

3.18 Hedge Accounting policy

The Company makes use of derivative instruments to manage exposures to interest rate and foreign currency. In order to manage particular risks, the Company applies hedge accounting for transactions that meet specific criteria.

At the inception of a hedge relationship, the Company formally designates and documents the hedge relationship to which the Company wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge. The documentation includes the Company's risk management objective and strategy for undertaking hedge, the hedging / economic relationship, the hedged item or transaction, the nature of the risk being hedged, hedge ratio and how the Company would assess the effectiveness of changes in the hedging instrument's fair value in offsetting the exposure to changes in the hedged item's fair value or cash flows attributable to the hedged risk. Such hedges are expected to be highly effective in achieving offsetting changes in fair value or cash flows and are assessed on an on-going basis to determine that they actually have been highly effective throughout the financial reporting periods for which they were designated

Cash flow hedges

A cash flow hedge is a hedge of the exposure to variability in cash flows that is attributable to a particular risk associated with a recognized asset or liability (such as all or some future interest payments on variable rate debt) or a highly probable forecast transaction and could affect profit and loss.

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).

The ineffective portion of the gain or loss on the hedging instrument is recognised immediately in Finance Cost in the statement of profit and loss.

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. When the forecast transaction subsequently results in the recognition of a non-financial asset or a non-financial liability, the gains and losses previously recognized in OCI are reversed and included in the initial cost of the asset or liability.

When a hedging instrument expires, is sold, terminated, exercised, or when a hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss that has been recognized in OCI at that time remains in OCI and is recognized when the hedged forecast transaction is ultimately recognised in the statement of profit and loss. When a forecast transaction is no longer expected to occur, the cumulative gain or loss that was reported in OCI is immediately transferred to the statement of profit and loss.

3.19 Cash and cash equivalents

Cash and cash equivalents comprises current account balances and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.



3.20 Segment reporting- Identification of segments:

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses, whose operating results are regularly reviewed by the Company's Chief Operating Decision Maker (CODM) to make decisions for which discrete financial information is available. Based on the management approach as defined in Ind AS 108, the CODM evaluates the Company's performance and allocates resources based on an analysis of various performance indicators by business segments and geographic segments.

All activities of the Company revolve around the main business of financing. The Company does not have any separate geographic segment other than India. Therefore, there are no separate reportable segments as per Ind AS 108 on "Operating Segments".

3.21 Earnings per share

The Company reports basic and diluted earnings per equity share in accordance with Ind AS 33, Earnings Per Share. Basic earnings per equity share is computed by dividing net profit / loss after tax attributable to the equity share holders for the year by the weighted average number of equity shares outstanding during the year. Diluted earnings per equity share is computed and disclosed by dividing the net profit/ loss after tax attributable to the equity share holders for the year after giving impact of dilutive potential equity shares for the year by the weighted average number of equity shares and dilutive potential equity shares outstanding during the year, except where the results are anti-dilutive.

3.22 Cash flow statement

Cash flows are reported using the indirect method, whereby profit after tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from regular revenue generating, financing and investing activities of the Company are segregated. Cash flows in foreign currencies are accounted at the actual rates of exchange prevailing at the dates of the transactions.

3.23 Securities Premium Account

Securities premium is credited when shares are issued at premium. It can be used to issue bonus shares, to provide for premium on redemption of shares and issue expenses of securities which qualify as equity instruments.

3.24 Goods and Services Input Tax Credit

Input Tax Credit is accounted for in the books in the period when the underlying service / supply received is accounted to the extent permitted as per the applicable regulatory laws and when there is no uncertainty in availing / utilising the same. The ineligible input credit is charged off to the respective expense or capitalised as part of asset cost as applicable.

3.25 Provisions, Contingent Assets and Contingent Liabilities

Provisions are recognised only when:

- (i) The Company has a present obligation (legal or constructive) as a result of a past event;
- (ii) It is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and
- (iii) A reliable estimate can be made of the amount of the obligation.

Provision is measured using the cash flows estimated to settle the present obligation and when the effect of time value of money is material, the carrying amount of the provision is the present value of those cash flows.²

Contingent liability is disclosed in case of:

- (i) A present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation; or
- (ii) A present obligation arising from past events, when no reliable estimate is possible.

Where the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under such contract, the present obligation under the contract is recognised and measured as a provision.

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

Provisions, contingent liabilities and contingent assets are reviewed at each Balance Sheet date.



3.26 Commitments

Commitments are future liabilities for contractual expenditure, classified and disclosed as follows:

- a) Estimated amount of contracts remaining to be executed on capital account and not provided for;
- b) Uncalled liability on shares and other investments partly paid; and
- c) Other non-cancellable commitments, if any, to the extent they are considered material and relevant in the opinion of management.

3.27 Recent accounting pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 31, 2023, MCA amended the Companies (Indian Accounting Standards) Rules, 2015 by issuing the Companies (Indian Accounting Standards) Amendment Rules, 2023, applicable from April 1, 2023, as below:

Ind AS 1 – Presentation of Financial Statements

The amendments require companies to disclose their material accounting policies rather than their significant accounting policies. Accounting policy information, together with other information, is material when it can reasonably be expected to influence decisions of primary users of general purpose financial statements. The Company does not expect this amendment to have any significant impact in its financial statements.

Ind AS 12 – Income Taxes

The amendments clarify how companies account for deferred tax on transactions such as leases and decommissioning obligations. The amendments narrowed the scope of the recognition exemption in paragraphs 15 and 24 of Ind AS 12 (recognition exemption) so that it no longer applies to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences. The Company is evaluating the impact, if any, in its financial statements.

Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors

The amendments will help entities to distinguish between accounting policies and accounting estimates. The definition of a change in accounting estimates has been replaced with a definition of accounting estimates. Under the new definition, accounting estimates are "monetary amounts in financial statements that are subject to measurement uncertainty". Entities develop accounting estimates if accounting policies require items in financial statements to be measured in a way that involves measurement uncertainty. The Company does not expect this amendment to have any significant impact in its financial statements.



Vivriti Capital Private Limited

Notes to the standalone financial statements for the year ended 31 March 2023

(All amounts are in Rupees lakhs, unless stated otherwise)

| Particulars | As at | As at |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------|------------------|
| | 31 March 2023 | 31 March 2022 |
| 4 Cash and cash equivalents | | |
| Balances with banks | | |
| In current accounts | 29,454.89 | 43,391.04 |
| | <u>29,454.89</u> | <u>43,391.04</u> |
| 5 Bank balances other than cash and cash equivalents | | |
| Bank balances other than cash and cash equivalents | | |
| - In deposit accounts - under lien* | 25,965.12 | 31,894.68 |
| | <u>25,965.12</u> | <u>31,894.68</u> |
| *These deposits are earmarked against the bank overdraft and borrowings availed by the Company stated in Note 17 and earns interest at fixed rate ranging from 2.50% p.a to 8.3% p.a. | | |
| 6 Receivables | | |
| Trade receivables considered good - secured | - | - |
| Trade receivables considered good - unsecured | 773.99 | 423.41 |
| Trade receivables which have significant increase in credit risk | - | - |
| Trade receivables credit impaired | 200.24 | 196.24 |
| | <u>974.23</u> | <u>619.65</u> |
| Loss allowance | | |
| Less: Impairment loss allowance | (200.24) | (196.24) |
| Net trade receivables | <u>773.99</u> | <u>423.41</u> |
| Note: | | |
| Of the above, receivable from related parties are as below | | |
| Total receivables from related parties (refer note 36) | 685.80 | 172.40 |
| Less: Impairment loss allowance | - | - |
| Net receivables from related parties | <u>685.80</u> | <u>172.40</u> |



Vivriti Capital Private Limited
Notes to the standalone financial statements for the year ended 31 March 2023
(all amounts are in Rupees lakhs, unless stated otherwise)

6.1 The ageing schedule of Trade receivables is as follows

i) As at 31 March 2023

| Particulars | Not Due | Outstanding for following periods from date of invoice | | | | Total |
|------------------------------------------------------------------------------------|---------|--------------------------------------------------------|-----------|--------------|-------------------|-----------------|
| | | Less than 6 months | 1-2 years | 2-3 years | More than 3 years | |
| (i) Undisputed Trade receivables – considered good | - | 773.99 | - | - | - | 773.99 |
| (ii) Undisputed Trade receivables – which have significant increase in credit risk | - | - | - | - | - | - |
| (iii) Undisputed Trade Receivables – credit impaired | - | - | 4.00 | 28.98 | 167.26 | 200.24 |
| (iv) Disputed Trade Receivables – considered good | - | - | - | - | - | - |
| (v) Disputed Trade receivables – which have significant increase in credit risk | - | - | - | - | - | - |
| (vi) Disputed Trade Receivables – credit impaired | - | - | - | - | - | - |
| Impairment loss allowance | - | - | 4.00 | 28.98 | 167.26 | 974.23 |
| Total Receivables | - | 773.99 | - | 28.98 | 167.26 | 974.23 |
| | | | | | | (200.24) |
| | | | | | | 773.99 |

ii) As at 31 March 2022

| Particulars | Not Due | Outstanding for following periods from date of invoice | | | | Total |
|------------------------------------------------------------------------------------|---------|--------------------------------------------------------|-----------|---------------|-------------------|-----------------|
| | | Less than 6 months | 1-2 years | 2-3 years | More than 3 years | |
| (i) Undisputed Trade receivables – considered good | - | 423.41 | - | - | - | 423.41 |
| (ii) Undisputed Trade receivables – which have significant increase in credit risk | - | - | - | - | - | - |
| (iii) Undisputed Trade Receivables – credit impaired | - | - | 28.98 | 167.26 | - | 196.24 |
| (iv) Disputed Trade Receivables – considered good | - | - | - | - | - | - |
| (v) Disputed Trade receivables – which have significant increase in credit risk | - | - | - | - | - | - |
| (vi) Disputed Trade Receivables – credit impaired | - | - | - | - | - | - |
| Impairment loss allowance | - | - | 28.98 | 167.26 | - | 619.65 |
| Total Receivables | - | 423.41 | - | 167.26 | - | 619.65 |
| | | | | | | (196.24) |
| | | | | | | 423.41 |



✓ Vivriti Capital Private Limited

Notes to the standalone financial statements for the year ended 31 March 2023

(All amounts are in Rupees lakhs, unless stated otherwise)

| 7 Loans (at Amortised cost) | | |
|---------------------------------|-------------------|-------------------|
| A Based on nature | | |
| Term loans | 430,784.45 | 280,887.85 |
| Supply chain finance | 26,675.89 | 17,809.14 |
| Others | 238.04 | 234.65 |
| Total - Gross | 457,698.38 | 298,931.64 |
| Less: Impairment loss allowance | (3,700.91) | (2,883.55) |
| | 453,997.47 | 296,048.09 |
| B Based on security | | |
| (i) Secured* | 273,943.87 | 212,147.41 |
| (ii) Unsecured | 183,754.51 | 86,784.23 |
| Total - Gross | 457,698.38 | 298,931.64 |
| Less: Impairment loss allowance | (3,700.91) | (2,883.55) |
| | 453,997.47 | 296,048.09 |
| C Based on region | | |
| (i) Loans in India | | |
| (a) Public Sector | - | - |
| (b) Others | 457,698.38 | 298,931.64 |
| (ii) Loans outside India | | |
| | - | - |
| Total - Gross | 457,698.38 | 298,931.64 |
| Less: Impairment loss allowance | (3,700.91) | (2,883.55) |
| | 453,997.47 | 296,048.09 |

*These loans are secured by way of hypothecation of underlying loan/book debts/receivables, mortgage of immovable property and pledge of securities etc

Note : The Company has not granted any loans or advances in the nature of loans to promoters, directors, Key managerial personnels (KMPs), and the related parties, either severally or jointly with any other person that are repayable on demand or without specifying any terms or period of repayment.

Details of loans to related parties (Also refer note 36)

| | | |
|-------------------------------------|------------------|-----------------|
| Loans to related parties | 14,583.01 | 6,316.06 |
| Less: Impairment loss allowance | (58.33) | (25.26) |
| Net loans to related parties | 14,524.68 | 6,290.80 |



Vivriti Capital Private Limited
Notes to the standalone financial statements for the year ended 31 March 2023
(All amounts are in Rupees lakhs, unless stated otherwise)

| Particulars | As at 31 March 2023 | As at 31 March 2022 |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------|------------------------|
| 8 Investments | | |
| Investment in subsidiaries at cost (Unquoted) | | |
| - Vivriti Asset Management Private Limited 16,892,746 Equity shares of INR 10 each fully paid up (As at 31 March 2022: 16,892,746 shares of INR 10 each) | 2,751.00 | 2,751.00 |
| - Vivriti Asset Management Private Limited 4,672,897 Compulsorily convertible preference shares shares of INR 10 each fully paid up (As at 31 March 2022: 2,803,738 shares of Rs.10 each) | 5,000.00 | 3,000.00 |
| Investment in associate at cost (Unquoted) | | |
| Credavenue Private Limited 49,858,474 Equity shares of INR 10 each fully paid up (As at 31 March 2022: 50,010,000 Equity shares of INR 10 each) (Credavenue Private Limited was a subsidiary till 20 September 2021) (Also refer note 8.1 below) | 4,985.85 | 5,001.00 |
| | 12,736.85 | 10,752.00 |
| Investments in Alternate investment fund at FVTPL (Unquoted) | | |
| - Vivriti Samartha Bond Fund - Nil Class A units (31 March 2022 :2,500 units) | - | 342.73 |
| - Vivriti Short Term Bond Fund - 3,188.69 units (31 March 2022 : Nil) | 326.48 | - |
| - Vivriti India Impact Bond Fund - 7,999.25 units (31 March 2022: 12,686.08 units) | 890.40 | 1,421.84 |
| - Vivriti Emerging Corporate Bond Fund - 42,500 Class A1 units (31 March 2022: 34,054.32 units) | 4,461.43 | 3,472.82 |
| - Vivriti Emerging Corporate Bond Fund - 76,371.62 Class XA1 units (31 March 2022: 44,320.30) | 14,253.86 | 4,491.18 |
| - Vivriti Alpha debt fund - Nil Class B1 units (31 March 2022: 3,930.83 units) | - | 391.51 |
| - Vivriti Alpha debt fund enhanced - Nil Class B1 units (31 March 2022 : 1,472.97 units) | - | 146.71 |
| - Vivriti Promising lenders fund - 524,708.33 Class B units (31 March 2022: 203,000 units) | 5,356.84 | 2,021.88 |
| - Vivriti Promising lenders fund - 174,902.78 Class C1 units (31 March 2022: Nil) | 1,789.40 | - |
| | 27,078.41 | 12,288.67 |
| Investments in Mutual Funds at FVTPL (Quoted) | | |
| Bandhan Ultra Short term Fund Direct plan - Growth (erstwhile IDFC Overnight Fund Direct plan - Growth) - 9,172,450,719 units (31 March 2022: 88,461.68 units) | 1,200.00 | 1,002.96 |
| Axis Overnight Fund Direct Plan - Growth - 84,361.363 units (As at 31 March 2022: 89,508.18 units) | 1,000.00 | 1,005.93 |
| Nippon India Overnight Fund Direct Plan - Growth Nil units (As at 31 March 2022: 877,472.17 units) | - | 1,001.95 |
| Nippon India Liquid Fund Direct Plan - Growth 14,536.253 units (As at 31 March 2022: Nil) | 800.50 | - |
| Canara Robeco Liquid Fund - Direct Growth - 1,869.822 units (As at 31 March 2022: Nil) | 50.43 | - |
| HSBC Liquid Fund - Direct Growth - 35,698.96 units (As at 31 March 2022: Nil) | 800.42 | - |
| Invesco India Overnight Fund - Direct Plan Growth - 1,86,822.345 units (As at 31 March 2022: Nil) | 2,116.28 | - |
| UTI Liquid cash plan - Direct Plan Growth - 5,424.535 units (As at 31 March 2022: Nil) | 200.00 | - |
| Sundaram Overnight Fund - Direct Growth - 83,953.607 units (As at 31 March 2022: Nil) | 999.95 | - |
| | 7,167.58 | 3,010.85 |
| Investments in Commercial Papers at amortised cost (Unquoted) | 3,974.40 | - |
| Investments in Market Linked Debentures at FVTPL (Unquoted) | 15,740.98 | 20,155.04 |
| Other investments at FVOCI (Unquoted) | | |
| - Non convertible debentures | 40,730.34 | 22,496.10 |
| - Pass through certificates | 32,936.58 | 29,841.50 |
| | 140,365.14 | 98,544.16 |
| All investments disclosed above represents investments made in India. | | |
| Aggregate cost value of quoted investments | 7,166.00 | 3,005.29 |
| Aggregate market value of quoted investments | 7,167.58 | 3,010.85 |
| Aggregate amount of fair value changes in investments | 1.58 | 5.56 |



Vivriti Capital Private Limited**Notes to the standalone financial statements for the year ended 31 March 2023***(All amounts are in Rupees lakhs, unless stated otherwise)***8.1 Change in ownership interests in Credavenue Private Limited (CAPL)****A. Shareholder related transactions**

On 12 August 2021, the Company had received an offer for subscribing to the rights issue of 13,336,000 equity shares of its then wholly owned subsidiary "Credavenue Private Limited" ("CAPL") at an issue price of INR 15 per share. The management of CAPL had obtained a fair valuation report from a registered valuer with value of INR 15 per share and a fairness opinion from another independent chartered accountant firm on the aforesaid report.

In view of its strategic outlook and regulatory aspects, the Company did not seek to subscribe to such rights and renounced the rights entitlement on the aforesaid date in favor of Vineet Sukumar and Gaurav Kumar, in their capacity as founder shareholders of the Company ("Founder shareholders") without any consideration (to be received by VCPL) for the rights renunciation. This has been approved / ratified subsequently by the Board of directors including the investor shareholders of the Company.

Subsequently, on 13 August 2021, the founder shareholders subscribed to the rights issue of equity shares of CAPL and consequently, the holding in CAPL reduced from 100% to 80%.

During the same time, CAPL was also in discussion with various external investors for its first round of fund raising and subsequently, during September 2021, concluded the fund raise through issue of Series A CCPS at an issue price of INR 351 per share (also refer note B below).

The Company has evaluated the aforesaid shareholder transactions forming part of equity and believes that there are no material financial reporting / tax implications arising therefrom.

Loss / Dilution of control

CAPL did its first round of fund raise of INR 66,100 lakhs in September 2021 through issue of 19,115,999 number of Series A CCPS shares to various external investors at an issue price of INR 351 (including a premium of INR 301 per share). Consequent to the Series A funding in CAPL, VCPL's shareholding on a fully diluted basis, reduced to 58% and on the basis of the shareholders' agreement dated 20 September 2021, VCPL did not retain control over CAPL. As a consequence, CAPL became an associate of VCPL with effect from such date. Accordingly, the Company has elected to continue measuring its investment in CAPL at cost.

On 6 March 2022, CAPL did another round of fund raise of INR 102,800 lakhs, through issue of 10,590,170 number of Series B CCPS to various external investors at an issue price per of INR 971 (including a premium of INR 921 per share).

Further, during the current year, pursuant to further issuance of shares by CAPL and sale of 151,526 CAPL shares by VCPL, the shareholding of VCPL in CAPL stands at 50.30% as at 31 March 2023.

| | As at 31 March 2023 | As at 31 March 2022 |
|------------------------------------------------|------------------------|------------------------|
| 9 Other financial assets | | |
| Security deposits | 451.30 | 257.74 |
| Dues from related parties (also refer note 36) | 1,549.22 | 1,303.34 |
| Receivable from assigned loans | 250.46 | 9.86 |
| Other receivables | 1,849.17 | 250.28 |
| | <u>4,100.15</u> | <u>1,821.22</u> |
| 10 Current tax assets (net) | | |
| Advance income tax (net of provisions) | 3,245.90 | 1,859.81 |
| | <u>3,245.90</u> | <u>1,859.81</u> |
| 11 Investment property | | |
| Investment property | 932.84 | 948.61 |
| | <u>932.84</u> | <u>948.61</u> |



Vivriti Capital Private Limited**Notes to the standalone financial statements for the year ended 31 March 2023***(All amounts are in Rupees lakhs, unless stated otherwise)***11.1 Investment Property****A. Reconciliation of carrying amount**

| Particulars | Building | Total |
|------------------------------------|-----------------|---------------|
| Gross carrying amount | | |
| Balance as at 1 April 2021 | - | - |
| Additions | 948.61 | 948.61 |
| Deletions | - | - |
| Balance as at 31 March 2022 | 948.61 | 948.61 |
| Additions | - | - |
| Deletions | - | - |
| Balance as at 31 March 2023 | 948.61 | 948.61 |
| Accumulated depreciation | | |
| Balance as at 1 April 2021 | - | - |
| Additions | - | - |
| Deletions | - | - |
| Balance as at 31 March 2022 | - | - |
| Additions | 15.77 | 15.77 |
| Deletions | - | - |
| Balance as at 31 March 2023 | 15.77 | 15.77 |
| Net carrying amount | | |
| As at 31 March 2022 | 948.61 | 948.61 |
| As at 31 March 2023 | 932.84 | 932.84 |
| Fair value | | |
| As at 31 March 2022 | 948.61 | 948.61 |
| As at 31 March 2023 | 950.00 | 950.00 |

Investment property comprises one commercial property that is leased to a third party. The Company has measured the investment property at cost. The fair value of investment property (as measured for disclosure purposes in the financial statements) is based on the valuation by a registered valuer as defined under rule 2 of Companies (Registered Valuers and Valuation) Rules, 2017.

B. Amounts recognised in profit or loss

Rental income recognised by the Company during the year ended 31 March 2023 was INR 21.21 lakhs (31 March 2022: Nil) and was included in 'Other income' (refer Note 26).



Vivriti Capital Private Limited
Notes to the standalone financial statements for the year ended 31 March 2023
(All amounts are in Rupees lakhs, unless stated otherwise)

12.1 Property, plant and equipment

| Particulars | Leasehold improvements | Furniture and fixtures | Office equipments | Computers and accessories | Total |
|------------------------------------|------------------------|------------------------|-------------------|---------------------------|-----------------|
| Cost | | | | | |
| Balance as at 1 April 2021 | 421.32 | 362.92 | 128.65 | 260.64 | 1,173.53 |
| Additions | - | 477.57 | 29.77 | 198.69 | 706.03 |
| Adjustments* | 38.19 | 11.79 | 29.62 | 28.06 | 107.66 |
| Disposals | (459.51) | (374.71) | (158.27) | (10.20) | (1,002.69) |
| Balance as at 31 March 2022 | - | 477.57 | 29.77 | 477.19 | 984.53 |
| Additions | 316.88 | 1,634.74 | 49.94 | 184.81 | 2,186.37 |
| Disposals | - | (170.22) | (23.50) | - | (193.72) |
| Balance as at 31 March 2023 | 316.88 | 1,942.09 | 56.21 | 662.00 | 2,977.18 |
| Accumulated depreciation | | | | | |
| Balance as at 1 April 2021 | 318.07 | 107.09 | 83.71 | 136.84 | 645.71 |
| Additions | - | 26.31 | 3.80 | 65.80 | 95.91 |
| Adjustments* | 36.51 | 11.97 | 14.68 | 40.71 | 103.87 |
| Disposals | (354.58) | (119.06) | (98.39) | (8.34) | (580.37) |
| Balance as at 31 March 2022 | - | 26.31 | 3.80 | 235.02 | 265.12 |
| Additions | 29.31 | 115.47 | 9.09 | 118.75 | 272.62 |
| Disposals | - | (21.06) | (5.57) | - | (26.63) |
| Balance as at 31 March 2023 | 29.31 | 120.72 | 7.32 | 353.77 | 511.11 |
| Net block | | | | | |
| As at 31 March 2022 | - | 451.26 | 25.97 | 242.17 | 719.41 |
| As at 31 March 2023 | 287.57 | 1,821.37 | 48.89 | 308.23 | 2,466.07 |

*Adjustments represents the presentation of the gross block and accumulated depreciation of fully depreciated assets as per asset category wise details maintained in the fixed asset register.

Notes

1. The Company has not revalued any of its property, plant and equipment.

12.2 Capital work in progress

| Particulars | Amount |
|------------------------------------|---------------|
| Balance as at 1 April 2021 | - |
| Additions | - |
| Capitalized during the year | - |
| Balance as at 31 March 2022 | - |
| Additions | 400.08 |
| Capitalized during the year | - |
| Balance as at 31 March 2023 | 400.08 |

As at 31 March 2023

| Capital work in progress | Amount in Intangible asset under development for a period of | | | | |
|--------------------------|--------------------------------------------------------------|-----------|-----------|-------------------|--------|
| | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | Total |
| Projects in progress | 400.08 | - | - | - | 400.08 |
| Projects suspended | - | - | - | - | - |

As at 31 March 2022

| Capital work in progress | Amount in Intangible asset under development for a period of | | | | |
|--------------------------|--------------------------------------------------------------|-----------|-----------|-------------------|-------|
| | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | Total |
| Projects in progress | - | - | - | - | - |
| Projects suspended | - | - | - | - | - |

The Company does not have any capital work in progress which is overdue or has exceeded its cost compared to its original plan and hence completion schedule is not applicable.



Vivriti Capital Private Limited
Notes to the standalone financial statements for the year ended 31 March 2023
(All amounts are in Rupees lakhs, unless stated otherwise)

12.3 Right of use assets ('ROUA')

| Particulars | Office premises | Total |
|------------------------------------|-----------------|-----------------|
| Gross block value | | |
| Balance as at 1 April 2021 | 1,587.32 | 1,587.32 |
| Additions | 1,575.43 | 1,575.43 |
| Deletions | (2,453.27) | (2,453.27) |
| Balance as at 31 March 2022 | 709.48 | 709.48 |
| Additions | 2,327.86 | 2,327.86 |
| Deletions | - | - |
| Balance as at 31 March 2023 | 3,037.34 | 3,037.34 |
| Accumulated depreciation | | |
| Balance as at 1 April 2021 | 712.61 | 712.61 |
| Additions | 309.40 | 309.40 |
| Deletions | (915.51) | (915.51) |
| Balance as at 31 March 2022 | 106.50 | 106.50 |
| Additions | 359.69 | 359.69 |
| Deletions | - | - |
| Balance as at 31 March 2023 | 466.19 | 466.19 |
| Net block value | | |
| As at 31 March 2022 | 602.98 | 602.98 |
| As at 31 March 2023 | 2,571.15 | 2,571.15 |

Note : The Company has not revalued any of its right of use assets.



✦ivriti Capital Private Limited

Notes to the standalone financial statements for the year ended 31 March 2023

(All amounts are in Rupees lakhs, unless stated otherwise)

12.4 Intangible assets under development

| Particulars | Software | Total |
|------------------------------------|---------------|---------------|
| Balance as at 1 April 2021 | 48.96 | 48.96 |
| Additions | 14.06 | 14.06 |
| Capitalized during the year | 48.96 | 48.96 |
| Balance as at 31 March 2022 | 14.06 | 14.06 |
| Additions | 224.65 | 224.65 |
| Capitalized during the year | - | - |
| Balance as at 31 March 2023 | 238.71 | 238.71 |

As at 31 March 2023

| Intangible assets under development | Amount in Intangible asset under development for a period of | | | | Total |
|-------------------------------------|--------------------------------------------------------------|-----------|-----------|-------------------|--------|
| | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | |
| Projects in progress | 224.65 | 14.06 | - | - | 238.71 |
| Projects suspended | - | - | - | - | - |

As at 31 March 2022

| Intangible assets under development | Amount in Intangible asset under development for a period of | | | | Total |
|-------------------------------------|--------------------------------------------------------------|-----------|-----------|-------------------|-------|
| | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | |
| Projects in progress | 14.06 | - | - | - | 14.06 |
| Projects suspended | - | - | - | - | - |

The Company does not have any intangibles under development which is overdue or has exceeded its cost compared to its original plan and hence completion schedule is not applicable.

12.5 Intangible Assets

| Particulars | Softwares and websites | Total |
|------------------------------------|------------------------|---------------|
| Cost | | |
| Balance as at 1 April 2021 | 165.64 | 165.64 |
| Additions | 310.32 | 310.32 |
| Disposals | - | - |
| Balance as at 31 March 2022 | 475.96 | 475.96 |
| Additions | 71.08 | 71.08 |
| Disposals | - | - |
| Balance as at 31 March 2023 | 547.04 | 547.04 |
| Accumulated depreciation | | |
| Balance as at 1 April 2021 | 72.35 | 72.35 |
| Additions | 81.76 | 81.76 |
| Adjustments* | 3.86 | 3.86 |
| Disposals | - | - |
| Balance as at 31 March 2022 | 157.97 | 157.97 |
| Additions | 121.12 | 121.12 |
| Disposals | - | - |
| Balance as at 31 March 2023 | 279.09 | 279.09 |

Net block

| | | |
|---------------------|--------|--------|
| As at 31 March 2022 | 317.99 | 317.99 |
| As at 31 March 2023 | 267.95 | 267.95 |

*Refer note 12.1



Vivri Capital Private Limited
Notes to the standalone financial statements for the year ended 31 March 2023
(All amounts are in Rupees lakhs, unless stated otherwise)

| Particulars | As at | |
|------------------------------------------------------------------------------------------|----------------------------|---------------------------------|
| | 31 March 2023 | 31 March 2022 |
| 13 Others non financial assets | | |
| Prepaid expenses | 486.71 | 152.06 |
| Advance to vendors | 1,045.76 | 654.71 |
| Balance with Government authorities | 615.08 | 273.68 |
| Deferred lease rentals | 88.77 | 27.67 |
| Others | 209.90 | - |
| | 2,446.22 | 1,108.13 |
| | | |
| | As at 31 March 2023 | As at 31 March 2022 |
| | Nominal value | Fair value of derivative |
| 14 Derivative Financial Instruments | | |
| Currency derivatives - (Refer Note 49) - measured at FVOCI | | |
| Asset | | |
| Cash flow hedge - Interest rate swaps | 11,504.45 | 384.32 |
| | 11,504.45 | 384.32 |
| Liability | | |
| Cash flow hedge - Interest rate swaps | - | - |
| | - | - |
| | | |
| | As at 31 March 2023 | As at 31 March 2022 |
| 15 Trade payables | | |
| - Total outstanding dues of micro enterprises and small enterprises - Refer Note 37 | 14.17 | - |
| - Total outstanding dues of creditors other than micro enterprises and small enterprises | 1,955.81 | 954.58 |
| | 1,969.98 | 954.58 |

15.1 The ageing schedule of Trade payables is as follows

i) As at 31 March 2023

| Particulars | Outstanding for following periods from date of invoice | | | | | Total |
|------------------------|--------------------------------------------------------|------------------|--------------|--------------|-------------------|-----------------|
| | Not due | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | |
| Undisputed dues | | | | | | |
| (i) MSME | - | 14.17 | - | - | - | 14.17 |
| (ii) Others | - | 880.41 | 43.21 | 11.39 | 1.42 | 936.43 |
| Disputed dues | | | | | | |
| (i) MSME | - | - | - | - | - | - |
| (ii) Others | - | - | - | - | - | - |
| Unbilled dues | 1,019.38 | - | - | - | - | 1,019.38 |
| | 1,019.38 | 894.58 | 43.21 | 11.39 | 1.42 | 1,969.98 |

ii) As at 31 March 2022

| Particulars | Outstanding for following periods from date of invoice | | | | | Total |
|------------------------|--------------------------------------------------------|------------------|--------------|-------------|-------------------|---------------|
| | Not due | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | |
| Undisputed dues | | | | | | |
| (i) MSME | - | - | - | - | - | - |
| (ii) Others | - | 572.71 | 11.39 | 1.42 | - | 585.52 |
| Disputed dues | | | | | | |
| (i) MSME | - | - | - | - | - | - |
| (ii) Others | - | - | - | - | - | - |
| Unbilled dues | 369.06 | - | - | - | - | 369.06 |
| | 369.06 | 572.71 | 11.39 | 1.42 | - | 954.58 |



Vivriti Capital Private Limited
Notes to the standalone financial statements for the year ended 31 March 2023
(All amounts are in Rupees lakhs, unless stated otherwise)

| Particulars | As at 31 March 2023 | As at 31 March 2022 |
|---------------------------------------|------------------------|------------------------|
| 16 Debt securities | | |
| Measured at amortised cost | | |
| Redeemable Non-convertible debentures | 146,583.39 | 98,693.74 |
| Commercial papers | 5,303.80 | 8,357.61 |
| Total debt securities | 151,887.19 | 107,051.35 |
| Debt securities in India | 151,887.19 | 107,051.35 |
| Debt securities outside India | - | - |
| Total | 151,887.19 | 107,051.35 |

16.1 Security

- (i) Redeemable Non-convertible debentures are secured by way of exclusive charge over identified loan portfolio and guaranteed by directors of the Company.
- (ii) The Company has not defaulted in the repayment of dues to its lenders during the current or previous period.
- (iii) Details of repayment such as date of repayment, interest rate and amount to be paid have been disclosed in note 16.2 based on the Contractual terms basis.
- (iv) Quarterly returns and statements of current assets (identified loan portfolio) provided by the Company with the respective financial institutions are in agreement with the books of accounts.

16.2 Details of terms of redemption / repayment provided in respect of debt securities:

| Debt Reference | Remaining maturity | Due date of redemption | Terms of repayment | As at 31 March 2023 | As at 31 March 2022 |
|----------------------------------------|--------------------|------------------------|-----------------------------------------------------------------|------------------------|------------------------|
| 7.60% Commercial Paper I | NA | 28-Apr-22 | Principal in Bullet Payment | - | 993.86 |
| 7.00% Commercial Paper V | NA | 23-May-22 | Principal in Bullet Payment | - | 987.57 |
| 7.60% Commercial Paper VI | NA | 23-May-22 | Principal in Bullet Payment | - | 2,967.38 |
| 10.00% Vivriti Capital Private Limited | NA | 16-Jun-22 | Principal is Quarterly payment and Interest is Monthly payment | - | 1,002.79 |
| 10.25% Vivriti Capital Private Limited | NA | 16-Jun-22 | Principal is Quarterly payment and Interest is Monthly payment | - | 1,997.66 |
| 7.25% Commercial Paper VII | NA | 30-Jun-22 | Principal in Bullet Payment | - | 983.74 |
| 10.71% Vivriti Capital Private Limited | NA | 5-Jul-22 | Principal is bullet payment and interest is monthly payment | - | 4,011.74 |
| 9.48% Market Linked Debentures - IV | NA | 29-Jul-22 | Principal and interest is Bullet payment | - | 5,519.46 |
| 7.65% Commercial Paper II | NA | 10-Aug-22 | Principal in Bullet Payment | - | 2,425.06 |
| 9.90% Vivriti Capital Private Limited | NA | 25-Aug-22 | Principal is monthly payment and interest in monthly payment | - | 2,479.88 |
| 10.50% Vivriti Capital Private Limited | NA | 25-Aug-22 | Principal is bullet payment and interest in monthly payment | - | 3,004.04 |
| 12.12% Vivriti Capital Private Limited | NA | 26-Aug-22 | Principal is Bullet payment and Interest is Half yearly payment | - | 2,022.66 |
| 9.48% Market Linked Debentures - V | NA | 16-Oct-22 | Principal and interest is Bullet payment | - | 5,479.08 |
| 10.75% Market Linked Debentures - III | NA | 27-Nov-22 | Principal and interest is Bullet payment | - | 1,135.81 |
| 10.39% Vivriti Capital Private Limited | NA | 30-Dec-22 | Principal is bullet payment and interest in monthly payment | - | 5,495.74 |
| 9.40% Vivriti Capital Private Limited | NA | 6-Jan-23 | Principal and interest in Bullet payment | - | 5,204.36 |
| 9.40% Vivriti Capital Private Limited | NA | 6-Feb-23 | Principal and interest in Bullet payment | - | 5,206 |
| 9.25% Vivriti Capital Private Limited | NA | 28-Feb-23 | Principal and interest in Bullet payment | - | 7,973.85 |
| 10.39% Vivriti Capital Private Limited | NA | 28-Feb-23 | Principal and interest in Bullet payment | - | 3,027.23 |
| 8.90% Vivriti Capital Private Limited | < 1 year | 3-Apr-23 | Principal and interest in Bullet payment | 5,608.29 | 5,049.47 |
| 9.00% Vivriti Capital Private Limited | < 1 year | 24-Apr-23 | Principal and interest in Bullet payment | 5,610.70 | 5,046.45 |
| 8.23% Commercial paper | < 1 year | 25-Apr-23 | Principal in Bullet Payment | 994.60 | |



Vivriti Capital Private Limited
Notes to the standalone financial statements for the year ended 31 March 2023
(All amounts are in Rupees lakhs, unless stated otherwise)

| Debt Reference | Remaining maturity | Due date of redemption | Terms of repayment | As at 31 March 2023 | As at 31 March 2022 |
|----------------------------------------|--------------------|------------------------|----------------------------------------------------------------|---------------------|---------------------|
| 8.45% Commercial paper | < 1 year | 20-May-23 | Principal in Bullet Payment | 1,977.67 | - |
| 8.65 % Vivriti Capital Private Limited | < 1 year | 4-Jun-23 | Principal and interest in Bullet payment | 10,968.86 | 9,870.17 |
| 8.50% Vivriti Capital Private Limited | < 1 year | 14-Jul-23 | Principal and interest in Bullet payment | 10,955.96 | 9,852.61 |
| 8.50% Vivriti Capital Private Limited | < 1 year | 14-Jul-23 | Principal and interest in Bullet payment | 10,718.77 | 9,645.24 |
| 9.55% Vivriti Capital Private Limited | 1- 2 year | 26-Sep-23 | Principal in bullet payment and interest in monthly payment | 4,994.67 | - |
| 10.57% Vivriti Capital Private Limited | < 1 year | 10-Feb-24 | Principal is Quarterly payment and Interest is Monthly payment | 337.80 | 675.21 |
| 8.50% Vivriti Capital Private Limited | 1- 2 year | 5-Apr-24 | Principal and interest in Bullet payment | 20,860.27 | - |
| 9.75% Vivriti Capital Private Limited | 1- 2 year | 28-May-24 | Principal in bullet payment and interest in monthly payment | 5,009.17 | - |
| 8.60% Vivriti Capital Private Limited | 1- 2 year | 26-Jul-24 | Principal and interest in Bullet payment | 20,394.19 | - |
| 12.43% Vivriti Capital Private Limited | 1- 2 year | 30-Sep-24 | Principal and Interest is Quarterly payment | 3,347.87 | 4,994.55 |
| 8.60% Vivriti Capital Private Limited | 1- 2 year | 13-Dec-24 | Principal and interest in Bullet payment | 29,873.16 | - |
| 10.25% Vivriti Capital Private Limited | 1- 2 year | 26-Dec-24 | Principal in bullet payment and interest in monthly payment | 4,906.87 | - |
| 9.60% Vivriti Capital Private Limited | 1- 2 year | 23-Sep-24 | Principal and Interest is Quarterly payment | 2,991.15 | - |
| 10.40% Vivriti Capital Private Limited | <1 year | 29-Mar-24 | Principal and interest in Bullet payment | 10,005.65 | - |
| 8.20% Commercial Paper | <1 year | 22-Jun-23 | Principal in Bullet Payment | 981.71 | - |
| 9.78% Commercial paper | <1 year | 27-Mar-24 | Principal in Bullet Payment | 1,349.83 | - |
| Total | | | | 151,887.19 | 107,051.35 |



Vivriti Capital Private Limited

Notes to the standalone financial statements for the year ended 31 March 2023

(All amounts are in Rupees lakhs, unless stated otherwise)

| | As at 31 March 2023 | As at 31 March 2022 |
|--------------------------------------------------------------------------------------|------------------------|------------------------|
| 17 Borrowings (Other than Debt Securities) | | |
| Measured at amortised cost | | |
| (i) Term loans (secured) | | |
| From banks (Refer note 17.1 and 17.2) | 251,861.05 | 159,606.23 |
| From other parties (Refer note 17.1 and 17.2) | 64,653.47 | 59,081.86 |
| | 316,514.52 | 218,688.09 |
| (ii) Loans repayable on demand (secured) (Refer note 17.1 and 17.2) | | |
| From Banks (Overdrafts) (Refer note 17.1 (iii)) | 21,087.13 | 24,273.94 |
| Working capital demand loan from banks (Cash credit) (Refer note 17.1 (iv) and 17.2) | 12,500.00 | 5,000.00 |
| | 33,587.13 | 29,273.94 |
| | 350,101.65 | 247,962.03 |
| Borrowings in India | 341,807.80 | 240,322.35 |
| Borrowings outside India | 8,293.85 | 7,639.68 |
| | 350,101.65 | 247,962.03 |

17.1 Security

- (i) Loans from banks and financial institutions are secured by first ranking and exclusive charge over identified receivables and guaranteed by directors of the Company.
- (ii) The Company has not defaulted in the repayment of principal and interest to its lenders during the current or previous period.
- (iii) Rate of interest payable on bank overdraft is 7.45% - 7.75% p.a (31 March 2022: 3.3% p.a.). The Company has taken bank overdraft against the deposit balances (also refer note 5)
- (iv) Rate of interest payable on cash credit loans is 8.00 to 9.00 % p.a. (31 March 2022: 7.00- 7.8% p.a.)
- (v) Quarterly returns and statements of current assets (identified loan portfolio) provided by the Company with the respective financial institutions are in agreement with the books of accounts.



Vivriti Capital Private Limited

Notes to the standalone financial statements for the year ended 31 March 2023

(All amounts are in Rupees lakhs, unless stated otherwise)

17.2 Details of terms loans and working capital demand loans - Contractual repayment values

| Particulars | Remaining maturity | Rate of Interest | Maturity Date | Terms of repayment - principal | Terms of repayment - Interest | As at 31 March 2023 | As at 31 March 2022 |
|--------------|--------------------|------------------|---------------|--------------------------------|-------------------------------|---------------------|---------------------|
| Term Loan 1 | NA | 10.50% | 28-Mar-23 | Monthly | Monthly | - | 3,319.16 |
| Term Loan 2 | NA | 10.90% | 30-Jun-22 | Monthly | Monthly | - | 199.82 |
| Term Loan 3 | NA | 11.25% | 28-Jul-22 | Monthly | Monthly | - | 453.04 |
| Term Loan 4 | NA | 10.80% | 3-Oct-22 | Monthly | Monthly | - | 733.58 |
| Term Loan 5 | < 1 year | 10.70% | 29-Sep-23 | Monthly | Monthly | 333.04 | 1,003.00 |
| Term Loan 6 | 1-2 years | 10.80% | 22-Mar-25 | Quarterly | Monthly | 2,275.29 | 3,406.41 |
| Term Loan 7 | NA | 9.60% | 27-Oct-22 | Monthly | Monthly | - | 729.47 |
| Term Loan 8 | NA | 9.50% | 21-Dec-22 | Monthly | Monthly | - | 935.98 |
| Term Loan 9 | 1-2 years | 10.25% | 30-Apr-24 | Quarterly | Monthly | 1,038.50 | 1,863.16 |
| Term Loan 10 | < 1 year | 11.35% | 31-Dec-23 | Monthly | Monthly | 641.48 | 1,484.75 |
| Term Loan 11 | NA | 10.93% | 10-Dec-22 | Monthly | Monthly | - | 748.52 |
| Term Loan 12 | NA | 10.93% | 14-Dec-22 | Monthly | Monthly | - | 374.04 |
| Term Loan 13 | NA | 10.30% | 31-Jan-23 | Monthly | Monthly | - | 623.38 |
| Term Loan 14 | 1-2 years | 11.15% | NA | Monthly | Monthly | - | 3,528.90 |
| Term Loan 15 | NA | 10.75% | 15-Feb-23 | Monthly | Monthly | - | 622.48 |
| Term Loan 16 | NA | 11.40% | 3-Mar-23 | Monthly | Monthly | - | 753.57 |
| Term Loan 17 | < 1 year | 11.70% | NA | Monthly | Monthly | - | 981.74 |
| Term Loan 18 | < 1 year | 9.90% | 12-Mar-24 | Monthly | Monthly | 914.60 | 1,759.40 |
| Term Loan 19 | 1-2 years | 10.45% | 28-Feb-25 | Quarterly | Monthly | 5,016.28 | 7,543.93 |
| Term Loan 20 | NA | 10.75% | 24-Mar-23 | Monthly | Monthly | - | 528.22 |
| Term Loan 21 | < 1 year | 10.30% | 31-Aug-23 | Monthly | Monthly | 200.10 | 605.32 |
| Term Loan 22 | < 1 year | 10.05% | 13-Jul-23 | Quarterly | Monthly | 981.59 | 3,925.23 |
| Term Loan 23 | NA | 5.75% | 10-Jun-22 | Quarterly | Monthly | - | 5,016.65 |
| Term Loan 24 | < 1 year | 10.15% | 31-Jan-24 | Quarterly | Monthly | 901.13 | 1,992.73 |
| Term Loan 25 | 1-2 years | 10.10% | 18-Aug-24 | Quarterly | Monthly | 1,413.79 | 2,499.25 |
| Term Loan 26 | < 1 year | 9.95% | 31-Aug-23 | Monthly | Monthly | 416.33 | 1,411.03 |
| Term Loan 27 | < 1 year | 10.45% | 30-Sep-23 | Monthly | Monthly | 381.70 | 1,142.77 |
| Term Loan 28 | 1-2 years | 10.55% | 24-Sep-24 | Monthly | Monthly | 2,515.02 | 4,160.61 |
| Term Loan 29 | < 1 year | 9.95% | 24-Sep-23 | Monthly | Monthly | 499.30 | 1,492.63 |
| Term Loan 30 | 1-2 years | 9.75% | 30-Sep-24 | Monthly | Monthly | 2,414.65 | 4,139.70 |
| Term Loan 31 | < 1 year | 9.40% | 30-Sep-23 | Monthly | Monthly | 1,500.32 | 4,479.98 |
| Term Loan 32 | 1-2 years | 11.15% | NA | Monthly | Monthly | - | 883.63 |
| Term Loan 33 | 1-2 years | 9.75% | 30-Sep-24 | Monthly | Monthly | 2,274.92 | 4,011.89 |
| Term Loan 34 | 1-2 years | 10.00% | 31-Oct-24 | Monthly | Monthly | 574.44 | 997.34 |
| Term Loan 35 | < 1 year | 11.80% | 3-Nov-23 | Monthly | Monthly | 1,007.69 | 2,508.04 |
| Term Loan 36 | 1-2 years | 11.15% | NA | Monthly | Monthly | - | 2,086.58 |
| Term Loan 37 | < 1 year | 10.25% | 15-Nov-23 | Monthly | Monthly | 1,000.10 | 2,514.06 |
| Term Loan 38 | 1-2 years | 10.20% | 8-Dec-24 | Quarterly | Monthly | 1,596.03 | 2,503.92 |
| Term Loan 39 | 1-2 years | 12.25% | 10-Dec-24 | Monthly | Monthly | 1,588.91 | 2,492.68 |
| Term Loan 40 | 2-3 years | 10.45% | 31-Mar-26 | Quarterly | Monthly | 3,000.20 | 3,760.34 |
| Term Loan 41 | NA | 10.45% | 30-Jun-23 | Bullet | Monthly | 1,008.88 | 997.07 |
| Term Loan 42 | 1-2 years | 9.85% | 31-Dec-24 | Monthly | Monthly | 2,897.88 | 4,536.72 |
| Term Loan 43 | < 1 year | 9.25% | 27-Dec-23 | Monthly | Monthly | 285.77 | 670.02 |
| Term Loan 44 | < 1 year | 9.75% | 8-Feb-24 | Monthly | Monthly | 1,139.15 | 2,349.83 |
| Term Loan 45 | 1-2 years | 9.25% | 28-Feb-25 | Monthly | Monthly | 1,599.65 | 2,408.09 |
| Term Loan 46 | < 1 year | 9.40% | 24-Feb-24 | Monthly | Monthly | 3,432.04 | 7,198.79 |
| Term Loan 47 | < 1 year | 11.47% | 25-Feb-24 | Monthly | Monthly | 916.17 | 1,945.56 |
| Term Loan 48 | < 1 year | 10.50% | 25-Feb-24 | Monthly | Monthly | 915.20 | 1,908.44 |
| Term Loan 49 | < 1 year | 9.90% | 28-Dec-23 | Monthly | Monthly | 958.37 | 1,464.21 |
| Term Loan 50 | < 1 year | 11.00% | 8-Mar-24 | Monthly | Monthly | 3,378.73 | 6,160.50 |
| Term Loan 51 | 1-2 years | 12.00% | 22-Mar-25 | Quarterly | Monthly | 6,646.57 | 10,444.79 |
| Term Loan 52 | 2-3 years | 9.75% | 30-Mar-26 | Monthly | Monthly | 4,463.81 | 5,869.27 |
| Term Loan 53 | 1-2 years | 9.50% | 10-Mar-25 | Monthly | Monthly | 9,340.84 | 11,989.10 |
| Term Loan 54 | 1-2 years | 10.25% | 10-Mar-25 | Monthly | Monthly | 12,072.38 | 14,989.10 |
| Term Loan 55 | < 1 year | 9.40% | 31-Mar-24 | Monthly | Monthly | 1,245.59 | 2,491.81 |
| Term Loan 56 | 1-2 years | 10.00% | 1-Dec-24 | Monthly | Monthly | 1,769.41 | 2,693.09 |



Vivriti Capital Private Limited

Notes to the standalone financial statements for the year ended 31 March 2023

(All amounts are in Rupees lakhs, unless stated otherwise)

17.2 Details of terms loans and working capital demand loans - Contractual repayment values

| Particulars | Remaining maturity | Rate of Interest | Maturity Date | Terms of repayment - principal | Terms of repayment - Interest | As at 31 March 2023 | As at 31 March 2022 |
|---------------|--------------------|------------------|---------------|--------------------------------|-------------------------------|---------------------|---------------------|
| Term Loan 57 | NA | 0.00% | 27-Apr-22 | Bullet | Monthly | - | 1,499.80 |
| Term Loan 58 | NA | 9.95% | 24-Feb-23 | Monthly | Monthly | - | 913.22 |
| Term Loan 59 | < 1 year | 10.85% | 26-Nov-23 | Monthly | Monthly | 843.76 | 2,206.65 |
| Term Loan 60 | 3-4 years | 9.70% | 30-Nov-26 | Half Yearly | Half yearly | 8,293.85 | 7,639.68 |
| Term Loan 61 | < 1 year | 10.40% | 28-Feb-24 | Monthly | Monthly | 713.26 | 1,412.42 |
| Term Loan 62 | NA | 11.30% | 1-Dec-22 | Monthly | Monthly | 0.00 | 428.79 |
| Term Loan 63 | < 1 year | 11.00% | 30-Jun-23 | Half Yearly | Monthly | 875.02 | 2,620.59 |
| Term Loan 64 | 1-2 years | 10.50% | 30-Sep-24 | Monthly | Monthly | 1,618.39 | 2,563.33 |
| Term Loan 65 | 1-2 years | 9.75% | 31-Mar-25 | Monthly | Monthly | 1,260.67 | 1,800.00 |
| Term Loan 66 | < 1 year | 11.00% | 28-Dec-23 | Monthly | Monthly | 238.96 | 529.41 |
| Term Loan 67 | 1-2 years | 9.60% | 19-Jun-24 | Monthly | Monthly | 2,071.05 | 3,711.10 |
| Term Loan 68 | NA | 8.85% | 26-Jun-23 | Bullet | Monthly | 4,000.77 | 4,000.00 |
| Term Loan 69 | NA | 11.10% | 23-Dec-22 | Monthly | Monthly | - | 131.15 |
| Term Loan 70 | NA | 11.10% | 23-Dec-22 | Monthly | Monthly | - | 103.02 |
| Term Loan 71 | NA | 11.10% | 23-Dec-22 | Monthly | Monthly | - | 131.40 |
| Term Loan 72 | NA | 11.10% | 23-Dec-22 | Monthly | Monthly | - | 103.11 |
| Term Loan 73 | NA | 11.10% | 23-Dec-22 | Monthly | Monthly | - | 131.40 |
| Term Loan 74 | NA | 11.10% | 23-Dec-22 | Monthly | Monthly | - | 103.07 |
| Term Loan 75 | NA | 11.10% | 23-Dec-22 | Monthly | Monthly | - | 131.23 |
| Term Loan 76 | NA | 11.10% | 23-Dec-22 | Monthly | Monthly | - | 103.11 |
| Term Loan 77 | < 1 year | 10.90% | 25-Sep-23 | Monthly | Monthly | 752.01 | 2,255.77 |
| Term Loan 78 | NA | 11.25% | 24-Jun-22 | Monthly | Monthly | 0.00 | 44.00 |
| Term Loan 79 | NA | 11.25% | 24-Jun-22 | Monthly | Monthly | 0.00 | 34.35 |
| Term Loan 80 | NA | 11.25% | 24-Jun-22 | Monthly | Monthly | 0.00 | 30.07 |
| Term Loan 81 | NA | 11.25% | 24-Jun-22 | Monthly | Monthly | 0.00 | 34.35 |
| Term Loan 82 | NA | 11.25% | 24-Jun-22 | Monthly | Monthly | 0.00 | 43.83 |
| Term Loan 83 | NA | 11.25% | 24-Jun-22 | Monthly | Monthly | 0.00 | 46.57 |
| Term Loan 84 | NA | 11.25% | 24-Jun-22 | Monthly | Monthly | 0.00 | 45.04 |
| Term Loan 85 | NA | 11.25% | 24-Jun-22 | Monthly | Monthly | 0.00 | 34.37 |
| Term Loan 86 | NA | 11.50% | 20-Sep-22 | Monthly | Monthly | - | 88.07 |
| Term Loan 87 | NA | 11.50% | 20-Sep-22 | Monthly | Monthly | - | 69.04 |
| Term Loan 88 | NA | 11.50% | 20-Sep-22 | Monthly | Monthly | - | 88.07 |
| Term Loan 89 | NA | 11.50% | 20-Sep-22 | Monthly | Monthly | - | 70.10 |
| Term Loan 90 | NA | 11.50% | 20-Sep-22 | Monthly | Monthly | - | 88.07 |
| Term Loan 91 | NA | 11.50% | 20-Sep-22 | Monthly | Monthly | - | 68.96 |
| Term Loan 92 | NA | 11.50% | 20-Sep-22 | Monthly | Monthly | - | 88.07 |
| Term Loan 93 | NA | 11.50% | 20-Sep-22 | Monthly | Monthly | - | 69.32 |
| Term Loan 94 | NA | 11.50% | 10-Feb-23 | Monthly | Monthly | - | 169.91 |
| Term Loan 95 | NA | 11.50% | 10-Feb-23 | Monthly | Monthly | - | 139.10 |
| Term Loan 96 | NA | 11.50% | 10-Feb-23 | Monthly | Monthly | - | 45.85 |
| Term Loan 97 | NA | 11.50% | 10-Feb-23 | Monthly | Monthly | - | 164.99 |
| Term Loan 98 | NA | 11.50% | 10-Feb-23 | Monthly | Monthly | - | 138.22 |
| Term Loan 99 | NA | 11.50% | 10-Feb-23 | Monthly | Monthly | - | 45.85 |
| Term Loan 100 | NA | 11.50% | 10-Feb-23 | Monthly | Monthly | - | 168.25 |
| Term Loan 101 | NA | 11.50% | 10-Feb-23 | Monthly | Monthly | - | 138.22 |
| Term Loan 102 | NA | 11.50% | 10-Feb-23 | Monthly | Monthly | - | 45.85 |
| Term Loan 103 | NA | 11.50% | 10-Feb-23 | Monthly | Monthly | - | 161.09 |
| Term Loan 104 | NA | 11.50% | 10-Feb-23 | Monthly | Monthly | - | 138.22 |
| Term Loan 105 | NA | 11.50% | 10-Feb-23 | Monthly | Monthly | - | 48.64 |
| Term Loan 106 | < 1 year | 11.40% | 23-Jun-23 | Monthly | Monthly | 46.97 | 233.99 |
| Term Loan 107 | < 1 year | 11.40% | 23-Jun-23 | Monthly | Monthly | 46.97 | 233.99 |
| Term Loan 108 | < 1 year | 11.40% | 23-Jun-23 | Monthly | Monthly | 46.97 | 233.99 |
| Term Loan 109 | < 1 year | 11.40% | 23-Jun-23 | Monthly | Monthly | 46.97 | 234.41 |
| Term Loan 110 | < 1 year | 11.40% | 23-Jun-23 | Monthly | Monthly | 46.97 | 234.41 |
| Term Loan 111 | < 1 year | 11.40% | 23-Jun-23 | Monthly | Monthly | 46.97 | 234.41 |
| Term Loan 112 | < 1 year | 11.40% | 23-Jun-23 | Monthly | Monthly | 46.97 | 234.41 |
| Term Loan 113 | < 1 year | 11.40% | 23-Jun-23 | Monthly | Monthly | 46.97 | 234.32 |
| Term Loan 114 | < 1 year | 11.40% | 23-Jun-23 | Monthly | Monthly | 46.97 | 234.32 |



Vivriti Capital Private Limited

Notes to the standalone financial statements for the year ended 31 March 2023

(All amounts are in Rupees lakhs, unless stated otherwise)

17.2 Details of terms loans and working capital demand loans - Contractual repayment values

| Particulars | Remaining maturity | Rate of Interest | Maturity Date | Terms of repayment - principal | Terms of repayment - Interest | As at 31 March 2023 | As at 31 March 2022 |
|---------------|--------------------|------------------|---------------|--------------------------------|-------------------------------|---------------------|---------------------|
| Term Loan 115 | < 1 year | 11.40% | 23-Jun-23 | Monthly | Monthly | 46.97 | 234.32 |
| Term Loan 116 | < 1 year | 11.40% | 23-Jun-23 | Monthly | Monthly | 46.97 | 234.32 |
| Term Loan 117 | < 1 year | 11.40% | 23-Jun-23 | Monthly | Monthly | 46.97 | 233.97 |
| Term Loan 118 | < 1 year | 10.65% | 20-Dec-23 | Monthly | Monthly | 131.60 | 306.65 |
| Term Loan 119 | < 1 year | 10.65% | 20-Dec-23 | Monthly | Monthly | 131.60 | 306.65 |
| Term Loan 120 | < 1 year | 10.65% | 20-Dec-23 | Monthly | Monthly | 131.60 | 307.58 |
| Term Loan 121 | < 1 year | 10.65% | 20-Dec-23 | Monthly | Monthly | 131.60 | 307.58 |
| Term Loan 122 | < 1 year | 10.65% | 20-Dec-23 | Monthly | Monthly | 131.60 | 305.89 |
| Term Loan 123 | < 1 year | 10.65% | 20-Dec-23 | Monthly | Monthly | 131.60 | 309.61 |
| Term Loan 124 | < 1 year | 10.65% | 20-Dec-23 | Monthly | Monthly | 131.60 | 306.65 |
| Term Loan 125 | < 1 year | 10.65% | 20-Dec-23 | Monthly | Monthly | 131.60 | 306.65 |
| Term Loan 126 | < 1 year | 10.65% | 20-Dec-23 | Monthly | Monthly | 131.60 | 315.31 |
| Term Loan 127 | < 1 year | 10.65% | 20-Dec-23 | Monthly | Monthly | 131.60 | 317.22 |
| Term Loan 128 | < 1 year | 10.65% | 20-Dec-23 | Monthly | Monthly | 131.60 | 322.02 |
| Term Loan 129 | < 1 year | 10.65% | 20-Dec-23 | Monthly | Monthly | 56.34 | 132.58 |
| Term Loan 130 | < 1 year | 10.40% | 9-Feb-24 | Monthly | Monthly | 1,382.77 | 2,871.54 |
| Term Loan 131 | 1-2 years | 10.30% | 1-Jan-25 | Quarterly | Monthly | 1,747.25 | 2,992.84 |
| Term Loan 132 | < 1 year | 11.25% | 1-Sep-23 | Quarterly | Monthly | 499.89 | 1,501.60 |
| Term Loan 133 | NA | 12.00% | 31-Jul-22 | Monthly | Monthly | 0.00 | 166.54 |
| Term Loan 134 | < 1 year | 11.40% | 30-Nov-23 | Monthly | Monthly | 375.10 | 921.33 |
| Term Loan 135 | 1-2 years | 11.75% | 31-Jan-25 | Quarterly | Monthly | 868.88 | 1,279.92 |
| Term Loan 136 | NA | 11.50% | 30-Apr-22 | Monthly | Monthly | - | 113.80 |
| Term Loan 137 | < 1 year | 10.75% | 22-Aug-23 | Monthly | Monthly | 565.78 | 1,817.02 |
| Term Loan 138 | NA | 12.55% | 10-Apr-23 | Monthly | Monthly | 50.29 | 649.12 |
| Term Loan 139 | < 1 year | 12.15% | 5-Oct-23 | Monthly | Monthly | 670.97 | 1,653.67 |
| Term Loan 140 | < 1 year | 12.15% | 5-Oct-23 | Monthly | Monthly | 396.31 | 566.68 |
| Term Loan 141 | < 1 year | 10.10% | 31-Mar-23 | Monthly | Monthly | - | 246.00 |
| Term Loan 142 | NA | 10.50% | 30-Nov-22 | Monthly | Monthly | - | 399.57 |
| Term Loan 143 | 2-3 years | 9.50% | 30-Jun-25 | Monthly | Monthly | 7,848.63 | - |
| Term Loan 144 | 1-2 years | 9.40% | 29-Jun-24 | Monthly | Monthly | 3,121.03 | - |
| Term Loan 145 | 1-2 years | 10.25% | 1-Jul-24 | Monthly | Monthly | 3,119.30 | - |
| Term Loan 146 | 1-2 years | 10.40% | 5-Jul-24 | Monthly | Monthly | 201.49 | - |
| Term Loan 147 | 1-2 years | 10.40% | 5-Jul-24 | Monthly | Monthly | 201.49 | - |
| Term Loan 148 | 1-2 years | 10.40% | 5-Jul-24 | Monthly | Monthly | 201.49 | - |
| Term Loan 149 | 1-2 years | 10.40% | 5-Jul-24 | Monthly | Monthly | 201.49 | - |
| Term Loan 150 | 1-2 years | 10.40% | 5-Jul-24 | Monthly | Monthly | 201.49 | - |
| Term Loan 151 | 1-2 years | 10.40% | 5-Jul-24 | Monthly | Monthly | 201.49 | - |
| Term Loan 152 | 1-2 years | 10.40% | 5-Jul-24 | Monthly | Monthly | 201.49 | - |
| Term Loan 153 | 1-2 years | 10.40% | 5-Jul-24 | Monthly | Monthly | 201.49 | - |
| Term Loan 154 | 1-2 years | 10.40% | 5-Jul-24 | Monthly | Monthly | 201.49 | - |
| Term Loan 155 | 1-2 years | 10.40% | 5-Jul-24 | Monthly | Monthly | 201.49 | - |
| Term Loan 156 | 1-2 years | 9.90% | 28-Jun-24 | Monthly | Monthly | 1,157.09 | - |
| Term Loan 157 | < 1 year | 8.00% | 5-Jul-23 | Monthly | Monthly | 852.45 | - |
| Term Loan 158 | 2-3 years | 9.90% | 1-Jul-25 | Monthly | Monthly | 528.13 | - |
| Term Loan 159 | < 1 year | 9.70% | 26-Jul-23 | Bullet | Monthly | 2,500.58 | - |
| Term Loan 160 | 2-3 years | 9.75% | 31-Aug-25 | Monthly | Monthly | 2,904.49 | - |
| Term Loan 161 | 2-3 years | 9.95% | 29-Jul-25 | Monthly | Monthly | 3,210.61 | - |
| Term Loan 162 | 1-2 years | 8.50% | 9-Sep-24 | Monthly | Monthly | 2,003.43 | - |
| Term Loan 163 | 2-3 years | 9.50% | 30-Sep-25 | Monthly | Monthly | 9,895.11 | - |
| Term Loan 164 | 1-2 years | 10.10% | 20-Sep-24 | Monthly | Monthly | 1,469.75 | - |
| Term Loan 165 | 1-2 years | 9.20% | 30-Sep-24 | Monthly | Monthly | 5,610.65 | - |
| Term Loan 166 | 1-2 years | 10.50% | 30-Sep-24 | Monthly | Monthly | 3,000.48 | - |
| Term Loan 167 | 2-3 years | 9.50% | 29-Sep-25 | Quarterly | Monthly | 4,151.55 | - |
| Term Loan 168 | 2-3 years | 10.50% | 25-Oct-25 | Monthly | Monthly | 1,924.94 | - |
| Term Loan 169 | 1-2 years | 9.90% | 29-Sep-24 | Monthly | Monthly | 1,989.41 | - |
| Term Loan 170 | 1-2 years | 9.60% | 28-Oct-24 | Monthly | Monthly | 8,691.31 | - |
| Term Loan 171 | 1-2 years | 10.00% | 31-Oct-24 | Monthly | Monthly | 7,920.99 | - |
| Term Loan 172 | 2-3 years | 9.80% | 14-Nov-25 | Monthly | Monthly | 23,275.08 | - |



Vivriti Capital Private Limited

Notes to the standalone financial statements for the year ended 31 March 2023

(All amounts are in Rupees lakhs, unless stated otherwise)

17.2 Details of terms loans and working capital demand loans - Contractual repayment values

| Particulars | Remaining maturity | Rate of Interest | Maturity Date | Terms of repayment - principal | Terms of repayment - Interest | As at 31 March 2023 | As at 31 March 2022 |
|---------------|--------------------|------------------|---------------|--------------------------------|-------------------------------|---------------------|---------------------|
| Term Loan 173 | 2-3 years | 10.15% | 1-Nov-25 | Quarterly | Monthly | 4,990.04 | - |
| Term Loan 174 | 1-2 years | 9.50% | 30-Nov-24 | Monthly | Monthly | 831.75 | - |
| Term Loan 175 | 2-3 years | 9.80% | 16-Dec-25 | Monthly | Monthly | 1,791.92 | - |
| Term Loan 176 | 1-2 years | 9.50% | 31-Dec-24 | Monthly | Monthly | 1,637.44 | - |
| Term Loan 177 | 2-3 years | 9.55% | 31-Dec-25 | Monthly | Monthly | 4,538.10 | - |
| Term Loan 178 | 1-2 years | 9.75% | 21-Dec-24 | Quarterly | Monthly | 2,402.72 | - |
| Term Loan 179 | 1-2 years | 9.50% | 31-Dec-24 | Monthly | Monthly | 109.16 | - |
| Term Loan 180 | 2-3 years | 8.00% | 30-Dec-25 | Monthly | Monthly | 8,912.74 | - |
| Term Loan 181 | 1-2 years | 9.25% | 29-Dec-24 | Monthly | Monthly | 4,113.71 | - |
| Term Loan 182 | 1-2 years | 9.25% | 30-Dec-24 | Monthly | Monthly | 2,429.82 | - |
| Term Loan 183 | 1-2 years | 10.00% | 2-Feb-25 | Monthly | Monthly | 2,897.09 | - |
| Term Loan 184 | NA | 9.75% | 17-Feb-25 | Monthly | Monthly | 2,388.61 | - |
| Term Loan 185 | 1-2 years | 10.25% | 28-Feb-25 | Quarterly | Monthly | 5,039.61 | - |
| Term Loan 186 | 3-4 years | 9.50% | 1-Aug-26 | Monthly | Monthly | 1,401.86 | - |
| Term Loan 187 | 1-2 years | 9.50% | 28-Feb-25 | Monthly | Monthly | 2,870.73 | - |
| Term Loan 188 | 1-2 years | 10.25% | 15-Feb-25 | Half Yearly | Monthly | 2,512.94 | - |
| Term Loan 189 | 1-2 years | 10.20% | 6-Mar-25 | Monthly | Monthly | 11,382.70 | - |
| Term Loan 190 | 2-3 years | 9.85% | 31-Mar-26 | Monthly | Monthly | 4,977.71 | - |
| Term Loan 191 | 2-3 years | 9.85% | 31-Mar-26 | Monthly | Monthly | 1,989.42 | - |
| Term Loan 192 | < 1 year | 9.50% | 5-Jan-24 | Monthly | Monthly | 4,007.15 | - |
| Term Loan 193 | 3-4 years | 10.95% | 31-Mar-27 | Monthly | Monthly | 4,984.35 | - |
| Term Loan 194 | 2-3 years | 10.00% | 18-Apr-25 | Monthly | Monthly | 2,488.73 | - |
| Term Loan 195 | 1-2 years | 10.60% | 30-Mar-25 | Monthly | Monthly | 7,502.24 | - |
| Term Loan 196 | 3-4 years | 10.00% | 28-Feb-26 | Monthly | Monthly | 1,705.91 | - |
| Term Loan 197 | 1-2 years | 10.00% | 1-Apr-24 | Monthly | Monthly | 4,987.94 | - |
| Term Loan 198 | 1-2 years | 10.10% | 1-Mar-25 | Monthly | Monthly | 1,646.32 | - |
| Term Loan 199 | 3-4 years | 10.15% | 31-Mar-27 | Monthly | Monthly | 4,956.09 | - |
| Term Loan 200 | 2-3 years | 9.20% | 31-Mar-26 | Monthly | Monthly | 1,994.45 | - |
| Term Loan 201 | 1-2 years | 9.90% | 1-Mar-25 | Monthly | Monthly | 4,000.00 | - |
| WCDL 1 | NA | 8.85% | 26-Jun-23 | Bullet | Monthly | 2,499.18 | 2,508.15 |
| WCDL 2 | < 1 year | 8.00% | 12-Feb-24 | Bullet | Monthly | 2,476.54 | 2,447.09 |
| WCDL 3 | NA | 9.00% | 18-Sep-23 | Bullet | Monthly | 5,012.83 | - |
| WCDL 4 | < 1 year | 8.85% | 27-May-23 | Bullet | Monthly | 2,496.33 | - |
| | | | | | | 329,014.52 | 223,688.09 |



Vivriti Capital Private Limited**Notes to the standalone financial statements for the year ended 31 March 2023***(All amounts are in Rupees lakhs, unless stated otherwise)*

| Particulars | As at | |
|--------------------------------------------------------------|-----------------|-----------------|
| | 31 March 2023 | 31 March 2022 |
| 18 Other financial liabilities | | |
| Lease liabilities | 2,719.55 | 620.63 |
| Employee benefits payable | 581.22 | 286.78 |
| Advances received against loan agreements | 740.77 | 259.83 |
| Collateral deposits from customers | 1,553.56 | - |
| Dues to partners towards collections from co-lending loans | 1,892.23 | 588.66 |
| Remittances payable on assets derecognised | 0.23 | 0.23 |
| | 7,487.56 | 1,756.13 |
| 19 Provisions | | |
| Provision for employee benefits | | |
| - Gratuity (refer note 34) | 111.11 | 34.64 |
| - Compensated absences | 225.98 | 104.48 |
| Provision on non-fund exposure | | |
| - Impairment loss allowance for guarantees and undrawn loans | 14.35 | 52.37 |
| | 351.44 | 191.49 |
| 20 Other non financial liabilities | | |
| Statutory dues payable | 317.75 | 372.11 |
| | 317.75 | 372.11 |



Vivriti Capital Private Limited

Notes to the standalone financial statements for the year ended 31 March 2023

(All amounts are in Rupees lakhs, unless stated otherwise)

| Particulars | As at | |
|-------------------------------------------------------------------------------------------------------------|-----------------|-----------------|
| | 31 March 2023 | 31 March 2022 |
| 21 Equity share capital | | |
| Authorised | | |
| 26,000,000 (As at 31 March 2022: 20,900,000 shares) Equity Shares of Rs 10 each | 2,600.00 | 2,090.00 |
| | 2,600.00 | 2,090.00 |
| Issued, subscribed and fully paid up | | |
| 21,554,682 (As at 31 March 2022: 16,326,754 shares) Equity shares of Rs. 10 each | 2,155.47 | 1,632.67 |
| 21,053 (As at 31 March 2022: Nil) partly paid equity shares of Rs. 10 each (Amount paid up Rs. 5 per share) | 1.05 | - |
| Less: Shares held under Vivriti ESOP trust | (448.40) | (380.43) |
| | 1,708.12 | 1,252.24 |

A. Reconciliation of number of equity shares outstanding at the beginning and at the end of the reporting period

| Particulars | As at 31 March 2023 | | As at 31 March 2022 | |
|--------------------------------------|---------------------|-----------------|---------------------|-----------------|
| | Number | Amount | Number | Amount |
| As at the beginning of the year | 16,326,754 | 1,632.67 | 15,641,010 | 1,564.10 |
| Issued during the year | 1,021,153 | 101.07 | 685,744 | 68.57 |
| Conversion of OCRPS to equity shares | 4,227,828 | 422.78 | - | - |
| As at the end of the year | 21,575,735 | 2,156.52 | 16,326,754 | 1,632.67 |

Equity shares held by the trust

| Particulars | As at 31 March 2023 | | As at 31 March 2022 | |
|----------------------------------|---------------------|---------------|---------------------|---------------|
| | Number | Amount | Number | Amount |
| As at the beginning of the year | 3,804,325 | 380.43 | 4,177,060 | 417.71 |
| Issued during the year | 1,000,000 | 100.00 | - | - |
| Transferred during the year | (320,360) | (32.04) | (372,735) | (37.27) |
| As at the end of the year | 4,483,965 | 448.40 | 3,804,325 | 380.43 |

B. Details of shareholders holding more than 5 percent shares in the Company are given below:

| Particulars | As at 31 March 2023 | | As at 31 March 2022 | |
|--------------------|---------------------|--------|---------------------|--------|
| | Number | % | Number | % |
| Vineet Sukumar | 6,737,840 | 31.23% | 4,900,000 | 30.01% |
| Gaurav Kumar | 6,632,577 | 30.74% | 4,900,000 | 30.01% |
| Vivriti ESOP Trust | 4,483,965 | 20.78% | 3,934,425 | 24.10% |

C. Details of shares held by the promoter at the end of the year

| Particulars | As at 31 March 2023 | | As at 31 March 2022 | |
|----------------|---------------------|--------|---------------------|--------|
| | Number | % | Number | % |
| Vineet Sukumar | 6,737,840 | 31.23% | 4,900,000 | 30.01% |
| Gaurav Kumar | 6,632,577 | 30.74% | 4,900,000 | 30.01% |

As per records of the Company, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.

D. Terms/Rights attached to equity shares:

The Company has a single class of equity shares. Accordingly, all equity shares rank equally with regard to dividends and share in the Company's residual assets. The equity shares are entitled to receive dividend as declared from time to time subject to payment of dividend to preference shareholders. Dividend proposed by the board of directors, if any, is subject to the approval of the shareholders at the Annual General Meeting, except in the case of interim dividend.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.



Vivriti Capital Private Limited

Notes to the standalone financial statements for the year ended 31 March 2023

(All amounts are in Rupees lakhs, unless stated otherwise)

| Particulars | As at 31 March 2023 | As at 31 March 2022 |
|------------------------------------------------------------------------------------------------------------------|------------------------|------------------------|
| 21A Convertible preference share capital | | |
| Authorised | | |
| 90,637,063 (As at 31 March 2022: 87,937,063) Compulsorily Convertible Preference Shares of Rs. 10 each | 9,063.37 | 8,793.71 |
| 850,000 (As at 31 March 2022: 850,000 shares) Optionally Convertible Redeemable Preference Shares of Rs. 60 each | 510.00 | 510.00 |
| | 9,573.37 | 9,303.71 |
| Issued, subscribed and fully paid up | | |
| 90,021,966 (As at 31 March 2022: 87,310,410) 0.001% Compulsorily Convertible Preference Shares of Rs. 10 each | 9,002.20 | 8,731.04 |
| Issued, subscribed and partially paid up | | |
| Nil (As at 31 March 2022: 811,402 of Re.1 each paid up) Optionally Convertible Redeemable Preference shares | - | 8.11 |
| | 9,002.20 | 8,739.15 |

A. Reconciliation of number of convertible preference shares outstanding at the beginning and at the end of the reporting period

i. Compulsorily convertible preference shares

| Particulars | As at 31 March 2023 | | As at 31 March 2022 | |
|----------------------------------|---------------------|-----------------|---------------------|-----------------|
| | Number | Amount | Number | Amount |
| As at the beginning of the year | 87,310,410 | 8,731.04 | 83,420,634 | 8,342.06 |
| Issued during the year | 2,711,556 | 271.16 | 3,889,776 | 388.98 |
| As at the end of the year | 90,021,966 | 9,002.20 | 87,310,410 | 8,731.04 |

ii. Optionally convertible redeemable preference shares

| Particulars | As at 31 March 2023 | | As at 31 March 2022 | |
|------------------------------------------------|---------------------|----------|---------------------|-------------|
| | Number | Amount | Number | Amount |
| As at the beginning of the year | 811,402 | 8.11 | 811,402 | 8.11 |
| Receipt of balance subscription price of OCRPS | - | 478.73 | - | - |
| Conversion into equity shares during the year | (811,402) | (486.84) | - | - |
| As at the end of the year | - | - | 811,402 | 8.11 |

B. Details of convertible preference shareholders holding more than 5 percent shares in the Company are given below:

i. Compulsorily convertible preference shares

| Particulars | As at 31 March 2023 | | As at 31 March 2022 | |
|------------------------------------------------------------------------------------|---------------------|--------|---------------------|--------|
| | Number | % | Number | % |
| Creation Investments LLC | 64,124,177 | 71.23% | 64,124,177 | 73.44% |
| Lightrock Growth Fund I S.A (Formerly known as Lightstone Fund SA)* | 11,593,166 | 12.88% | 11,593,166 | 13.28% |
| Financial Investments SPC (affiliate of Lightrock Growth Fund I S.A., SICAV-RAIF)* | 11,593,067 | 12.88% | 11,593,067 | 13.28% |

ii. Optionally convertible redeemable preference shares

| Particulars | As at 31 March 2023 | | As at 31 March 2022 | |
|----------------|---------------------|---|---------------------|--------|
| | Number | % | Number | % |
| Vineet Sukumar | - | - | 405,701 | 50.00% |
| Gaurav Kumar | - | - | 405,701 | 50.00% |



Vivriti Capital Private Limited

Notes to the standalone financial statements for the year ended 31 March 2023

(All amounts are in Rupees lakhs, unless stated otherwise)

C. Details of convertible preference shares held by the promoters at the beginning and at end of the reporting period

i. Compulsorily convertible preference shares

Promoters do not hold any compulsorily convertible preference shares.

ii. Optionally convertible redeemable preference shares

| Particulars | As at 31 March 2023 | | As at 31 March 2022 | |
|----------------|---------------------|---|---------------------|--------|
| | Number | % | Number | % |
| Vineet Sukumar | - | - | 405,701 | 50.00% |
| Gaurav Kumar | - | - | 405,701 | 50.00% |

D. Terms/rights attached to convertible preference shares

i. Compulsorily convertible preference shares

During the year, the Company has issued 2,711,556 (March 2022: 3,889,776), 0.001% Compulsorily Convertible Preference Shares ("CCPS") of face value Rs. 10/- aggregating Rs.271.16 Lakhs (March 2022: 388.98 Lakhs) which are convertible into equity shares at the option of CCPS holder during the conversion period.

Conversion of CCPS into equity shares will be as per the respective shareholders agreement and are treated pari-passu with equity shares on all voting rights. The CCPS if not converted by the preference shareholders shall be compulsorily converted into equity shares upon any of the following events:

- In connection with an IPO, immediately prior to the filing of red herring prospectus (or equivalent document, by whatever name called) with the competent authority or such later date as may be permitted under applicable law at the relevant time; and
- By delivering a Conversion Notice at any time during the relevant Conversion Period as per the respective shareholders agreement.

The CCPS holders have a right to receive dividend, prior to the Equity shareholders and will be cumulative if preference dividend is not declared or paid in any year.

*Lightstone Fund SA has changed its name to Lightrock Growth Fund I S.A., SICAV-RAIF, with effective from March 9, 2021. LR India Holdings Ltd. has changed its name to LR India Fund I S.à r.l., SICAV-RAIF, with effective from June 01, 2022.

ii. Optionally convertible redeemable preference shares ('OCRPS')

The right to convert OCRPS shall be exercisable by the holder at any time during the Conversion Period by delivering to the Company a notice in writing, subject to payment of balance subscription price.

The OCRPS, shall be entitled to dividend equivalent to 0.001% per annum of the paid-up portion of such OCRPS.

The OCRPS shall not carry any voting rights, until such OCRPS is converted into Equity Share(s) in accordance with the terms of the OCRPS.

During the year, the Company received the balance subscription price of these 811,402 OCRPS of face value INR 60 per share and converted these OCRPS into 4,227,828 equity shares of INR 10 per share ranking pari passu with existing fully paid-up equity shares of the Company.



Vivriti Capital Private Limited
Notes to the standalone financial statements for the year ended 31 March 2023
(All amounts are in Rupees lakhs, unless stated otherwise)

| Particulars | As at | |
|------------------------------------------------------------------------------------------|-------------------|-------------------|
| | 31 March 2023 | 31 March 2022 |
| 22 Other Equity | | |
| Statutory reserve | 4,775.83 | 2,189.88 |
| Share options outstanding account | 1,973.61 | 712.91 |
| Securities premium | 120,983.51 | 98,523.77 |
| Other comprehensive income | (417.48) | 66.28 |
| Retained earnings | 18,448.76 | 8,130.43 |
| | 145,764.23 | 109,623.27 |
| i Statutory reserve | | |
| Balance at the beginning of the year | 2,189.88 | 842.48 |
| Add: Transfer from retained earnings | 2,585.95 | 1,347.40 |
| Balance at the end of the year | 4,775.83 | 2,189.88 |
| ii Employee stock options outstanding account | | |
| Balance at the beginning of the year | 712.91 | 399.71 |
| Add: Share based payment expenses incurred during the year | 1,202.32 | 78.49 |
| Add: Stock compensation expense - recoverable from related parties (also refer note 36) | 58.38 | 234.71 |
| Balance at the end of the year | 1,973.61 | 712.91 |
| iii Securities premium | | |
| Balance at the beginning of the year | 98,523.77 | 66,097.26 |
| Add: Premium on shares issued during the year | 30,261.61 | 32,067.44 |
| Add: Premium on receipt of balance subscription and conversion of OCRPS to equity shares | 986.29 | - |
| Add: Stock compensation expenses (refer note 31.2) | - | 366.75 |
| Less: Utilised during the year for share issue expenses | (738.16) | (7.68) |
| Less: Premium on shares issued to Vivriti ESOP trust | (8,050.00) | - |
| Balance at the end of the year | 120,983.51 | 98,523.77 |
| iv Other Comprehensive Income | | |
| Balance at the beginning of the year | 66.28 | 135.47 |
| Add/ (Less) : Fair valuation of investment in debt instruments (net) | (475.00) | 255.58 |
| Add/ (Less) : Cash flow hedge reserve | (8.76) | (324.77) |
| Balance at the end of the year | (417.48) | 66.28 |
| v Retained earnings | | |
| Balance at the beginning of the year | 8,130.43 | 2,742.71 |
| Add : Profit/ (Loss) for the year | 12,929.75 | 6,736.98 |
| Add/ (Less) : Remeasurement of net defined benefit liability | (25.47) | (1.86) |
| Less: Transfer to statutory reserve | (2,585.95) | (1,347.40) |
| Balance at the end of the year | 18,448.76 | 8,130.43 |

Also refer Note 8.1
Statutory Reserve u/s. 45-IA of the Reserve Bank of India Act, 1934 ("the RBI Act, 1934")

Reserve u/s. 45-IA of RBI Act, 1934 is created in accordance with section 45 IC(1) of the RBI Act, 1934. As per Section 45 IC(2) of the RBI Act, 1934, no appropriation of any sum from this reserve fund shall be made by the non-banking financial company except for the purpose as may be specified by RBI.

Securities premium

Securities premium is used to record the premium on issue of shares. The reserve can be utilised only for limited purposes such as issue bonus shares, to provide for premium on redemption of shares or debentures, write-off equity related expenses like underwriting costs, etc in accordance with the provisions of the Companies Act, 2013.

Employee stock option outstanding account

The Company has stock option schemes under which options to subscribe for the Company's shares have been granted to eligible employees and key management personnel. The share-based payment reserve is used to recognise the value of equity-settled share-based payments.

Other comprehensive income

a. The Company has elected to recognise changes in the fair value of investments in other comprehensive income. These changes are accumulated within the FVOCI reserve within equity - financial instruments through OCI.

b. The Company has applied hedge accounting 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 as cash flow hedge reserve.

Retained earnings

Surplus in the statement of profit and loss is the accumulated available profit of the Company carried forward from earlier years. This reserve is free reserves which can be utilised for any purpose as may be required



23 Interest income

| | Year ended 31 March 2023 | | | |
|----------------------------------|---------------------------------|-----------------|----------|------------------|
| | On financial assets measured at | | | |
| | Amortised cost | FVOCI | FVTPL | Total |
| Interest on loans | 50,993.21 | - | - | 50,993.21 |
| Interest income from investments | 4,512.87 | 3,134.91 | - | 7,647.78 |
| Interest on deposits | 1,286.02 | - | - | 1,286.02 |
| | 56,792.10 | 3,134.91 | - | 59,927.01 |

| | Year ended 31 March 2022 | | | |
|----------------------------------|---------------------------------|-----------------|----------|------------------|
| | On financial assets measured at | | | |
| | Amortised cost | FVOCI | FVTPL | Total |
| Interest on loans | 28,634.13 | - | - | 28,634.13 |
| Interest income from investments | 1,713.68 | 1,550.30 | - | 3,263.98 |
| Interest on deposits | 445.98 | - | - | 445.98 |
| | 30,793.79 | 1,550.30 | - | 32,344.09 |

24 Fee and commission income

| | Year ended 31 March 2023 | Year ended 31 March 2022 |
|---------------------------|-----------------------------|-----------------------------|
| Fee and commission income | 2,033.55 | 1,359.31 |
| | 2,033.55 | 1,359.31 |

25 Net gain on fair value changes

| | Year ended 31 March 2023 | Year ended 31 March 2022 |
|------------------------------------------------------------------------|-----------------------------|-----------------------------|
| Net gain on financial instruments at fair value through profit or loss | | |
| On alternative investment funds | 2,365.45 | 656.27 |
| On mutual funds investments | 828.92 | 73.80 |
| Profit on sale of investments in NCD's and PTC's | 55.50 | 9.64 |
| | 3,249.87 | 739.71 |
| Fair value changes | | |
| Realised | 2,706.05 | 430.64 |
| Unrealised | 543.82 | 309.07 |
| | 3,249.87 | 739.71 |

25.1 Net gain on derecognition of financial instruments

| | Year ended 31 March 2023 | Year ended 31 March 2022 |
|----------------------------------------------------|-----------------------------|-----------------------------|
| Net gain on derecognition of financial instruments | 104.70 | 44.08 |
| | 104.70 | 44.08 |

26 Other income

| | Year ended 31 March 2023 | Year ended 31 March 2022 |
|---------------------------------------------|-----------------------------|-----------------------------|
| Gain on sale of shares in associate company | 1,622.05 | - |
| Gain on sale of fixed assets | 6.49 | 222.44 |
| Gain on termination of finance leases | - | 220.65 |
| Rental income (refer note 36) | 76.83 | 104.30 |
| Interest on rental deposit | 11.32 | 1.95 |
| Interest on income tax refund | 30.11 | - |
| Reimbursement of expenses (refer note 36) | 59.44 | 130.38 |
| | 1,806.24 | 679.72 |

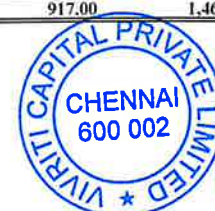
27 Finance costs

Finance costs on financial liabilities measured at amortised cost

| | Year ended 31 March 2023 | Year ended 31 March 2022 |
|------------------------------------|-----------------------------|-----------------------------|
| Interest on borrowings | | |
| - Term loans from banks and others | 25,121.74 | 13,303.39 |
| - Overdrafts and Cash credits | 427.22 | 324.78 |
| Interest on debt securities | 13,287.79 | 6,107.58 |
| Interest on lease liability | 190.76 | 164.76 |
| Interest on rental deposit | 14.24 | 5.04 |
| | 39,041.75 | 19,905.55 |

28 Impairment on financial instruments

| | Year ended 31 March 2023 | Year ended 31 March 2022 |
|--------------------------------|-----------------------------|-----------------------------|
| Impairment loss allowance on | | |
| - Loans | 804.96 | 1,236.37 |
| - Investments | 146.06 | 256.94 |
| - Guarantees and undrawn loans | (38.02) | (72.05) |
| - Receivables | 4.00 | 41.12 |
| Write off on | | |
| - Loans | - | - |
| - Investments | - | - |
| - Guarantees | - | - |
| Less: Recovery | - | - |
| | 917.00 | 1,462.38 |



| | Year ended 31 March 2023 | Year ended 31 March 2022 |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------|--------------------------------|
| 29 Employee benefits expenses | | |
| Salaries and bonus | 3,694.43 | 2,075.91 |
| Contribution to provident and other funds | 164.21 | 41.70 |
| Share based payments to employees | 1,202.32 | 78.49 |
| Staff welfare expenses | 403.63 | 98.88 |
| Gratuity expenses | 48.79 | 14.09 |
| | 5,513.38 | 2,309.07 |
| 30 Depreciation and amortisation expense | | |
| Depreciation on property, plant and equipment | 272.62 | 95.91 |
| Depreciation on right of use assets | 359.69 | 309.40 |
| Amortisation of intangible assets | 121.12 | 81.76 |
| Depreciation on investment property | 15.77 | - |
| | 769.20 | 487.07 |
| 31 Other expenses | | |
| Information technology cost | 466.24 | 196.28 |
| Travelling expenses | 316.65 | 152.35 |
| Maintenances of premises | 263.68 | 148.11 |
| Advertisement expenses | 278.39 | - |
| Legal and professional expenses (refer note 31.2) | 1,086.81 | 922.69 |
| Insurance | 195.19 | 78.33 |
| Rent | 201.25 | - |
| Rates and Taxes | 105.39 | 59.07 |
| Auditor's remuneration (refer note 31.1) | 104.80 | 60.00 |
| Communication expenses | 30.08 | 34.36 |
| Director sitting fees (also refer note 36) | 29.43 | 21.80 |
| Expenditure on corporate social responsibility (refer note 31.3) | 93.34 | 44.00 |
| Recruitment related Fees | 95.02 | 34.63 |
| Subscription expenses | 23.52 | 12.20 |
| Administrative expenses | 23.24 | 5.08 |
| Miscellaneous expenses | 282.54 | 169.89 |
| | 3,595.57 | 1,938.79 |
| 31.1 Auditors' Remuneration | | |
| Statutory audit including limited review | 90.00 | 57.00 |
| Other services and reimbursement of expenses | 14.80 | 3.00 |
| | 104.80 | 60.00 |
| 31.2 Stock compensation expenses | | |
| Professional fees for year ended 31 March 2022 includes share based payment of INR 407.50 lakhs to one advisor by allotment of Series 1C shares in May 2021 considering the fair value on the date of such allotment. | | |
| 31.3 Details of expenditure on corporate social responsibility (CSR) | | |
| (a) Gross amount required to be spent by the Company during the year | 93.34 | 37.94 |
| (b) Amount approved by the Board to be spent during the year | 93.34 | 38.00 |
| (c) Amount spent during the year (in cash): | | |
| (i) Construction/ acquisition of any asset | - | - |
| (ii) On purposes other than (i) above | 93.34 | 44.00 |
| (d) Contribution to related parties | - | - |
| (e) Excess amount spent / Shortfall | - | (6.06) |
| | As at 31 March 2023 | As at 31 March 2022 |
| Opening balance | (3.23) | 2.83 |
| Amount required to be spent during the year | 93.34 | 37.94 |
| Amount spent during the year | (93.34) | (44.00) |
| Closing balance | (3.23) | (3.23) |

Nature of CSR activities

During the year, the Company had transferred the CSR amounts to IITM Incubation Cell towards promoting education and to Environmental Foundation of India towards environmental sustainability activities covered under Schedule VII of the Act.



32 Income tax

The component of income tax expenses:

| | | |
|----------------------------------------------------------------------------|-----------------|-----------------|
| Current tax | 4,572.81 | 1,882.70 |
| Deferred tax relating to origination and reversal of temporary differences | (218.09) | 444.37 |
| | 4,354.72 | 2,327.07 |

32.1 Reconciliation of total tax expenses

The tax charge shown in the statement of profit and loss differs from the tax charge that would apply if all profits had been charged at India corporate tax rate. A reconciliation between the tax expense and the accounting profit multiplied by India's domestic tax rate for the years March 31, 2023 and 2022 are, as follows:

| | Year ended 31 March 2023 | Year ended 31 March 2022 |
|------------------------------------------------------------------------------------------------------------------------|-----------------------------|-----------------------------|
| Accounting profit before tax | 17,284.47 | 9,064.05 |
| Applicable tax rate | 25.17% | 25.17% |
| Computed tax expense | 4,350.16 | 2,281.42 |
| Tax effect of: | | |
| Permanent differences | 23.49 | 45.65 |
| Items with different tax rates | (20.92) | - |
| Others | (1.99) | - |
| | 4,350.74 | 2,327.07 |
| Income tax expense recognised in statement of profit and loss excluding change in estimates relating to previous years | | |
| Effective tax rate | 25.17% | 25.67% |

32.2 Deferred tax

The following table shows deferred tax recorded in the balance sheet and changes recorded in the income tax expenses

| Components of deferred tax asset (liability) | As at 31 March 2022 | Statement of profit and loss | Other comprehensive income | As at 31 March 2023 |
|--------------------------------------------------|------------------------|---------------------------------|----------------------------------|------------------------|
| Deferred tax asset/ (liability) in relation to - | | | | |
| Property, plant and equipments | (11.53) | (11.63) | - | (23.16) |
| Impairment on financial assets | 724.85 | 24.57 | - | 749.42 |
| Provision for employee benefits | 107.81 | 132.50 | (8.57) | 231.74 |
| Unamortised processing fee income (net) | (339.04) | 53.81 | - | (285.23) |
| Others | 108.67 | 361.37 | (162.70) | 307.35 |
| | 590.76 | 560.62 | (171.27) | 980.12 |

| Components of deferred tax asset (liability) | As at 31 March 2021 | Statement of profit and loss | Other comprehensive income | As at 31 March 2022 |
|--------------------------------------------------|------------------------|---------------------------------|----------------------------------|------------------------|
| Deferred tax asset/ (liability) in relation to - | | | | |
| Property, plant and equipments | 52.96 | (64.49) | - | (11.53) |
| Impairment on financial assets | 534.82 | 190.03 | - | 724.85 |
| Provision for employee benefits | 82.42 | 24.77 | 0.62 | 107.81 |
| Unamortised processing fee income (net) | 300.36 | (639.40) | - | (339.04) |
| Others | 40.68 | 44.72 | 23.27 | 108.67 |
| | 1,011.24 | (444.37) | 23.89 | 590.76 |

33 Earnings per share

| | Year ended 31 March 2023 | Year ended 31 March 2022 |
|-----------------------------------------------------------------------------------------------------|-----------------------------|-----------------------------|
| Profit for the year | 12,929.75 | 6,736.98 |
| Weighted average number of equity shares outstanding during the year for calculation of basic EPS | 16,772,776 | 12,485,534 |
| Effect of dilutive potential equity shares: | | |
| Convertible preference shares | 76,796,265 | 71,402,633 |
| Employee stock options | 2,311,856 | 2,909,817 |
| Weighted average number of equity shares outstanding during the year for calculation of diluted EPS | 95,880,897 | 86,797,984 |
| Face value per share | 10.00 | 10.00 |
| Earnings per share (in Rs.) | | |
| - Basic | 77.09 | 53.96 |
| - Diluted | 13.49 | 7.76 |



34 Employee benefits

34.1 Defined contribution plan

The Company makes specified monthly contributions towards employee provident fund to Government administered provident fund scheme which is a defined contribution plan. The Company's contribution is recognized as an expenses in the statement of profit and loss during the period in which the employee renders the related service. The Company has recognised Rs. 164.21 Lakhs (As at 31 March 2022 : Rs. 41.70 Lakhs) as contribution to provident fund in the statement of profit and loss account.

34.2 Defined benefit plans

The Company's gratuity benefit scheme is a defined benefit plan. The Company's net obligation in respect of a defined benefit plan is calculated by estimating the amount of future benefit that employees have earned in return for their services in the current and prior periods; that benefit is discounted to determine its present value. Any unrecognised past services and the fair value of any plan assets are deducted. The Calculation of the Company's obligation under the plan is performed annually by a qualified actuary using the projected unit credit method.

Risks associated with defined benefit plan

Gratuity is a defined benefit plan and company is exposed to the following risks:

Interest rate risk: A fall in the discount rate, which is linked to the Government Securities rate, will increase the present value of the liability requiring higher provision. A fall in the discount rate generally increases the mark to market value of the assets depending on the duration of asset.

Salary Risk: The present value of the defined benefit plan liability is calculated by reference to the future salaries of members. As such, an increase in the salary of the members more than assumed level may increase the plan's liability.

Investment Risk: The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds.

If the return on plan asset is below this rate, it will create a plan deficit. Currently, for the plan in India, it has a relatively balanced mix of investments in government securities, and other debt instruments.

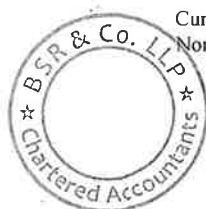
Asset Liability Matching (ALM) Risk: The plan faces the ALM risk as to the matching cash flow. Since the plan is invested in lines of Rule 101 of Income Tax Rules, 1962, this generally reduces ALM risk.

Mortality risk: Since the benefits under the plan is not payable for life time and payable till retirement age only, plan does not have any longevity risk.

| | Year ended 31 March 2023 | Year ended 31 March 2022 |
|-------------------------------------------------------------------------------------------------------------------|-----------------------------|-----------------------------|
| A. Change in present value defined benefit of obligations | | |
| Change in defined benefit obligations during the year | | |
| Present value of defined benefit obligation at the beginning of the year | 34.64 | 18.08 |
| Current service cost | 46.43 | 12.81 |
| Interest cost | 2.36 | 1.28 |
| Acquisitions/Divestures/Transfer | - | - |
| Benefits paid | (6.36) | - |
| Actuarial loss / (gain) recognised in other comprehensive income | 34.04 | 2.48 |
| Present value of defined benefit obligation at the end of the year | 111.11 | 34.64 |
| B. Change in fair value of plan assets during the year | | |
| Fair value of plan assets at the beginning of the year | - | - |
| Expected return on plan assets | - | - |
| Employer contributions | 6.36 | - |
| Benefits paid | (6.36) | - |
| Actuarial loss / (gain) recognised in other comprehensive income | - | - |
| Fair value of plan assets at the end of the year | - | - |
| C. Actual return on plan assets | | |
| Expected return on plan assets | - | - |
| Actuarial gain / (loss) on plan assets | - | - |
| Actual return on plan assets | - | - |
| D. Reconciliation of present value of the defined benefit obligation and the fair value of the plan assets | | |
| Present value of defined benefit obligations at the end of the year | 111.11 | 34.64 |
| Fair value of plan assets | - | - |
| Net liability recognised in balance sheet | 111.11 | 34.64 |

The liability in respect of the gratuity plan comprises of the following non-current and current

| | | |
|-------------|---------------|--------------|
| Current | 4.01 | 1.61 |
| Non-current | 107.10 | 33.03 |
| | 111.11 | 34.64 |



| | Year ended 31 March 2023 | Year ended 31 March 2022 |
|-------------------------------------------------------------------|-----------------------------|-----------------------------|
| E. Expense recognised in statement of profit and loss | | |
| Current service cost | 46.43 | 12.81 |
| Interest cost | 2.36 | 1.28 |
| Expected return on plan assets | - | - |
| Net cost recognized in the statement of profit and loss | 48.79 | 14.09 |
| F. Remeasurements recognised in other comprehensive income | | |
| Actuarial loss / (gain) on defined benefit obligation | 34.04 | 2.48 |
| Return on plan assets excluding interest income | - | - |
| | 34.04 | 2.48 |
| G. Assumptions as at balance sheet date | | |
| | Year ended 31 March 2023 | Year ended 31 March 2022 |
| Discount rate (refer note (b)) | 7.60% | 7.50% |
| Interest rate (rate of return on assets) | - | - |
| Future salary increase (refer note (a)) | 9.00% | 8.00% |
| Mortality table | 2 - 12% | 2 - 12.5% |
| Attrition rate (refer note (a)) | 15.00% | 15.00% |

Notes:

- The estimate of future salary increase takes into account inflation, seniority, promotion and other relevant factors. Further, the Management re-visits the assumptions such as attrition rate, salary escalation etc., taking into account, the business conditions, various external / internal factors affecting the Company.
- Discount rate is based on the prevailing market yields of Indian Government Bonds as at the balance sheet date for the estimated term of the obligation.
- Experience adjustments:

| | As at 31 March 2023 | As at 31 March 2022 | As at 31 March 2021 | As at 31 March 2020 | As at 31 March 2019 |
|------------------------------------------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|
| Defined benefit obligation | 111.11 | 34.64 | 18.08 | 35.82 | 27.57 |
| Fair value of plan assets | - | - | - | - | - |
| Surplus / (deficit) | (111.11) | (34.64) | (18.08) | (35.82) | (27.57) |
| Experience adjustments on plan liabilities - (loss) / gain | (34.04) | (2.48) | (15.12) | 12.47 | - |
| Experience adjustments on plan assets - loss / (gain) | - | - | - | - | - |

d) Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below:

| | As at 31 March 2023 | As at 31 March 2022 |
|----------------------|------------------------|------------------------|
| Discount rate | | |
| -1% increase | (11.99) | (3.51) |
| -1% decrease | 14.27 | 4.17 |
| Future salary growth | | |
| -1% increase | 9.81 | 3.13 |
| -1% decrease | (8.94) | (2.76) |
| Employee Turnover | | |
| -1% increase | (2.44) | (0.42) |
| -1% decrease | 2.55 | 0.43 |

Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown.

35 Segment information

The Company has been operating only in one segment viz, financing activities and the operations being only in India, the disclosure requirements of Ind AS 108 is not applicable.



Vivriti Capital Private Limited
Notes to the standalone financial statements for the year ended 31 March 2023

(All amounts are in Rupees lakhs, unless stated otherwise)

36 Related Party information

36.1 Names of related parties and nature of relationship

| | |
|--------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Subsidiary company | Vivriti Asset Management Private Limited |
| Associate | Credavenue Private Limited (Subsidiary till 20 September 2021 - also refer note 8.1) |
| Subsidiaries of associate | Credavenue Securities Private Limited Spocto Solutions Private Limited (with effect from 25 February 2022) Bluevine Technologies Private Limited (w.e.f. 26 April 2022) Credavenue Spocto Technology Limited (w.e.f. 11 August 2022) |
| Key Managerial Personnel | Mr. Vineet Sukumar, Managing Director Mr. Gaurav Kumar, (Non Executive Director w.e.f. 5 August 2021) Ms. Namrata Kaul, Independent Director Ms. Anita P Belani, Independent Director (w.e.f. 7 May 2021) Mr. Santanu Paul, Independent Director (w.e.f. 9 February 2023) Mr. John Tyler Day, Nominee Director Mr. Kenneth Dan Vander Weele, Nominee Director (till 9 February 2023) Mr. Kartik Srivatsa, Nominee Director Mr. Gopal Srinivasan, Nominee Director (w.e.f. 27 May 2022) Mr. Lazar Zdrakovic, Additional Director (w.e.f. 31 March 2023) |
| Entity in which KMP of the Company / Subsidiary company is a Director or Shareholder | QED Business Solutions Private Limited (w.e.f. 1 February 2023) Epimoney Private Limited (w.e.f. 27 May 2022) Smartcoin Financials Private Limited Aye Finance Private Limited Shapos Services Private Limited Sonata Finance Private Limited (till 9 February 2023) UC Inclusive Credit Private Limited |

36.2 Transactions during the year

| Particulars | Year ended 31 March 2023 | Year ended 31 March 2022 |
|------------------------------------------|-----------------------------|-----------------------------|
| Interest Income | | |
| Vivriti Asset Management Private Limited | 8.32 | 20.46 |
| Aye Finance Private Limited | 32.47 | - |
| Epimoney Private Limited | 59.57 | - |
| Shapos Services Private Limited | 292.49 | 27.73 |
| Sonata Finance Private Limited | 363.18 | 329.60 |
| UC Inclusive Credit Private Limited | 326.05 | 97.47 |
| Rent income | | |
| Vivriti Asset Management Private Limited | 55.62 | 13.92 |
| Credavenue Private Limited | - | 84.00 |
| Reimbursement of expenses | | |
| Vivriti Asset Management Private Limited | 129.59 | 1,605.05 |
| Credavenue Private Limited | 349.09 | 655.78 |
| Platform fees expense: | | |
| Credavenue Private Limited | 1,149.99 | 2,811.69 |
| Credavenue Securities Private Limited | 2,927.13 | - |
| Bluevine Technologies Private Limited | 15.92 | - |
| Servicer fee | | |
| Smartcoin Financials Private Limited | 1,421.18 | - |
| Sale of fixed assets | | |
| Vivriti Asset Management Private Limited | - | 4.93 |
| Credavenue Private Limited | 175.62 | 640.80 |
| Employee share option recoverable | | |
| Vivriti Asset Management Private Limited | 28.60 | 40.14 |
| Credavenue Private Limited | 29.79 | 194.59 |



Vivriti Capital Private Limited

Notes to the standalone financial statements for the year ended 31 March 2023

(All amounts are in Rupees lakhs, unless stated otherwise)

| Particulars | Year ended 31 March 2023 | Year ended 31 March 2022 |
|----------------------------------------------------------------------|-----------------------------|-----------------------------|
| Fees and commission income: | | |
| Vivriti Asset Management Private Limited | - | 33.30 |
| Credavenue Private Limited | 767.99 | 1,136.09 |
| Credavenue Securities Private Limited | 648.60 | - |
| Sonata Finance Private Limited | 1.28 | - |
| Processing fee received | | |
| Aye Finance Private Limited | 4.00 | - |
| Shapos Services Private Limited | 12.50 | 8.00 |
| Sonata Finance Private Limited | 11.28 | 16.50 |
| UC Inclusive Credit Private Limited | 18.50 | 7.50 |
| Rent expense | | |
| Vivriti Asset Management Private Limited | 72.16 | - |
| Rental Deposit recoverable | | |
| Credavenue Private Limited | - | 150.00 |
| Vivriti Asset Management Private Limited | 28.10 | - |
| Loans given | | |
| Vivriti Asset Management Private Limited | 2,000.00 | 550.00 |
| Aye Finance Private Limited | 4,000.00 | - |
| Shapos Services Private Limited | 6,902.00 | 1,600.00 |
| Sonata Finance Private Limited | 3,700.00 | 2,300.00 |
| UC Inclusive Credit Private Limited | 2,000.00 | 1,500.00 |
| Loans repaid | | |
| Vivriti Asset Management Private Limited | 1,200.00 | 550.00 |
| Epimoney Private Limited | 500.00 | - |
| Shapos Services Private Limited | 5,481.24 | 150.00 |
| Sonata Finance Private Limited | 2,473.43 | 2,019.78 |
| UC Inclusive Credit Private Limited | 1,300.00 | 400.00 |
| Investments in Debentures | | |
| Aye Finance Private Limited | 4,340.00 | - |
| Secondary purchase of investments in MLDs of other entities | | |
| Credavenue Private Limited | 1,713.74 | - |
| Credavenue Securities Private Limited | 8,999.74 | - |
| Secondary sale of investment in MLDs of other entities | | |
| Credavenue Private Limited | 1,885.88 | - |
| Credavenue Securities Private Limited | 16,983.73 | - |
| Secondary sale of Investments in Alternative Investment Funds | | |
| Vivriti Asset Management Private Limited | 1,421.46 | - |
| Subscription of Company's debt securities (borrowings) | | |
| Credavenue Private Limited | 5,670.00 | 7,930.07 |
| Credavenue Securities Private Limited | 21,000.00 | - |
| Advisory fee expense | | |
| QED Business Solutions Private Limited | 8.00 | - |
| First Loss Default Guarantee (FLDG) settlement | | |
| Epimoney Private Limited | 440.87 | - |
| Smartcoin Financias Private Limited | 4,760.67 | - |
| Investment in CCPS | | |
| Vivriti Asset Management Private Limited | 2,000.00 | 3,000.00 |



Vivriti Capital Private Limited
Notes to the standalone financial statements for the year ended 31 March 2023
(All amounts are in Rupees lakhs, unless stated otherwise)

| Particulars | Year ended 31 March 2023 | Year ended 31 March 2022 |
|-----------------------------------------------------------|-----------------------------|-----------------------------|
| Directors Sitting fees | | |
| Ms. Namrata Kaul | 13.08 | 11.00 |
| Ms. Anita P Belani | 14.17 | 9.00 |
| Mr. Santanu Paul | 2.18 | - |
| Remuneration paid (short-term employment benefits) | | |
| Mr. Vineet Sukumar | 249.56 | 292.19 |
| Mr. Gaurav Kumar | - | 241.35 |

Also refer note 8.1 for renunciation of rights

Note:

Managerial remuneration above does not include gratuity and compensated absences, since the same are provided on actuarial basis for the company as a whole and the amount attributable to the key managerial personnel cannot be ascertained separately.

36.3 Balances as at the year-end:

| Particulars | As at 31 March 2023 | As at 31 March 2022 |
|------------------------------------------|------------------------|------------------------|
| Investment in Equity | | |
| Vivriti Asset Management Private Limited | 2,751.00 | 2,751.00 |
| Credavenue Private Limited | 4,985.85 | 5,001.00 |
| Investment in CCPS | | |
| Vivriti Asset Management Private Limited | 5,000.00 | 3,000.00 |
| Loans | | |
| Vivriti Asset Management Private Limited | 800.00 | - |
| Epimoney Private Limited | 167.75 | - |
| Aye Finance Private Limited | 4,014.46 | - |
| Shapos Services Private Limited | 2,804.42 | 1,461.54 |
| Sonata Finance Private Limited | 4,011.54 | 2,790.38 |
| UC Inclusive Credit Private Limited | 2,784.84 | 2,064.14 |
| Investments in Debentures | | |
| Aye Finance Private Limited | 1,870.00 | - |
| Debt Securities (Borrowings) | | |
| Credavenue Private Limited | - | 7,930.07 |
| Credavenue Securities Private Limited | 6,870.00 | - |
| Trade payables | | |
| Vivriti Asset Management Private Limited | 79.21 | - |
| Credavenue Private Limited | 775.98 | 535.42 |
| Smartcoin Financials Private Limited | 490.34 | - |
| Credavenue Securities Private Limited | 15.55 | - |
| Receivables | | |
| Vivriti Asset Management Private Limited | 219.90 | - |
| Credavenue Private Limited | 83.85 | 172.40 |
| Credavenue Securities Private Limited | 382.05 | - |
| Other financial assets | | |
| Vivriti Asset Management Private Limited | 930.44 | 874.88 |
| Credavenue Private Limited | 182.95 | 428.46 |
| Epimoney Private Limited | 51.29 | - |
| Smartcoin Financials Private Limited | 384.54 | - |

Notes:

- There are no provision for doubtful debts/ advances or amounts written off or written back for debts due from/ due to related parties.
- The transactions disclosed above are exclusive of GST.



37 Micro, Small and Medium enterprises

The Ministry of Micro, Small and Medium Enterprises has issued an office memorandum dated August 26, 2008 which recommends that the Micro and Small Enterprises should mention in their correspondence with its customers the Entrepreneurs Memorandum Number as allocated after filing of the Memorandum in accordance with the Micro, Small and Medium Enterprise Development Act, 2006 ('MSMED Act, 2006'). Accordingly, the disclosure in respect of the amounts payable to such enterprises as at 31 March 2023 has been made in the financial statements based on information received and available with the Company. Further in view of the Management, the impact of interest, if any, that may be payable in accordance with the provisions of the Act is not expected to be material. The Company has not received any claim for interest from any supplier as at the balance sheet date.

| | As at 31 March 2023 | As at 31 March 2022 |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------|------------------------|
| The principal amount and the interest due thereon (to be shown separately) remaining unpaid to any supplier as at the end of each accounting year | | |
| - Principal | 14.17 | - |
| - Interest | - | - |
| The amount of interest paid by the buyer in terms of Section 16, of the MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year | - | - |
| The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the period) but without adding the interest specified under the MSMED Act, 2006 | - | - |
| The amount of interest accrued and remaining unpaid at the end of each accounting year; and | - | - |
| The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under Section 23 of the MSMED Act, 2006. | - | - |

38 Contingent liabilities, commitments and other litigations

| | As at 31 March 2023 | As at 31 March 2022 |
|---------------------------------------------------|------------------------|------------------------|
| 38.1 Contingent liabilities | | |
| Guarantees issued to third party | 1,139.18 | 4,156.80 |
| 38.2 Commitments | | |
| Capital commitments | 971.10 | 1,171.11 |
| Undrawn committed sanctions to borrowers | 7,725.00 | 6,905.17 |
| 38.3 Other litigations | | |
| Suits filed by the Company against counterparties | 1,553.20 | 1,553.20 |



39 Employee Stock Option Scheme (ESOS)

The Company constituted the Vivriti ESOP Trust (the Trust) to administer the Employee Stock Options (ESOP) scheme and allotted 1,000,000 (31 March 2022: Nil) equity shares to the Trust. The Trust has granted 1,293,800 (31 March 2022: 681,000) options under the Employee Stock Option Scheme to employees spread over a vesting period of 2 to 5 years. The details of options granted and outstanding are as follows:

| Plan | Grant date | Number of options | Exercise price in Rs. | Vesting period | Vesting condition |
|-----------------|------------|-------------------|-----------------------|----------------|--------------------|
| ESOP - Scheme 1 | 29-Jun-18 | 444,100 | 10.00 | 5 Years | Time based vesting |
| | 19-Jul-19 | 207,100 | 47.48 | 5 Years | Time based vesting |
| ESOP - Scheme 2 | 19-Jul-19 | 166,900 | 47.48 | 5 Years | Time based vesting |
| | 18-Nov-19 | 330,850 | 71.67 | 5 Years | Time based vesting |
| ESOP - Scheme 3 | 15-Dec-19 | 35,000 | 71.67 | 4 Years | Time based vesting |
| | 30-Jun-20 | 540,500 | 173.66 | 4 Years | Time based vesting |
| ESOP - Scheme 4 | 30-Sep-20 | 64,000 | 173.66 | 4 Years | Time based vesting |
| | 31-Dec-20 | 9,500 | 173.66 | 4 Years | Time based vesting |
| | 31-Mar-21 | 147,500 | 173.66 | 4 Years | Time based vesting |
| | 30-Jun-21 | 205,000 | 173.66 | 4 Years | Time based vesting |
| | 31-Dec-21 | 361,125 | 173.66 | 4 Years | Time based vesting |
| ESOP - Scheme 5 | 1-Jul-22 | 661,050* | 815.00 | 4 Years | Time based vesting |
| | 31-Dec-22 | 356,400 | 950.00 | 4 Years | Time based vesting |
| | 16-Jan-23 | 260,000 | 950.00 | 4 Years | Time based vesting |

* Scheme approved by the shareholders at their meeting held on 22 September 2022 with relevant effective grant date.

39.1 Reconciliation of outstanding options

The details of options granted under the above schemes are as follows.

| Particulars | As at 31 March 2023 | | As at 31 March 2022 | |
|-------------------------------------------------|--------------------------------------------|-------------------|--------------------------------------------|-------------------|
| | Weighted average exercise price per option | Number of options | Weighted average exercise price per option | Number of options |
| Outstanding at beginning of year | 107.48 | 3,471,515 | 85.97 | 3,983,750 |
| Forfeited during the year | 154.64 | (528,150) | 109.80 | (558,000) |
| Exercised during the year | 55.04 | (448,140) | 48.17 | (635,235) |
| Granted during the year | 880.41 | 1,293,800 | 173.66 | 681,000 |
| Outstanding as at end of year | 370.44 | 3,789,025 | 107.48 | 3,471,515 |
| Vested and exercisable as at end of year | 107.48 | 947,256 | 82.73 | 651,915 |

39.2 Fair value methodology

The fair value of the options is estimated on the date of the grant using the Black-Scholes option pricing model, with the following assumptions:

| | As at 31 March 2023 | As at 31 March 2022 |
|--------------------------------------------------------|---------------------|---------------------|
| Share price on Grant date (In Rs.) | 10.00 - 950.00 | 10.00 - 356.89 |
| Exercise price (In Rs.) | 10.00 - 950.00 | 10.00 - 173.66 |
| Fair value of options at grant date | 2.40 - 362.12 | 2.40 - 230.80 |
| Expected dividends* | Nil | Nil |
| Option term | 5 years | 2 to 6 years |
| Risk free interest rate | 4.09%- 8.32% | 4.09%- 8.32% |
| Expected volatility** | 14.70%- 33.04% | 14.70%- 33.04% |
| Weighted average remaining contractual life (in years) | 2.16 | 3.10 |

* Company has not paid any dividend till date.

** Company is a unlisted entity and having no listed peer companies, so volatility of BSE Finance Index for the historical period as per the time to maturity in each vesting has been considered.



40 Leases

The disclosures as required under Ind AS 116 are as follows;

(i) Measurement of Lease Liabilities

| Particulars | As at | |
|-------------------|---------------|---------------|
| | 31 March 2023 | 31 March 2022 |
| Lease Liabilities | 2,719.55 | 620.63 |

The Company has considered weighted average rate of borrowings for discounting.

The Company has entered into leasing arrangements for premises. ROU has been included after the line 'Property, Plant and Equipment' and Lease liability has been included under 'Other Financial Liabilities' in the Balance Sheet.

(ii) Amounts recognised in the Balance sheet

| Particulars | As at | |
|-----------------------------------------|-----------------|---------------|
| | 31 March 2023 | 31 March 2022 |
| a) Right-of-use assets (net) | 2,571.15 | 602.98 |
| b) Lease liabilities | | |
| Current | 416.21 | 97.64 |
| Non-current | 2,303.34 | 522.99 |
| Total Lease liabilities | <u>2,719.55</u> | <u>620.63</u> |
| c) Additions to the Right-of-use assets | 2,327.86 | 1,575.43 |

(iii) Amounts recognised in the Statement of Profit and Loss

| Particulars | Year ended | |
|------------------------------------------------|---------------|---------------|
| | 31 March 2023 | 31 March 2022 |
| a) Depreciation charge for right-of-use assets | 359.69 | 309.40 |
| b) Interest expense (included in finance cost) | 190.76 | 164.76 |
| c) Expense relating to short-term leases | 201.25 | 2.51 |

(iv) Cash Flows

| Particulars | Year ended | |
|----------------------------------|---------------|---------------|
| | 31 March 2023 | 31 March 2022 |
| The total cash outflow of leases | 419.70 | 395.10 |

(v) Maturity analysis of undiscounted lease liabilities

| Particulars | As at | |
|---------------------------------------------------|---------------|---------------|
| | 31 March 2023 | 31 March 2022 |
| Not later than one year | 680.20 | 158.03 |
| Later than one year and not later than five years | 2,837.21 | 632.84 |
| Later than five years | - | - |



41 Financial Instruments

A Fair value measurement

Valuation principles

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions i.e, exit price. This is regardless of whether that price is directly observable or estimated using a valuation technique.

Financial instruments by category

The carrying value and fair value of financial instruments measured at fair value as of 31 March 2023 were as follows

| Particulars | Carrying amount | | Fair value | | | Total |
|----------------------------------|-----------------|-----------|------------|-----------|-----------|-----------|
| | FVTPL | FVOCI | Level 1 | Level 2 | Level 3 | |
| Financial assets: | | | | | | |
| Investments | | | | | | |
| - Pass-through certificates | - | 32,936.58 | - | - | 32,936.58 | 32,936.58 |
| - Non convertible debentures | - | 40,730.34 | - | - | 40,730.34 | 40,730.34 |
| - Alternative Investment Funds | 27,078.41 | - | - | 27,078.41 | - | 27,078.41 |
| - Market linked debentures | 15,740.98 | - | - | - | 15,740.98 | 15,740.98 |
| - Mutual funds | 7,167.58 | - | 7,167.58 | - | - | 7,167.58 |
| Derivative financial instruments | - | 384.32 | - | - | 384.32 | 384.32 |
| Financial liabilities: | | | | | | |
| Derivative financial instruments | - | - | - | - | - | - |

The carrying value and fair value of financial instruments measured at fair value as of 31 March 2022 were as follows

| Particulars | Carrying amount | | Fair value | | | Total |
|----------------------------------|-----------------|-----------|------------|---------|-----------|-----------|
| | FVTPL | FVOCI | Level 1 | Level 2 | Level 3 | |
| Financial assets: | | | | | | |
| Investments | | | | | | |
| - Pass-through certificates | - | 29,841.50 | - | - | 29,841.50 | 29,841.50 |
| - Non convertible debentures | - | 22,496.10 | - | - | 22,496.10 | 22,496.10 |
| - Alternative Investment Funds | 12,288.67 | - | - | - | 12,288.67 | 12,288.67 |
| - Market linked debentures | 20,155.04 | - | - | - | 20,155.04 | 20,155.04 |
| - Mutual funds | 3,010.85 | - | 3,010.85 | - | - | 3,010.85 |
| Financial liabilities: | | | | | | |
| Derivative financial instruments | - | 382.00 | - | - | 382.00 | 382.00 |

Reconciliation of fair value measurement is as follows

| Particulars | Year ended | Year ended |
|-------------------------------------------|-----------------|---------------|
| | 31 March 2023 | 31 March 2022 |
| <i>Financial assets measured at FVOCI</i> | | |
| Balance at the beginning of the year | 204.39 | 97.28 |
| Total gains/(losses) measured through OCI | (723.34) | 107.11 |
| Balance at the end of the year | (518.95) | 204.39 |
| <i>Financial assets measured at FVTPL</i> | | |
| Fair value adjustment | 543.82 | 309.07 |

Sensitivity analysis - Increase/ decrease of 100 basis points

| Particulars | As at 31 March 2023 | | As at 31 March 2022 | |
|----------------------------------|---------------------|----------|---------------------|----------|
| | Increase | Decrease | Increase | Decrease |
| Financial assets: | | | | |
| Investments | | | | |
| - Pass through certificates | (197.17) | 200.93 | (161.10) | 158.18 |
| - Non convertible debentures | (673.89) | 697.90 | (514.99) | 494.00 |
| - Alternative Investment Funds | 270.78 | (270.78) | 122.89 | (122.89) |
| - Market linked debentures | 157.41 | (157.41) | 201.55 | (201.55) |
| - Mutual funds | 71.68 | (71.68) | 30.11 | (30.11) |
| Derivative financial instruments | 3.84 | (3.84) | - | - |
| Financial liabilities: | | | | |
| Derivative financial instruments | - | - | 3.82 | (3.82) |



A Fair value measurement (continued)

The carrying value of other financial instruments by categories as of 31 March 2023 were as follows:

| Particulars | Carrying Value | | | | |
|-----------------------------------------------------------------------------|----------------|---------|---------|---------|-------|
| | Amortised cost | Level 1 | Level 2 | Level 3 | Total |
| Financial assets not measured at fair value: | | | | | |
| Cash and cash equivalents | 29,454.89 | - | - | - | - |
| Bank balances other than cash and cash equivalents | 25,965.12 | - | - | - | - |
| Trade receivables | 773.99 | - | - | - | - |
| Loans | 453,997.47 | - | - | - | - |
| Investments | 16,711.25 | - | - | - | - |
| Other financial assets | 4,100.15 | - | - | - | - |
| Financial liabilities not measured at fair value: | | | | | |
| Trade payables | | | | | |
| -total outstanding dues of micro and small enterprises | 14.17 | - | - | - | - |
| -total outstanding dues of creditors other than micro and small enterprises | 1,955.81 | - | - | - | - |
| Debt securities | 151,887.19 | - | - | - | - |
| Borrowings (Other than debt securities) | 350,101.65 | - | - | - | - |
| Other financial liabilities | 7,487.56 | - | - | - | - |

The carrying value of other financial instruments by categories as of 31 March 2022 were as follows:

| Particulars | Carrying Value | | | | |
|-----------------------------------------------------------------------------|----------------|---------|---------|---------|-------|
| | Amortised cost | Level 1 | Level 2 | Level 3 | Total |
| Financial assets not measured at fair value: | | | | | |
| Cash and cash equivalents | 43,391.04 | - | - | - | - |
| Bank balances other than cash and cash equivalents | 31,894.68 | - | - | - | - |
| Trade receivables | 423.41 | - | - | - | - |
| Loans | 296,048.09 | - | - | - | - |
| Investments | 10,752.00 | - | - | - | - |
| Other financial assets | 1,821.22 | - | - | - | - |
| Financial liabilities not measured at fair value: | | | | | |
| Trade payables | | | | | |
| -total outstanding dues of micro and small enterprises | - | - | - | - | - |
| -total outstanding dues of creditors other than micro and small enterprises | 954.58 | - | - | - | - |
| Debt securities | 107,051.35 | - | - | - | - |
| Borrowings (Other than debt securities) | 247,962.03 | - | - | - | - |
| Other financial liabilities | 1,756.13 | - | - | - | - |

For all the financial assets and liabilities which are not carried at fair value, disclosure of fair value is not required as the carrying amounts approximates the fair values.

Note:

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments, traded bonds and mutual funds that have quoted price. The fair value of all equity instruments (including bonds) which are traded in the stock exchanges is valued using the closing price as at the reporting period. The mutual funds are valued using the closing NAV.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, traded bonds, 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.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities, contingent consideration and indemnification asset included in level 3.

The carrying amounts of trade receivables, trade payables, capital creditors and cash and cash equivalents are considered to be the same as their fair values, due to their short-term nature.

B Measurement of fair values

Valuation methodologies of financial instruments not measured at fair value

Below are the methodologies and assumptions used to determine fair values for the above financial instruments which are not recorded and measured at fair value in the financial statements. These fair values were calculated for disclosure purposes only.

Short-term financial assets and liabilities

For financial assets and financial liabilities that have a short-term maturity (less than twelve months), the carrying amounts, which are net of impairment, are a reasonable approximation of their fair value. Such instruments include: cash and cash equivalents, balances other than cash and cash equivalents, trade receivables, other financial assets, trade payables and other financial liabilities without a specific maturity.

Borrowings

The debt securities, borrowings and subordinated liabilities are primarily variable rate instruments. Accordingly, the fair value has been assumed to be equal to the carrying amount.



Loans

The Loans are primarily variable rate instruments. Accordingly, the fair value has been assumed to be equal to the carrying amount.

Transfers between levels I and II

There has been no transfer in between level I and level II. The fair value of a financial instrument on initial recognition is normally the transaction price (fair value of the consideration given or received). Subsequent to initial recognition, the Company determines the fair value of financial instruments that are quoted in active markets using the quoted bid prices (financial assets held) or quoted ask prices (financial liabilities held) and using valuation techniques for other instruments. Valuation techniques include discounted cash flow method, market comparable method, recent transactions happened in the company and other valuation models.

The Company measures financial instruments, such as investments (other than equity investments in Subsidiaries, etc.) at fair value. The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data is available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

42 Capital management

The Company maintains an actively managed capital base to cover risks inherent in the business and is meeting the capital adequacy requirements of the local banking supervisor, Reserve Bank of India (RBI) of India. The adequacy of the Company's capital is monitored using, among other measures, the regulations issued by RBI. The Company has complied in full with all its externally imposed capital requirements over the reported period.

The primary objectives of the Company's capital management policy is to ensure that the Company complies with externally imposed capital requirements and maintains strong credit ratings and healthy capital ratios in order to support its business and to maximise shareholder value.

The company monitors capital using adjusted net debt (total borrowings net of cash and cash equivalents) to equity ratio.

| Particulars | As at | |
|--------------------------|---------------|---------------|
| | 31 March 2023 | 31 March 2022 |
| Total Debt* | 476,646.43 | 329,960.31 |
| Total equity | 156,474.55 | 119,614.66 |
| Debt equity ratio | 3.05 | 2.76 |

* Debt-equity ratio is (Debt Securities+Borrowings (Other than debt securities) - Bank overdrafts - Unamortized issues expenses) / net worth i.e. Equity share capital + Other equity + Convertible preference share capital

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest bearing loans and borrowings that define capital structure requirements. Breaches in financial covenants would permit the bank to immediately call loans and borrowings.

The Company manages its capital structure and makes adjustments to it according to changes in economic conditions and the risk characteristics of its activities. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividend payment to shareholders, return capital to shareholders or issue capital securities. No changes have been made to the objectives, policies and processes from the previous years. However, they are under constant review by the Board.

42.1 Regulatory Capital

The Company has to mandatorily comply with the capital adequacy requirements stipulated by Reserve Bank of India from time to time. Capital adequacy ratio or capital-to-risk weighted assets ratio (CRAR) is computed by dividing company's Tier I and Tier II capital by risk weighted assets.

Tier I capital comprises of share capital, share premium, retained earnings including current year profit and Tier II capital comprises of provision on standard assets. Risk weighted assets represents the weighted sum of company's credit exposures based on their risk. Also refer note 47

42.2 Financial risk management objectives and policies

The Company has operations in India. Whilst risk is inherent in the Company's activities, it is managed through an integrated risk management framework, including ongoing identification, measurement and monitoring, subject to risk limits and other controls. This process of risk management is critical to the Company's continuing profitability and each individual within the Company is accountable for the risk exposures relating to his or her responsibilities. The Company is exposed to credit risk, liquidity risk and market risk. It is also subject to various operating and business risks.



42.2.1 Risk Management structure

The Company's board of directors and risk management committee has overall responsibility for the establishment and oversight of the Company's risk management framework. The board of directors and risk management committee along with the top management are responsible for developing and monitoring the Company's risk management policies.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Company's risk management committee oversees how management monitors compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company.

The Company's Treasury is responsible for managing its assets and liabilities and the overall financial structure. It is also primarily responsible for the funding and liquidity risks of the Company.

The Company's policy is that risk management processes throughout the Company are audited annually by the Internal Auditors, who examine both the adequacy of the procedures and the Company's compliance with the procedures. Internal Audit discusses the results of all assessments with management, and reports its findings and recommendations to the Supervisory Board and Audit Committee.

The Company has put in place a robust risk management framework to promote a proactive approach in reporting, evaluating and resolving risks associated with the business. Given the nature of the business, the company is engaged in, the risk framework recognizes that there is uncertainty in creating and sustaining value as well as in identifying opportunities. Risk management is therefore made an integral part of the company's effective management practice.

42.2.2 Risk Measurement and reporting systems

The Company's risks are measured using a method that reflects both the expected loss likely to arise in normal circumstances and unexpected losses, which are an estimate of the ultimate actual loss based on statistical models. The models make use of probabilities derived from historical experience, adjusted to reflect the economic environment. The Company also runs worst-case scenarios that would arise in the event that extreme events which are unlikely to occur do, in fact, occur.

Monitoring and controlling risks is primarily performed based on limits established by the Company. These limits reflect the business strategy and market environment of the Company as well as the level of risk that the Company is willing to accept, with additional emphasis on selected industries. In addition, the Company's policy is to measure and monitor the overall risk-bearing capacity in relation to the aggregate risk exposure across all risk types and activities.

Information compiled from all the businesses is examined and processed in order to analyse, control and identify risks on a timely basis. This information is presented and explained to the Board of Directors, the Risk Committee, and the head of each business division. The report includes aggregate credit exposure, credit metric forecasts, hold limit exceptions, VaR, liquidity ratios and risk profile changes. On a monthly basis, detailed reporting of industry, customer and geographic risks takes place. Senior management assesses the appropriateness of the allowance for credit losses on a monthly basis. The Supervisory Board receives a comprehensive risk report once a quarter which is designed to provide all the necessary information to assess and conclude on the risks of the Company.

At all levels of the Company's operations, specifically tailored risk reports are prepared and distributed in order to ensure that all business divisions have access to extensive, necessary and up-to-date information.

It is the Company's policy that a monthly briefing is given to the Board of Directors and all other relevant members of the Company on the utilisation of market limits, analysis of VaR, proprietary investments and liquidity, plus any other risk developments.

Stress testing is a fundamental pillar of the Company's risk management toolkit, to simulate various economic stress scenarios to help the Company set and monitor risk appetite and to ensure that the Company maintains a conservative risk profile. The outcome of tests is embedded into the individual credit, liquidity and funding risk profiles through limits and mitigation contingency plans and includes both financial and regulatory measures.

It is the Company's policy to ensure that a robust risk awareness is embedded in its organisational risk culture. Employees are expected to take ownership and be accountable for the risks the Company is exposed to that they decide to take on. The Company's continuous training and development emphasises that employees are made aware of the Company's risk appetite and they are supported in their roles and responsibilities to monitor and keep their exposure to risk within the Company's risk appetite limits. Compliance breaches and internal audit findings are important elements of employees' annual ratings and remuneration reviews.

42.3 Credit Risk

Credit risk is the risk that the Company will incur a loss because its customers or counterparties fail to discharge their contractual obligations. The Company manages and controls credit risk by setting limits on the amount of risk it is willing to accept for individual counterparties and for geographical and industry concentrations, and by monitoring exposures in relation to such limits.

Credit risk is monitored by the credit risk department of the Company's independent Risk Controlling Unit. It is their responsibility to review and manage credit risk, including environmental and social risk for all types of counterparties. Credit risk consists of line credit risk managers who are responsible for their business lines and manage specific portfolios and experts who support both the line credit risk manager, as well as the business with tools like credit risk systems, policies, models and reporting.

The Company has established a credit quality review process to provide early identification of possible changes in the creditworthiness of counterparties, including regular collateral revisions. Counterparty limits are established by the use of a credit risk classification system, which assigns each counterparty a risk rating. Risk ratings are subject to regular revision. The credit quality review process aims to allow the Company to assess the potential loss as a result of the risks to which it is exposed and take corrective actions.



42.3.1 Impairment assessment

The references below show where the Company's impairment assessment and measurement approach is set out in this report. It should be read in conjunction with the Summary of significant accounting policies.

Grouping

As per Ind AS 109, the Company is required to group the portfolio based on the shared risk characteristics. The Company has assessed the risk and its impact on the various portfolios and has divided the portfolio into following groups namely Loans, investments in pass through securities, investment in non-convertible debentures, colending and partial guarantees towards pooled bond & loan issuances.

Expected Credit Loss ("ECL")

ECL on financial assets is an unbiased probability weighted amount based out of possible outcomes after considering risk of credit loss even if probability is low. ECL is calculated based on the following components: a. Marginal probability of default ("MPD") b. Loss given default ("LGD") c. Exposure at default ("EAD") d. Discount factor ("D")

Expected Credit Losses are measured via a combination of Monte Carlo Simulations across three major cohorts of exposure and the losses across these three cohorts are then added and loss distribution is used to arrive at Expected Credit Loss (ECL)

- 12 month expected credit losses (basis defaults in Monte Carlo simulation) across the financial instruments on Stage I assets
- Lifetime expected credit losses (basis defaults in Monte Carlo simulation) across the financial instruments which have either become NPA (Stage III) or have displayed significant increase in credit risk (Stage II assets)
- Partial Guarantee product losses wherein a partial guarantee is extended to a pool of issuers- in this case; the entire EAD of all the issuances is considered to arrive at expected credit losses.

a) Marginal probability of default: PD is defined as the probability of whether borrowers will default on their obligations in the future. PD is derived from the external rating of the borrower by following steps:

- 1) To arrive at the PD, the annual default study published by rating agencies is relied upon. The default numbers published against each rating category in different studies are then aggregated to arrive at internal PD matrix for each rating category
- 2) The PD numbers published are on an annual scale and since the exposure of the instruments are on monthly basis, the monthly PD is then interpolated on a monthly basis by fitting the data points from annual PD curve using cubic splines.
- 3) Finally, the Through the Cycle (TTC) PDs are converted to Point in Time (PIT) PDs using forward looking variables (GDP etc) using combinations of correlation of underlying sectors asset quality and Pluto Tasche model.
- 4) The PDs derived from the methodology described above, are the cumulative PDs, stating that the borrower can default in any of the given years, however to compute the loss for any given year, these cumulative PDs have to be converted to 12 month marginal PDs. Marginal PDs is probability that the obligor will default in a given year, conditional on it having survived till the end of the previous year.

b) Loss Given Default (LGD): LGD is an estimate of the loss from a transaction given that a default occurs. Under Ind AS 109, lifetime LGD's are defined as a collection of LGD's estimates applicable to different future periods. Various approaches are available to compute the LGD.

The formula for the computation is as below:

The Company has considered an LGD of 65% on unsecured exposures and 50% on secured exposures as recommended by the Foundation Internal Ratings Based (FIRB) approach under Basel II guidelines issued by RBI.

c) Exposure at Default (EAD): As per Ind AS 109, EAD is estimation of the extent to which the financial entity may be exposed to counterparty in the event of default and at the time of counterparty's default. The Group has modelled EAD based on the contractual and behavioural cash flows till the lifetime of the loans considering the expected prepayments.

The Company has considered outstanding expected future cash flows (including interest cashflows), SLCE for all the loans at DPD bucket level for each of the risk segments, which was used for computation of ECL. Moreover, the EAD comprised of principal component, accrued interest and also the future interest for the outstanding exposure. So discounting was done for computation of expected credit loss.

EAD is taken as the gross exposure under a facility upon default of an obligor. The amortized principal and the interest accrued is considered as EAD for the purpose of ECL computation

The advances have been bifurcated into following three stages:

Stage I – Advances with low credit risk and where there is no significant increase in credit risk. Hence, the advances up to 0 to 29 days are classified as Stage I.

Stage II – Advances with significant increase in credit risk. Hence the advances from 30 to 89 days are classified as Stage II.

Stage III – Advances that have defaulted / Credit impaired advances. Hence the advances with 90 days past due or Restructured Advances are classified as Stage III.

Another loan of the same borrower whether in Stage I or Stage II is also considered as Stage III loan.



42.3.1 Impairment assessment (continued)

d) **Discounting Factor:** As per Ind AS 109, ECL is computed by estimating the timing of the expected credit shortfalls associated with the defaults and discounting them using effective interest rate which is obtained from the underlying yield (inclusive of processing fee) for each instrument.

Additionally, the model also uses correlation matrix for deriving correlation in events of stress between different borrowers in same segment.

Correlation Matrix: This provides correlation between different entities/sectors which are present in the structure. When defaults are simulated on the portfolio, these entities in same or different sectors default together to the extent of strength of correlation. The correlation between two entities is derived as follows:

- Inherently, the entire NBFC sector carries a bit of correlation in terms of liquidity risk- in event of stress, we see the liquidity vanishing from NBFC sector very quickly
- There is slight overlap between entities operating in the same sector- for example event like GST and demonetization did impact all small business loans establishments, although to a varying extent
- For microfinance sector, since the loans are more homogenous, geopolitical, and social issues do tend to dominate majority of stress events and hence geographically exclusivity will help
- Occupation profiles of the underlying borrowers served by entities

ECL computation: Conditional ECL at DPD pool level was computed with the following method: Conditional ECL for year (yt) = EAD (yt) * conditional PD (yt) * LGD (yt) * discount factor (yt)

The calculation is based on provision matrix which considers actual historical data adjusted appropriately for the future expectations and probabilities. Proportion of expected credit loss provided for across the stage is summarised below:

| Particulars | Provisions | As at | As at |
|----------------------------------------------------|---------------------|-----------------|-----------------|
| | | 31 March 2023 | 31 March 2022 |
| Stage 1 | 12 month provision | 2,826.49 | 1,749.30 |
| Stage 2 | Life time provision | 208.03 | 876.52 |
| Stage 3 | Life time provision | 1,350.41 | 842.11 |
| Amount of expected credit loss provided for | | 4,384.93 | 3,467.93 |

The loss rates are based on actual credit loss experience over past years. These loss rates are then adjusted appropriately to reflect differences between current and historical economic conditions and the Company's view of economic conditions over the expected lives of the loan receivables. Movement in provision of expected credit loss has been provided in below note.

Analysis of changes in the gross carrying amount of loans:

| Particulars | As at 31 March 2023 | | | | As at 31 March 2022 | | | |
|----------------------------------|---------------------|-----------------|-----------------|-------------------|---------------------|-----------------|-----------------|-------------------|
| | Stage 1 | Stage 2 | Stage 3 | Total | Stage 1 | Stage 2 | Stage 3 | Total |
| As at the beginning of the year | 296,270.40 | 1,569.55 | 1,091.69 | 298,931.64 | 163,099.58 | - | 592.52 | 163,692.10 |
| New assets originated * | 731,162.28 | - | - | 731,162.28 | 435,440.73 | - | - | 435,440.73 |
| Asset derecognised or repaid | (569,880.24) | (783.24) | (1,732.06) | (572,395.54) | (300,190.03) | - | (11.16) | (300,201.19) |
| Transfer from/(to) stage 1 | - | 3,631.43 | - | 3,631.43 | - | 1,569.55 | 510.33 | 2,079.88 |
| Transfer from/(to) stage 2 | (3,631.43) | - | 2,444.34 | (1,187.09) | (1,569.55) | - | - | (1,569.55) |
| Transfer from/(to) stage 3 | - | (2,444.34) | - | (2,444.34) | (510.33) | - | - | (510.33) |
| Write offs | - | - | - | - | - | - | - | - |
| As at the end of the year | 453,921.01 | 1,973.40 | 1,803.97 | 457,698.38 | 296,270.40 | 1,569.55 | 1,091.69 | 298,931.64 |

* New assets originated are those assets which have originated during the year.

As at the balance sheet date, the parties are repaying the principal amounts, as stipulated, and are also regular in payment of interest, except for the following:

| Extent of delay | As at 31 March 2023 | | | As at 31 March 2022 | | |
|-------------------|---------------------------------|--------------------|-------------------|---------------------------------|--------------------|-------------------|
| | Number of customers / borrowers | Amount (INR Lakhs) | Due Date | Number of customers / borrowers | Amount (INR Lakhs) | Due Date |
| Up to 30 days | 8 | 2,995.42 | Various due dates | 8 | 366.72 | Various due dates |
| 31 – 89 days | 4 | 48.38 | Various due dates | 6 | 1,569.55 | Various due dates |
| More than 90 days | 11 | 1,803.97 | Various due dates | 9 | 1,091.69 | Various due dates |

Analysis of changes in the ECL allowance

| Particulars | As at 31 March 2023 | | | | As at 31 March 2022 | | | |
|----------------------------------|---------------------|---------------|-----------------|-----------------|---------------------|---------------|---------------|-----------------|
| | Stage 1 | Stage 2 | Stage 3 | Total | Stage 1 | Stage 2 | Stage 3 | Total |
| As at the beginning of the year | 1,749.30 | 876.52 | 842.11 | 3,467.93 | 1,418.46 | - | 855.02 | 2,273.48 |
| Additions | 1,085.07 | 200.11 | 150.58 | 1,435.76 | 409.08 | 870.33 | 255.01 | 1,534.42 |
| Reversals | - | (500.21) | (18.55) | (518.76) | (72.05) | - | - | (72.05) |
| Transfer from/(to) stage 1 | - | 7.88 | - | 7.88 | - | - | - | - |
| Transfer from/(to) stage 2 | (7.88) | - | 376.27 | 368.39 | (6.19) | - | - | (6.19) |
| Transfer from/(to) stage 3 | - | (376.27) | - | (376.27) | - | 6.19 | - | 6.19 |
| Write offs | - | - | - | - | - | - | (267.92) | (267.92) |
| As at the end of the year | 2,826.49 | 208.03 | 1,350.41 | 4,384.93 | 1,749.30 | 876.52 | 842.11 | 3,467.93 |

Collateral and other credit enhancements

The amount and type of collateral required depends on an assessment of the credit risk of the counterparty. Guidelines are in place covering the acceptability and valuation of each type of collateral. The main types of collateral obtained are, vehicles, loan portfolios and mortgaged properties based on the nature of loans. Management monitors the market value of collateral and will request additional collateral in accordance with the underlying agreement.

Exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure is the total of the carrying amount of the aforesaid balances.



42.3.1 Impairment assessment (continued)

Investments

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The exposure to credit risk for investments is to other non-banking finance companies and financial institutions.

The risk committee has established a credit policy under which each new investee pool is analysed individually for creditworthiness before the Company's standard payment and delivery terms and conditions are offered. The Company's review includes external ratings, if they are available, financial statements, credit agency information, industry information etc. For investments the collateral is the underlying loan pool purchased from the financial institutions.

An impairment analysis is performed at each reporting date based on the facts and circumstances existing on that date to identify expected losses on account of time value of money and credit risk. For the purposes of this analysis, the investments are categorised into groups based on days past due. Each group is then assessed for impairment using the Expected Credit Loss (ECL) model as per the provisions of Ind AS 109 - financial instruments. Further, the risk management committee periodically assesses the credit rating information.

Cash and cash equivalent and Bank deposits

Credit risk on cash and cash equivalent and bank deposits is limited as the Company generally invests in term deposits with banks.

42.4 Market Risk

Market Risk is the possibility of loss arising from changes in the value of a financial instrument as a result of changes in market variables such as interest rates, exchange rates and other asset prices. The company's exposure to market risk is a function of asset liability management activities. The company is exposed to interest rate risk and liquidity risk.

The Company continuously monitors these risks and manages them through appropriate risk limits. The Asset Liability Management Committee (ALCO) reviews market-related trends and risks and adopts various strategies related to assets and liabilities, in line with the company's risk management framework. ALCO activities are in turn monitored and reviewed by a board sub-committee.

42.5 Operational Risk

Operational risk is the risk of loss resulting from inadequate or failed internal processes, people or systems, or from external events.

The operational risks of the company are managed through comprehensive internal control systems and procedures and key backup processes. In order to further strengthen the control framework and effectiveness, the company has established risk control self assessment at branches to identify process lapses by way of exception reporting. This enables the management to evaluate key areas of operational risks and the process to adequately mitigate them on an ongoing basis.

The company also undertakes Risk based audits on a regular basis across all business units / functions. While examining the effectiveness of control framework through self-assessment, the risk-based audit would assure effective implementation of self-certification and internal financial controls adherence, thereby, reducing enterprise exposure.

The company has put in place a robust Disaster Recovery (DR) plan, which is periodically tested. Business Continuity Plan (BCP) is further put in place to ensure seamless continuity of operations including services to customers, when confronted with adverse events such as natural disasters, technological failures, human errors, terrorism, etc. Periodic testing is carried out to address gaps in the framework, if any. DR and BCP audits are conducted on a periodical basis to provide assurance regarding the effectiveness of the company's readiness.

42.6 Liquidity Risk

Liquidity risk is defined as the risk that the company will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. Liquidity risk arises because of the possibility that the company might be unable to meet its payment obligations when they fall due as a result of mismatches in the timing of the cash flows under both normal and stress circumstances. Such scenarios could occur when funding needed for illiquid asset positions is not available to the company on acceptable terms. To limit this risk, management has arranged for diversified funding sources and adopted a policy of availing funding in line with the tenor and repayment pattern of its receivables and monitors future cash flows and liquidity on a daily basis. The company has developed internal control processes and contingency plans for managing liquidity risk. This incorporates an assessment of expected cash flows and the availability of unencumbered receivables which could be used to secure funding by way of assignment if required. The company also has lines of credit that it can access to meet liquidity needs.

Refer Note No 43 for the summary of maturity profile of undiscounted cashflows of the company's financial assets and financial liabilities as at reporting period.

42.7 Interest Risk

Interest rate risk arises from the possibility that changes in interest rates will affect future cash flows or the fair values of financial instruments. The core business of the company is providing loans. The Company borrows through various financial instruments to finance its core lending activity. These activities expose the company to interest rate risk.

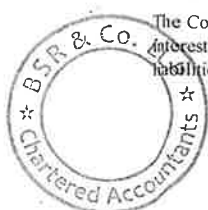
Interest rate risk is measured through earnings at risk from an earnings perspective and through duration of equity from an economic value perspective. Further, exposure to fluctuations in interest rates is also measured by way of gap analysis, providing a static view of the maturity and re-pricing characteristic of Balance sheet positions. An interest rate sensitivity gap report is prepared by classifying all rate sensitive assets and rate sensitive liabilities into various time period categories according to contracted/behavioural maturities or anticipated re-pricing date. The difference in the amount of rate sensitive assets and rate sensitive liabilities maturing or being repriced in any time period category, gives an indication of the extent of exposure to the risk of potential changes in the margins on new or re-priced assets and liabilities. The interest rate risk is monitored through above measures on a quarterly basis. Substantially all loans reprice frequently, with interest rates reflecting current market pricing.

The following table demonstrates the sensitivity to a reasonably possible change in interest rates (all other variables being considered as constant) of the Company's statement of profit and loss and equity.

42.8 Foreign currency risk

Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. Foreign currency risk for the Company arises majorly on account of foreign currency borrowings. The Company manages this foreign currency risk by entering into cross currency interest rate swaps. When a derivative is entered into for the purpose of being a hedge, the Company negotiates the terms of those derivatives to match with the terms of the hedge exposure. The Company's policy is to fully hedge its foreign currency borrowings at the time of drawdown and remain so till repayment.

The Company holds derivative financial instruments such as cross currency interest rate swap to mitigate risk of changes in exchange rate in foreign currency and floating interest rate. The counterparty for these contracts is generally a bank. These derivative financial instruments are valued based on quoted prices for similar assets and liabilities in active markets or inputs that are directly or indirectly observable in market place.



43 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. Derivatives have been classified to mature and/or be repaid within 12 months, regardless of the actual contractual maturities of the products. With regard to loans and advances to customers, the Company uses the same basis of expected repayment behaviour as used for estimating the EIR.

| Particulars | As at 31 March 2023 | | | As at 31 March 2022 | | |
|-----------------------------------------------------------------------------|---------------------|-------------------|-------------------|---------------------|-------------------|-------------------|
| | Within 12 Months | After 12 Months | Total | Within 12 Months | After 12 Months | Total |
| Assets | | | | | | |
| Cash and cash equivalents | 29,454.89 | - | 29,454.89 | 43,391.04 | - | 43,391.04 |
| Bank balances other than cash and cash equivalents | 25,965.12 | - | 25,965.12 | 29,482.68 | 2,412.00 | 31,894.68 |
| Derivative financial instruments | 384.32 | - | 384.32 | - | - | - |
| Receivables | 773.99 | - | 773.99 | 423.41 | - | 423.41 |
| Loans | 288,029.34 | 165,968.13 | 453,997.47 | 208,851.06 | 87,197.03 | 296,048.09 |
| Investments | 65,497.26 | 74,867.88 | 140,365.14 | 51,443.27 | 47,100.88 | 98,544.15 |
| Other financial assets | 3,648.85 | 451.30 | 4,100.15 | 1,672.37 | 148.85 | 1,821.22 |
| Current tax assets (net) | - | 3,245.90 | 3,245.90 | - | 1,859.81 | 1,859.81 |
| Deferred tax assets (net) | - | 980.12 | 980.12 | - | 590.76 | 590.76 |
| Investment Property | - | 932.84 | 932.84 | - | 948.61 | 948.61 |
| Property, plant and equipment | - | 2,466.07 | 2,466.07 | - | 719.41 | 719.41 |
| Capital work-in-progress | 400.08 | - | 400.08 | - | - | - |
| Right of use asset | - | 2,571.15 | 2,571.15 | - | 602.98 | 602.98 |
| Intangible assets under development | - | 238.71 | 238.71 | - | 14.06 | 14.06 |
| Other intangible assets | - | 267.95 | 267.95 | - | 317.99 | 317.99 |
| Other non-financial assets | 2,446.22 | - | 2,446.22 | 1,080.46 | 27.67 | 1,108.13 |
| Total assets | 416,600.07 | 251,990.05 | 668,590.12 | 336,344.29 | 141,940.06 | 478,284.34 |
| Liabilities | | | | | | |
| Derivative financial instruments | - | - | - | 382.00 | - | 382.00 |
| Trade payables | | | | | | |
| -total outstanding dues of micro and small enterprises | 14.17 | - | 14.17 | - | - | - |
| -total outstanding dues of creditors other than micro and small enterprises | 1,955.81 | - | 1,955.81 | 954.58 | - | 954.58 |
| Debt securities | 67,307.91 | 84,579.28 | 151,887.19 | 63,020.52 | 44,030.83 | 107,051.35 |
| Borrowings (Other than debt securities) | 205,896.27 | 144,205.38 | 350,101.65 | 133,607.22 | 114,354.81 | 247,962.03 |
| Other financial liabilities | 5,184.22 | 2,303.34 | 7,487.56 | 1,233.14 | 522.99 | 1,756.13 |
| Provisions | 244.34 | 107.10 | 351.44 | 158.46 | 33.03 | 191.49 |
| Other non-financial liabilities | 317.75 | - | 317.75 | 372.11 | - | 372.11 |
| Total Liabilities | 280,920.47 | 231,195.10 | 512,115.57 | 199,728.04 | 158,941.65 | 358,669.69 |
| Total equity | | | 156,474.55 | | | 119,614.66 |

43A Change in Liabilities arising from financing activities

| Particulars | As at | Cash flows | Exchange difference | Others* | As at |
|-----------------------------------------|--------------|------------|---------------------|----------|---------------|
| | 1 April 2022 | | | | 31 March 2023 |
| Debt Securities | 107,051.35 | 38,679.75 | - | 6,156.09 | 151,887.19 |
| Borrowings (other than debt securities) | 247,962.03 | 100,133.04 | 781.00 | 1,225.58 | 350,101.65 |

| Particulars | As at | Cash flows | Exchange difference | Others* | As at |
|-----------------------------------------|--------------|------------|---------------------|----------|---------------|
| | 1 April 2021 | | | | 31 March 2022 |
| Debt Securities | 39,953.41 | 63,640.19 | - | 3,457.75 | 107,051.35 |
| Borrowings (other than debt securities) | 96,864.64 | 150,166.67 | 71.78 | 858.94 | 247,962.03 |

*Others includes effect of amortisation of processing fee and interest accruals.



44 Impact of hedging activities

a) Disclosure of effects of hedge accounting on financial position:

| As at 31 March 2023 | | | | | | | | |
|------------------------------------|---------------|-------------|---------------------------------------|-------------|---------------|---------------------------------------------|-------------------------------------------------------------------------------------|-----------------------------------------|
| Type of hedge risks | Nominal Value | | Carrying amount of hedging instrument | | Maturity Date | Changes in fair value of hedging instrument | Change in the value of hedged item as the basis for recognising hedge effectiveness | Line item in Balance Sheet |
| | Assets | Liabilities | Assets | Liabilities | | | | |
| Cash flow hedge | | | | | | | | |
| Cross currency interest rate swaps | - | 8,293.85 | 384.32 | - | 30-Nov-26 | 766.32 | 754.62 | Borrowings (other than debt securities) |

| As at 31 March 2022 | | | | | | | | |
|------------------------------------|---------------|-------------|---------------------------------------|-------------|---------------|---------------------------------------------|-------------------------------------------------------------------------------------|-----------------------------------------|
| Type of hedge risks | Nominal Value | | Carrying amount of hedging instrument | | Maturity Date | Changes in fair value of hedging instrument | Change in the value of hedged item as the basis for recognising hedge effectiveness | Line item in Balance Sheet |
| | Assets | Liabilities | Assets | Liabilities | | | | |
| Cash flow hedge | | | | | | | | |
| Cross currency interest rate swaps | - | 7,639.68 | - | 382.00 | 30-Nov-26 | (382.00) | 57.23 | Borrowings (other than debt securities) |

b) Disclosure of effects of hedge accounting on financial performance:

| For the year ended 31 March 2023 | | | | |
|------------------------------------|------------------------------------------------------------------------------------|------------------------------------------------------------------|----------------------------------------------------------------------------------|------------------------------------------------------------------------------------|
| Type of hedge | Change in value of the hedging instrument recognised in other comprehensive income | Hedge ineffectiveness recognised in statement of profit and loss | Amount reclassified from cash flow hedge reserve to statement of profit and loss | Line item affected in statement of profit and loss because of the reclassification |
| Cash flow hedge | | | | |
| Cross currency interest rate swaps | (11.70) | - | - | Not applicable |

| For the year ended 31 March 2022 | | | | |
|------------------------------------|------------------------------------------------------------------------------------|------------------------------------------------------------------|----------------------------------------------------------------------------------|------------------------------------------------------------------------------------|
| Type of hedge | Change in value of the hedging instrument recognised in other comprehensive income | Hedge ineffectiveness recognised in statement of profit and loss | Amount reclassified from cash flow hedge reserve to statement of profit and loss | Line item affected in statement of profit and loss because of the reclassification |
| Cash flow hedge | | | | |
| Cross currency interest rate swaps | (324.77) | - | - | Not applicable |

45 Additional Regulatory Information

- i) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- ii) The Company does not have any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.
- iii) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- iv) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- v) The Company has not advanced or loaned or invested funds to any other persons or entities, including foreign entities (Intermediaries) with the understanding that the Intermediary shall (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- vi) The Company has not received any fund from any persons or entities, including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- vii) The Company does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year 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).
- (viii) The Company has not been declared as wilful defaulter by any bank or financial institution or government or any other government authority.
- (ix) 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.
- (x) The Company has not entered into any scheme of arrangement as per sections 230 to 237 of the Companies Act, 2013.



45A Analytical ratios

| Particulars | Tier 1 capital/ Tier 2 capital/Total Capital | Risk weighted assets | Current period | Previous reporting period | Variance | Reasons for variance (if above 25%) |
|----------------------------------------------|-------------------------------------------------------|-------------------------|-------------------|---------------------------------|----------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| As at 31 March 2023 | | | | | | |
| Capital to risk-weighted assets ratio (CRAR) | 156,855.49 | 609,489.99 | 25.74% | 29.57% | -12.97% | |
| Tier I CRAR | 154,476.19 | 609,489.99 | 25.35% | 29.03% | -12.68% | |
| Tier II CRAR | 2,379.30 | 609,489.99 | 0.39% | 0.54% | -28.18% | Variance is on account of increase in loans given and investments made in the current year as compared to the previous year. |
| Liquidity coverage ratio * | | | | | | |
| As at 31 March 2022 | | | | | | |
| Capital to risk-weighted assets ratio (CRAR) | 120,466.32 | 407,202.41 | 29.57% | 40.31% | -26.65% | Variance is on account of change in Tier I CRAR |
| Tier I CRAR | 118,236.67 | 407,202.41 | 29.03% | 39.70% | -26.89% | Variance is on account of following reasons: - increase in asset base (loans and investments); - issue of CCPS and equity shares during the year (refer note - 21 and 21A); |
| Tier II CRAR | 2,229.65 | 407,202.41 | 0.54% | 0.61% | -10.41% | |
| Liquidity coverage ratio * | | | | | | |

* Also refer note 77.

45B Revenue from contracts with customers

| Particulars | Year ended 31 March 2023 | Year ended 31 March 2022 |
|--------------------------------------------------------|-----------------------------|-----------------------------|
| Type of service | | |
| Fees and commission income (refer note 24) | 2,033.55 | 1,359.31 |
| Total | 2,033.55 | 1,359.31 |
| Geographical market | | |
| In India | 2,033.55 | 1,359.31 |
| Outside India | - | - |
| Total | 2,033.55 | 1,359.31 |
| Timing of recognition of revenue | | |
| Performance obligation satisfied at a point in time | 2,033.55 | 1,359.31 |
| Performance obligation satisfied over a period in time | - | - |
| Total | 2,033.55 | 1,359.31 |
| Contract receivables | | |
| Trade receivables | 773.99 | 423.41 |
| Other receivables | - | - |
| Total | 773.99 | 423.41 |



46 Balance sheet disclosure as required under Master Direction - Non-banking Financial Company -Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016

The following disclosures are made pursuant to Reserve Bank of India Master Direction DNBR. PD. 008/03.10.119/2016-17 dated September 01, 2016 (as amended), to the extent applicable to the Company.

46A Gold loan portfolio

The Company has not provided loan against gold during the year ended 31 March 2023 and 31 March 2022.

47 Capital adequacy ratio

The Company's capital adequacy ratio, calculated in accordance with the Reserve Bank of India guidelines, is as follows:

| Particulars | As at | |
|----------------------------------------------------------|-------------------|-------------------|
| | 31 March 2023 | 31 March 2022 |
| Tier I Capital | 154,476.19 | 118,236.67 |
| Tier II Capital | 2,379.30 | 2,229.65 |
| Total Capital | 156,855.49 | 120,466.32 |
| Total Risk Weighted Assets | 609,489.99 | 407,202.41 |
| Capital Ratios | | |
| Tier I Capital as a percentage of Total Risk Assets (%) | 25.35% | 29.03% |
| Tier II Capital as a percentage of Total Risk Assets (%) | 0.39% | 0.54% |
| Total Capital (%) | 25.74% | 29.57% |

Note : The Company does not have any subordinated debt and Perpetual debt instruments.

48 Investments

| Particulars | As at | |
|------------------------------------------------------------------------|---------------|---------------|
| | 31 March 2023 | 31 March 2022 |
| Value of investment | | |
| Gross value of investments | | |
| - In India | 140,365.14 | 98,544.16 |
| - Outside India | - | - |
| Provisions for depreciation | | |
| - In India | - | - |
| - Outside India | - | - |
| Net value of investments | | |
| - In India | 140,365.14 | 98,544.16 |
| - Outside India | - | - |
| Movement of provisions held towards depreciation on investments | | |
| Opening balance | - | - |
| Add: Provisions made during the year | - | - |
| Less: Write off/ write back of provision during the year | - | - |
| Closing balance | - | - |

49 Derivatives

a) Forward Rate Agreement (FRA) / Interest Rate Swap (IRS)

| Particulars | As at | |
|---------------------------------------------------------------------------------------------------------|---------------|---------------|
| | 31 March 2023 | 31 March 2022 |
| The notional principal of swap agreements | 10,611.11 | 7,500.00 |
| Losses which would be incurred if counterparties failed to fulfil their obligations under the agreement | - | - |
| Collateral required by the Company upon entering into swaps | - | - |
| Concentration of credit risk arising from the swaps | - | - |
| The fair value of the swap book (Asset / (Liability)) | - | - |

b) Exchange Traded Interest Rate (IR) Derivatives

The Company has not entered into any exchange traded derivative.



c) Disclosures on Risk Exposure in Derivatives

Qualitative Disclosures

The Company undertakes the derivatives transaction to prudently hedge the risk in context of a particular borrowing and to maintain fixed and floating borrowing mix. The Company does not indulge into any derivative trading transactions. The Company reviews, the proposed transaction and outline any considerations associated with the transaction, including identification of the benefits and potential risks (worst case scenarios); an independent analysis of potential savings from the proposed transaction. The Company evaluates all the risks inherent in the transaction viz., counter party risk, Market Risk, Operational Risk, basis risk etc.

Credit risk is controlled by restricting the counterparties that the Company deals with, to those who either have banking relationship with the Company or are internationally renowned or can provide sufficient information. Market/Price risk arising from the fluctuations of interest rates and foreign exchange rates or from other factors shall be closely monitored and controlled. Normally transaction entered for hedging, will run over the life of the underlying instrument, irrespective of profit or loss. Liquidity risk is controlled by restricting counterparties to those who have adequate facility, sufficient information, and sizable trading capacity and capability to enter into transactions in any markets around the world.

The respective functions of trading, confirmation and settlement should be performed by different personnel. The front office and back-office role is well defined and segregated. All the derivatives transactions are quarterly monitored and reviewed. All the derivative transactions have to be reported to the board of directors on every quarterly board meetings including their financial positions.

Quantitative Disclosures

| Particulars | As at 31 March 2023 | | As at 31 March 2022 | |
|-----------------------------------------|-----------------------|---------------------------|----------------------|---------------------------|
| | Currency Derivatives* | Interest Rate Derivatives | Currency Derivatives | Interest Rate Derivatives |
| Derivatives (Notional Principal Amount) | - | 11,504.45 | - | 7,639.68 |
| - For hedging | | | | |
| Marked to Market Positions | - | 384.32 | - | (382.00) |
| (a) Asset [+] Estimated gain | | | | |
| (b) Liability [-] Estimated loss | | | | |
| Credit exposure | - | - | - | - |
| Unhedged exposures | - | - | - | - |

* Cross currency interest rate swap



Vivrit Capital Private Limited
Notes to the standalone financial statements for the year ended 31 March 2023
(All amounts are in Rupees lakhs, unless stated otherwise)

50 Asset Liability Management

Maturity Pattern of certain items of Assets and Liabilities:

As at 31 March 2023

| Particulars | 1 day to 30/31 days (1 Month) | Over 1 month to 2 months | Over 2 months upto 3 months | Over 3 months upto 6 months | Over 6 months to 1 year | Over 1 year to 3 years | Over 3 years to 5 years | Over 5 years | Total |
|----------------------------------|-------------------------------|--------------------------|-----------------------------|-----------------------------|-------------------------|------------------------|-------------------------|--------------|------------|
| Liabilities | | | | | | | | | |
| Borrowings from banks and others | 32,982.53 | 16,121.82 | 23,712.01 | 52,345.10 | 80,734.82 | 137,663.94 | 6,541.44 | - | 350,101.65 |
| Debt Securities | 12,020.96 | 1,916.58 | 12,892.82 | 27,516.59 | 12,960.96 | 84,579.28 | - | - | 151,887.19 |
| Assets | | | | | | | | | |
| Advances | 52,982.43 | 38,507.37 | 34,352.77 | 68,183.25 | 94,003.52 | 120,253.30 | 45,605.26 | 109.57 | 453,997.47 |
| Investments | 15,134.12 | 2,864.12 | 3,538.22 | 8,621.34 | 35,339.46 | 19,495.07 | 11,885.59 | 43,487.22 | 140,365.14 |

As at 31 March 2022

| Particulars | 1 day to 30/31 days (1 Month) | Over 1 month to 2 months | Over 2 months upto 3 months | Over 3 months upto 6 months | Over 6 months to 1 year | Over 1 year to 3 years | Over 3 years to 5 years | Over 5 years | Total |
|----------------------------------|-------------------------------|--------------------------|-----------------------------|-----------------------------|-------------------------|------------------------|-------------------------|--------------|------------|
| Liabilities | | | | | | | | | |
| Borrowings from banks and others | 35,559.60 | 9,253.31 | 15,170.67 | 22,679.53 | 50,944.12 | 106,406.26 | 7,948.55 | - | 247,962.03 |
| Debt Securities | 1,292.64 | 4,306.86 | 4,252.73 | 18,562.20 | 34,606.08 | 44,030.84 | - | - | 107,051.35 |
| Assets | | | | | | | | | |
| Advances | 40,765.02 | 32,228.11 | 28,101.45 | 41,593.32 | 66,163.16 | 83,394.96 | 2,865.12 | 936.95 | 296,048.09 |
| Investments | 16,538.74 | 2,705.11 | 3,620.05 | 8,906.78 | 19,672.60 | 12,152.38 | 5,402.44 | 29,546.07 | 98,544.16 |

Note:

- The advance balances are gross of impairment loss allowance.



Vivriti Capital Private Limited

Notes to the standalone financial statements for the year ended 31 March 2023

(All amounts are in Rupees lakhs, unless stated otherwise)

51 Disclosure of frauds reported during the year ended 31 March 2023

| Nature of Fraud | No of Cases | Amount of fraud | Amount written off |
|----------------------------------------|-------------|-----------------|--------------------|
| Cash misappropriation by employee | - | - | - |
| Fraudulent representation by customers | - | - | - |

The above summary with respect to fraud is based on the information available with the Company which has been relied upon by the auditors.

52 Exposure to real estate sector

| Particulars | As at 31 March 2023 | As at 31 March 2022 |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------|------------------------|
| A. Direct Exposure | | |
| i. Residential Mortgages (refer note below) | | |
| (Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented) | 634.79 | 730.80 |
| ii. Commercial Real Estate – | | |
| (Lending secured by mortgages on commercial real estates (office buildings, retail space, multipurpose commercial premises, multi-family residential buildings, multi-tenanted commercial premises, industrial or warehouse space, hotels, land acquisition, development and construction, etc.). Exposure would also include non-fund based (NFB) limits) | 31,242.85 | 4,716.67 |
| iii. Investments in Mortgage Backed Securities (MBS) and other securitised exposures – | | |
| a) Residential (refer note below) | | |
| b) Commercial Real Estate | - | - |
| Note: | | |
| Fund and non fund based exposure to housing finance companies | 9,184.93 | 4,173.85 |
| Total exposure to real estate sector | 41,062.57 | 9,621.32 |

53 Exposure to capital market

| Particulars | As at 31 March 2023 | As at 31 March 2022 |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------|------------------------|
| (i) Direct Investment in equity shares, convertible bonds, convertible debentures and units of equity-oriented mutual funds the corpus of which is not exclusively invested in corporate debt | - | - |
| (ii) Advances against shares / bonds / debentures or other securities or on clean basis to individuals for investment in shares (including IPO's/ESOP's), 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 ; | 12,786.31 | 2,437.15 |
| (iv) Advances for any other purposes to the extent secured by the collateral security of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds i.e. where the primary security other than shares / convertible bonds / convertible debentures / units of equity oriented mutual funds ' does not fully cover the advances ; | - | - |
| (v) Secured and unsecured advances to stockbrokers and guarantees issued on behalf of stockbrokers and market makers ; | - | - |
| (vi) Loans sanctioned to corporates against the security of shares / bonds / debentures or other securities or on clean basis for meeting promoter's contribution to the equity of new companies in anticipation of raising resources ; | - | - |
| (vii) Bridge loans to companies against expected equity flows / issues ; | - | - |
| (viii) Underwriting commitments taken up by the NBFCs in respect of primary issue of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds | - | - |
| (ix) Financing to stockbrokers for margin trading | - | - |
| (x) All exposures to Alternative Investment Funds: | | |
| (a) Category I | - | - |
| (b) Category II | 27,078.41 | 12,288.67 |
| (c) Category III | - | - |



54 Disclosures relating to Securitisation**54.1 Details of assignment transactions undertaken**

| Particulars | As at | |
|---------------------------------------------------------------------------------------|---------------|---------------|
| | 31 March 2023 | 31 March 2022 |
| Number of Accounts | 8,949.00 | 15.00 |
| Aggregate value of account sold | 9,638.19 | 1,682.95 |
| Aggregate consideration | 8,674.37 | 1,508.40 |
| Additional consideration realised in respect of accounts transferred in earlier years | - | - |
| Aggregate gain/(loss) over net book value | - | - |

54.2 Details of securitisation transactions undertaken

| Particulars | As at | |
|-----------------------------------------------------------------------------------|---------------|---------------|
| | 31 March 2023 | 31 March 2022 |
| No of SPVs sponsored by the NBFC for securitisation transactions | - | - |
| Total amount of securitised assets as per books of the SPVs sponsored by the NBFC | - | - |
| Total amount of exposures retained by the NBFC to comply with MRR | - | - |
| a) Off-balance sheet exposures | - | - |
| * First loss | - | - |
| * Others | - | - |
| b) On-balance sheet exposures | - | - |
| * First loss | - | - |
| * Others - over collateral | - | - |
| Amount of exposures to securitisation transactions other than MRR | - | - |
| i) Exposure to own securitisations | - | - |
| * First loss | - | - |
| * Others - corporate guarantee | - | - |
| ii) Exposure to third party securitisations | - | - |
| * First loss | - | - |
| * Others | - | - |
| b) On-balance sheet exposures | - | - |
| i) Exposure to own securitisations | - | - |
| * First loss - cash collateral | - | - |
| * Others | - | - |
| ii) Exposure to third party securitisations | - | - |
| * First loss | - | - |
| * Others | - | - |

55 Details of non- performing financial assets purchases / sold

The Company has neither purchased nor sold any non- performing financial assets during the year.

56 Details of financing of Parent Company products

There are no such transactions of this nature in the current and previous year

57 Details of Single Borrower Limits (SBL)/ Group Borrower Limits (GBL) exceeded

The Company has not exceeded the borrower limit as set by Reserve Bank of India for the year ended 31 March 2023 and 31 March 2022.

58 Unsecured advances

The Company has unsecured advances amounting to INR 183,754.51 lakhs as at 31 March 2023 (31 March 2022 - INR 86,784.23).

59 Advances against intangible securities

The Company has not financed any unsecured advances against intangible securities such as rights, licenses, authority etc. as collateral security.

60 Registration/ licence/ authorisation obtained from financial sector regulators :

| Registration / Licence | Authority issuing the registration / | Registration / Licence reference |
|-----------------------------|--------------------------------------|-----------------------------------|
| Certificate of Registration | Reserve Bank of India | N - 07.00836 dated 5 January 2018 |

61 Penalties imposed by RBI and other regulators

No penalties have been imposed by RBI and Other Regulators during the financial year ended 31 March 2023. (31 March 2022 - Nil)

62 Ratings assigned by credit rating agencies and migration of ratings during the year

| Particulars | Rating agency | As at | |
|----------------------------|---------------|---------------|---------------|
| | | 31 March 2023 | 31 March 2022 |
| Bank Term Loans | ICRA | A (Stable) | A- (Positive) |
| Non Convertible Debentures | ICRA | A (Stable) | A- (Positive) |
| Bank Term Loans | CARE | A Positive | A Stable |
| Non Convertible Debentures | CARE | A Positive | A Stable |



Vivriti Capital Private Limited

Notes to the standalone financial statements for the year ended 31 March 2023

(All amounts are in Rupees lakhs, unless stated otherwise)

| | As at 31 March 2023 | As at 31 March 2022 |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------|------------------------|
| 63 Provisions and contingencies (Break up of 'provisions and contingencies' shown under the head expenditure) | | |
| Provisions for depreciation on Investment | - | - |
| Provision towards NPA including write off | 526.85 | 249.59 |
| Provision made towards current income taxes | 4,572.81 | 1,882.70 |
| Other Provision and Contingencies | - | - |
| Provision for Standard assets | 390.15 | 1,212.79 |
| 64 Draw down from reserves | | |
| The Company has not made any drawdown from existing reserves. | | |
| 65 Concentration of advances | | |
| Total advances to twenty largest borrowers | 74,921.96 | 56,692.00 |
| Percentage of advances to twenty largest borrowers to total advances | 16.37% | 18.96% |
| 66 Concentration of exposures | | |
| Total Exposure to twenty largest borrowers / customers | 90,389.51 | 100,597.67 |
| Percentage of Exposures to twenty largest borrowers / customers to Total Exposure of the applicable NBFC on borrowers / customers | 15.63% | 26.21% |
| 67 Concentration of NPA Contracts* | | |
| Total Exposure to top four NPA accounts (Gross exposure) | 1,581.18 | 955.48 |
| 68 Sector-wise NPAs (Percentage of NPA's to total advances in that sector) | | |
| Agriculture & allied activities | 0.00% | 0.00% |
| MSME | 0.90% | 0.86% |
| Corporate borrowers | 0.00% | 0.00% |
| Services | 0.00% | 0.00% |
| Unsecured personal loans | 0.00% | 0.00% |
| Auto loans | 0.00% | 0.00% |
| Other loans | 0.73% | 0.77% |
| The above Sector-wise NPA and advances are based on the data available with the Company which has been relied upon by the auditors. NPA contracts represents the Stage 3 contracts (net of write offs). | | |
| 69 Movement of Non-Performing Assets (NPA's) | | |
| (a) Net NPAs to net advances (%) | | |
| (Net of provision for NPAs) | 0.08% | 0.07% |
| (b) Movement of gross NPAs | | |
| Opening balance | 1,091.69 | 592.52 |
| Additions during the year | 2,444.34 | 499.17 |
| Reductions during the year | (1,732.06) | - |
| Closing balance | 1,803.97 | 1,091.69 |
| (c) Movement of net NPAs | | |
| Opening balance | 249.58 | - |
| Additions during the year | 1,917.49 | 249.58 |
| Reductions during the year | (1,713.51) | - |
| Closing balance | 453.56 | 249.58 |
| (d) Movement of provisions for NPAs (excluding provisions against standard assets) | | |
| Opening balance | 842.11 | 592.52 |
| Add: Provision made during the year | 526.85 | 249.59 |
| Less: Write off / write back of excess provisions | (18.55) | - |
| Closing balance | 1,350.41 | 842.11 |
| 70 Movement of provisions held towards guarantees | | |
| Opening balance | 52.37 | 392.34 |
| Add: Provisions made during the year | - | - |
| Less: Write off/ write back/ reversal of provision during the year | (38.02) | (72.05) |
| Less: Paid during the year | - | (267.92) |
| Closing balance | 14.35 | 52.37 |



- 71 Overseas assets (for those with joint ventures and subsidiaries abroad)
There are no overseas asset owned by the Company
- 72 Off-balance sheet SPVs sponsored
There are no SPVs which are required to be consolidated as per accounting norms.

| Particulars | Year ended 31 March 2023 | Year ended 31 March 2022 |
|-------------|-----------------------------|-----------------------------|
|-------------|-----------------------------|-----------------------------|

73 Customer complaints

Complaints received by the NBFC from its customers

| | | |
|-----------------------------------------------------------------------------------------------------------------|-------|-------|
| 1. Number of complaints pending at beginning of the year | - | - |
| 2. Number of complaints received during the year | 6,393 | 3,061 |
| 3. Number of complaints disposed during the year | 6,334 | 3,061 |
| 3.1 Of which, number of complaints rejected by the NBFC | - | - |
| 4. Number of complaints pending at the end of the year | 59 | - |
| Maintainable complaints received by the NBFC from Office of Ombudsman | | |
| 5. Number of maintainable complaints received by the NBFC from Office of Ombudsman | 26 | 16 |
| 5.1 Of 5, number of complaints resolved in favour of the NBFC by Office of Ombudsman | 26 | 16 |
| 5.2 Of 5, number of complaints resolved through conciliation/mediation/advisories issued by Office of Ombudsman | - | - |
| 5.3 Of 5, number of complaints resolved after passing of Awards by Office of Ombudsman against the NBFC | - | - |
| 6. Number of Awards unimplemented within the stipulated time (other than those appealed) | - | - |

Top five grounds of complaints received by the NBFCs from customers

| Grounds of complaints, (i.e. complaints relating to) | Number of complaints pending at the beginning of the year | Number of complaints received during the year | % increase/ decrease in the number of complaints received over the previous year | Number of complaints pending at the end of the year | Of 5, number of complaints pending beyond 30 days |
|------------------------------------------------------|-----------------------------------------------------------|-----------------------------------------------|----------------------------------------------------------------------------------|-----------------------------------------------------|---------------------------------------------------|
| Year ended 31 March 2023 | | | | | |
| Difficulty in operation of accounts | - | 5,853 | 95% | 59 | - |
| Loans and advances | - | 139 | 3375% | - | - |
| NOC request | - | 136 | 423% | - | - |
| Others | - | 265 | 1105% | - | - |
| Year ended 31 March 2022 | | | | | |
| Difficulty in operation of accounts | - | 3,009 | 3307% | - | - |
| Loans and advances | - | 4 | 27% | - | - |
| NOC request | - | 26 | 867% | - | - |
| Others | - | 22 | 147% | - | - |

The above details are based on the information available with the Company regarding the complaints received from the customers which has been relied upon by the auditors.

74 Disclosures pursuant to RBI Notification - RBI / DOR / 2021-22/86 DOR.STR.REC.51/21.04.048/2021-22 dated 24 September 2021

- (a) Details of loans (not in default) acquired through assignment during the year ended 31 March 2023:

| Particulars | As at 31 March 2023 | As at 31 March 2022 |
|-------------------------------------------------|------------------------|------------------------|
| (a) Amount of loans acquired through assignment | 5,836.68 | - |
| (b) Weighted average maturity in months | 3 to 23 Months | - |
| (c) Weighted average holding period in months | 5 to 13 Months | - |
| (d) Retention of beneficial economic interest | 0 to 5% | - |
| (e) Coverage of tangible security | 0% | - |
| (f) Rating-wise distribution of rated loans | Unrated | - |

- (b) Details of loans transferred through assignment during the year ended 31 March 2023:

| Particulars | To Banks | To others |
|---------------------------------------------------------------|-----------|-----------|
| Number of loans sold | 8,949.00 | - |
| Aggregate amount (INR in Lakhs) | 9,638.19 | - |
| Sale consideration (INR in Lakhs) | 8,674.37 | - |
| Number of transactions | 1 | - |
| Weighted average maturity in months (remaining) | 30 months | NA |
| Weighted average holding period in months (after origination) | 7 months | NA |
| Retention of beneficial economic interest (average) | 10% | 10% |

- (c) The Company has not acquired / transferred any stressed loan during the year ended 31 March 2023.



75 Schedule to the Balance Sheet of a non deposit taking Non-Banking Financial Company (Pursuant to paragraph 19 of Master Direction - Non-Banking Financial Company - Systemically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016):

| S.N. Particulars | As at 31 March 2023 | | As at 31 March 2022 | |
|-------------------------------------------------------------------------------------------------------------------|---------------------|----------------|---------------------|----------------|
| | Amount Outstanding | Amount Overdue | Amount Outstanding | Amount Overdue |
| Liabilities side: | | | | |
| 1 Loans and Advances availed by the NBFC inclusive of interest accrued thereon but not paid: | | | | |
| (a) Debentures | | | | |
| - Secured (net of unamortised borrowing cost) | 146,583.39 | - | 98,693.74 | - |
| - Unsecured (net of unamortised borrowing cost) | - | - | - | - |
| (other than falling within the meaning of public deposits) | - | - | - | - |
| (b) Deferred Credits | - | - | - | - |
| (c) Term Loans (net of unamortised borrowing cost) | 316,514.52 | - | 218,688.09 | - |
| (d) Inter-Corporate Loans and Borrowings | - | - | - | - |
| (e) Commercial Paper | 5,303.80 | - | 8,357.61 | - |
| (f) Public Deposits | - | - | - | - |
| (g) Other Loans (net of unamortised borrowing cost) | 33,587.13 | - | 29,273.94 | - |
| (Represents Working Capital Demand Loans and Cash Credit from Banks) | - | - | - | - |
| 2 Break-up of (1)(f)above (outstanding public deposits inclusive of interest accrued thereon but not paid) | | | | |
| (a) In the form of Unsecured debentures | - | - | - | - |
| (b) In the form of partly secured debentures i.e debentures where there is a | - | - | - | - |
| (c) Other public deposits | - | - | - | - |

| Particulars | As at | |
|-----------------------------------------------------------------------------------------------------------------|---------------|---------------|
| | 31 March 2023 | 31 March 2022 |
| Assets side: | | |
| 3 Break-up of Loans and Advances * including Bills Receivables [other than those included in (4) below]: | | |
| (a) Secured | 273,943.87 | 212,147.41 |
| (b) Unsecured | 183,754.51 | 86,784.23 |
| <i>(Excludes loss allowance and includes unamortised fee)</i> | | |
| 4 Break up of Leased Assets and Stock on Hire and Other Assets counting towards AFC activities | | |
| (i) Lease Assets including Lease Rentals Accrued and Due: | | |
| 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 | - | - |
| 5 Break-up of Investments (net of provision for diminution in value): | | |
| Current Investments: | | |
| I. Quoted: | | |
| i. Shares | | |
| a) Equity | - | - |
| b) Preference | - | - |
| ii. Debentures and bonds | - | - |
| iii. Units of Mutual Funds | 7,167.58 | 3,010.85 |
| iv. Government Securities | - | - |
| v. Others (please specify) | - | - |
| II. Unquoted: | | |
| i. Shares | | |
| a) Equity | - | - |
| b) Preference | - | - |
| ii. Debentures and Bonds | - | - |
| iii. Units of Mutual Funds | - | - |
| iv. Government Securities | - | - |
| v. Others | - | - |
| a) pass through certificates | - | - |
| b) units of alternative investment fund | - | - |
| c) commercial paper | 3,974.40 | - |



75 Disclosure Pursuant to paragraph 19 of Master Direction - Non-Banking Financial Company –Systemically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016: (continued)

| Particulars | As at | |
|-----------------------------------------|---------------|---------------|
| | 31 March 2023 | 31 March 2022 |
| Long Term Investments: | | |
| I. Quoted: | | |
| i. Shares | - | - |
| a) Equity | - | - |
| b) Preference | - | - |
| ii. Debentures and Bonds | - | - |
| iii. Units of Mutual Funds | - | - |
| iv. Government Securities | - | - |
| v. Others (please specify) | - | - |
| II. Unquoted: | | |
| i. Shares | | |
| a) Equity | 7,736.85 | 7,752.00 |
| b) Preference | 5,000.00 | 3,000.00 |
| ii. Debentures and Bonds | 56,471.32 | 42,651.14 |
| iii. Units of Mutual Funds | - | - |
| iv. Government Securities | - | - |
| v. Others | | |
| a) pass through certificates | 32,936.58 | 29,841.50 |
| b) units of alternative investment fund | 27,078.41 | 12,288.67 |

6 Borrower Group-wise Classification of Assets Financed as in (3) and (4) above:

| Category | As at 31 March 2023 | | As at 31 March 2022 | |
|--------------------------------------|----------------------------|-------------------|----------------------------|------------------|
| | (Net of provision for NPA) | | (Net of provision for NPA) | |
| | Secured | Unsecured | Secured | Unsecured |
| I. Related parties | | | | |
| (a) Subsidiaries | - | 800.00 | - | - |
| (b) Companies in the same group | - | - | - | - |
| (c) Other related parties | 13,783.01 | - | 6,316.06 | - |
| 2. Other than related parties | 256,394.97 | 183,019.49 | 203,294.94 | 86,437.09 |
| | 270,177.98 | 183,819.49 | 209,611.00 | 86,437.09 |

7 Investor Group-wise Classification of all Investments (Current and Long Term) in Shares and Securities (both Quoted and Unquoted)

| Category | Market Value / Break up Value or Fair Value or Net Asset Value as on 31 March 2023 | Book Value as on 31 March 2023 (Net of provisions) | Market Value / Break up Value or Fair Value or Net Asset Value as on 31 March 2022 | Book Value as on 31 March 2022 (Net of provisions) |
|--------------------------------------|------------------------------------------------------------------------------------|----------------------------------------------------|------------------------------------------------------------------------------------|----------------------------------------------------|
| | I. Related Parties | | | |
| (a) Subsidiaries | - | 7,751.00 | - | 5,751.00 |
| (b) Companies in the same Group | - | 4,985.85 | - | 5,001.00 |
| (c) Other related parties | - | 1,870 | - | - |
| 2. Other than related parties | - | 125,758.29 | - | 87,792.16 |
| | - | 140,365.14 | - | 98,544.16 |

8 Other Information

| Particulars | As at 31 March 2023 | | As at 31 March 2022 | |
|-----------------------------------------------|---------------------|----------------------------|---------------------|----------------------------|
| | Related Parties | Other than Related Parties | Related Parties | Other than Related Parties |
| (i) Gross Non-Performing Assets | - | 1,803.97 | - | 1,091.69 |
| (ii) Net Non-Performing Assets | - | 453.56 | - | 249.58 |
| (iii) Assets acquired in satisfaction of debt | - | - | - | 900.00 |

Note : NPA contracts represents the Stage 3 contracts (net of write offs). Also this excludes the impact of the fair value changes on the financial assets.



76 Disclosure pursuant to Reserve Bank of India notification DOR (NBFC),CC.PD.No.109 /22.10.106/2019- 20 dated March 13, 2020 pertaining to Asset Classification as per RBI Norms

As at 31 March 2023

| Asset Classification as per RBI norms | Asset Classification as per IND AS 109 | Gross Carrying amount as per IND AS | Loss Allowances (Provisions) as required under Ind AS 109 | Net Carrying amount | Provisions required as per IRACP norms | Difference between Ind AS 109 provisions and IRACP norms |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------|-------------------------------------|-----------------------------------------------------------|---------------------|----------------------------------------|----------------------------------------------------------|
| (1) | (2) | (3) | (4) | (5) = (3)-(4) | (6) | (7) = (4)-(6) |
| Performing Assets | | | | | | |
| Standard | Stage 1 | 574,552.41 | 2,610.31 | 571,942.10 | 2,298.21 | 312.10 |
| | Stage 2 | 1,973.40 | 225.36 | 1,748.04 | 7.89 | 217.46 |
| Subtotal for Standard | | 576,525.81 | 2,835.67 | 573,690.15 | 2,306.10 | 529.56 |
| Non Performing Assets (NPA) | | | | | | |
| Substandard | Stage 3 | 983.55 | 642.55 | 340.99 | 147.53 | 495.02 |
| Doubtful - upto 1 year | Stage 3 | 227.90 | 113.95 | - | - | 113.95 |
| 1 - 3 years | Stage 3 | - | - | - | - | - |
| More than 3 years | Stage 3 | - | - | - | - | - |
| Loss | Stage 3 | 592.52 | 592.52 | - | 592.52 | - |
| Subtotal for NPA | | 1,803.97 | 1,349.02 | 340.99 | 740.05 | 608.97 |
| Other items such as guarantees, loan commitment etc., which are in the scope of Ind AS 109 but not covered under Income Recognition, Asset Classification and Provisioning (IRACP) norms | Stage 1 | 8,864.18 | - | 8,864.18 | - | - |
| | Stage 2 | - | - | - | - | - |
| Subtotal | Stage 3 | 200.24 | 200.24 | - | - | 200.24 |
| Total | Stage 1 | 583,416.59 | 2,610.31 | 580,806.28 | 2,298.21 | 312.10 |
| | Stage 2 | 1,973.40 | 225.36 | 1,748.04 | 7.89 | 217.46 |
| | Stage 3 | 2,004.21 | 1,549.26 | 340.99 | 740.05 | 809.21 |
| | | 587,394.20 | 4,384.93 | 582,895.32 | 3,046.16 | 1,338.77 |

As at 31 March 2022

| Asset Classification as per RBI norms | Asset Classification as per IND AS 109 | Gross Carrying amount as per IND AS | Loss Allowances (Provisions) as required under Ind AS 109 | Net Carrying amount | Provisions required as per IRACP norms | Difference between Ind AS 109 provisions and IRACP norms |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------|-------------------------------------|-----------------------------------------------------------|---------------------|----------------------------------------|----------------------------------------------------------|
| (1) | (2) | (3) | (4) | (5) = (3)-(4) | (6) | (7) = (4)-(6) |
| Performing Assets | | | | | | |
| Standard | Stage 1 | 381,202.52 | 1,500.70 | 379,701.83 | - | 846.22 |
| | Stage 2 | 1,546.46 | 876.52 | 669.94 | 1,531.00 | - |
| Subtotal for Standard | | 382,748.98 | 2,377.22 | 380,371.77 | 1,531.00 | 846.22 |
| Non Performing Assets (NPA) | | | | | | |
| Substandard | Stage 3 | 499.17 | 249.59 | 249.59 | 74.88 | 174.71 |
| Doubtful - upto 1 year | Stage 3 | - | - | - | - | - |
| 1 - 3 years | Stage 3 | - | - | - | - | - |
| More than 3 years | Stage 3 | - | - | - | - | - |
| Loss | Stage 3 | 592.52 | 592.52 | - | 592.52 | - |
| Subtotal for NPA | | 1,091.69 | 842.11 | 249.59 | 667.40 | 174.71 |
| Other items such as guarantees, loan commitment etc., which are in the scope of Ind AS 109 but not covered under Income Recognition, Asset Classification and Provisioning (IRACP) norms | Stage 1 | 11,061.97 | 52.37 | 11,009.60 | - | 52.37 |
| | Stage 2 | - | - | - | - | - |
| Subtotal | Stage 3 | 196.24 | 196.24 | - | - | 196.24 |
| Total | Stage 1 | 392,264.49 | 1,553.07 | 390,711.43 | 1,531.00 | 898.59 |
| | Stage 2 | 1,546.46 | 876.52 | 669.94 | - | - |
| | Stage 3 | 1,287.93 | 1,038.35 | 249.59 | 667.40 | 370.95 |
| | | 395,098.88 | 3,467.93 | 391,630.95 | 2,198.39 | 1,269.54 |

In terms of the requirement as per RBI notifications no. RBI/2019-20/170 DOR (NBFC),CC. PD No. 109/22.10.106/2019-20 dated March 13, 2020 on implementation of Indian accounting standards, Non-Banking Financial Companies (NBFCs) are required to create an impairment reserve for any shortfall in impairment allowances under Ind AS 109 and Income recognition, Asset Classification and Provisioning (IRACP) Norms (including provision on standard assets). The impairment allowances under Ind AS 109 made by the Company exceeds the total provision required under IRACP (including standard asset provisioning) as at 31 March 2023 and accordingly, no amount is required to be transferred to impairment reserve.



77 Disclosures Pursuant to Reserve Bank of India Guidelines on Liquidity Risk Management RBI/2019-20/88 DOR.NBFC (PD) CC.No.102/03/10.001/2019-20 dated November 4, 2019

As per the Guidelines on Liquidity Risk Management Framework for NBFCs issued by RBI vide notification no. RBI/2019-20/88 DOR.NBFC (PD) CC. No.102/03/10.001/2019-20, NBFCs are required to maintain Liquidity Coverage Ratio (LCR) from December 1, 2020. Under the said guidelines, all non-deposit taking NBFCs with asset size of INR 5,000 crore and above but less than INR 10,000 crore are required to maintain a minimum LCR of 30%, progressively increasing, till it reaches the required level of 100%, by December 1, 2024.

The total assets of the Company has crossed INR 5,000 crores from quarter ended March 31, 2023. Accordingly, for the year ended March 31, 2023, the Company has presented the LCR related disclosures for the quarter ended March 2023 only i.e. the period for which the guideline became applicable to the Company

The Company has implemented the guidelines on Liquidity Risk Management Framework prescribed by the Reserve Bank of India requiring maintenance of Liquidity Coverage Ratio (LCR), which aim to ensure that an NBFC maintains an adequate level of unencumbered High Quality Liquid Assets (HQLA) that can be converted into cash to meet its liquidity needs for a 30 calendar day time horizon under a significantly severe liquidity stress scenario. Compliance with LCR is monitored by Asset Liability Management Committee (ALCO) of the Company.

Qualitative information:

Main drivers to the LCR numbers:

All significant outflows and inflows determined in accordance with RBI guidelines are included in the prescribed LCR computation.

Composition of HQLA:

The HQLA maintained by the Company comprises Cash balance maintained in current account. The details are given below.

- For March 2023, the HQLA of INR 11,177.59 lakhs comprised of INR 3,330.98 lakhs in current account and callable fixed deposits with scheduled commercial banks and INR 7,876.60 lakhs in marketable securities.

Concentration of funding sources:

The company maintains diversified sources of funding comprising short/long term loans from banks, NCDs, and sub-ordinated, ECBs and CPs. The funding pattern is reviewed regularly by the management

Derivative exposures and potential collateral calls:

As on 31 March 2023, the company has fully hedged interest and principal outflows on the foreign currency ECBs. Hence, derivative exposures are considered NIL.

Currency mismatch in LCR:

There is NIL mismatch to be reported in LCR as on 31 March 2023 since foreign currency ECBs are fully hedged for the corresponding interest and principal components. For the quarter ended 31 March 2023, the Company has assessed the impact to be immaterial.

Other inflows and outflows in the LCR calculation that are not captured in the LCR common template but which the institution considers to be relevant for its liquidity profile

Nil

Quantitative Disclosure on Liquidity Coverage Ratio (LCR) for year ended 31 March 2023 is given below:

| Particulars | For the quarter ended 31 March 2023 | |
|--------------------------------------------------------------------------------|-------------------------------------|--------------------------------|
| | Total unweighted value (average) | Total weighted value (average) |
| High Quality Liquid Assets | | |
| 1 **Total High Quality Liquid Assets (HQLA) | 11,381.80 | 11,177.59 |
| Cash Outflows | | |
| 2 Deposits (for deposit taking companies) | - | - |
| 3 Unsecured wholesale funding | 1,000.00 | 1,150.00 |
| 4 Secured wholesale funding | 24,836.55 | 28,562.03 |
| 5 Additional requirements, of which | | |
| (i) Outflows related to derivative exposures and other collateral requirements | - | - |
| (ii) Outflows related to loss of funding on debt products | - | - |
| (iii) Credit and liquidity facilities | 52.50 | 60.38 |
| 6 Other contractual funding obligations | 7,725.00 | 8,883.75 |
| 7 Other contingent funding obligations | - | - |
| 8 Total Cash Outflows | 33,614.05 | 38,656.16 |
| Cash Inflows | | |
| 9 Secured lending | - | - |
| 10 Inflows from fully performing exposures | 61,953.77 | 46,465.33 |
| 11 Other cash inflows | - | - |
| 12 Total Cash Inflows | 61,953.77 | 46,465.33 |
| | Total Adjusted Value | Total Adjusted Value |
| 13 Total HQLA | 11,381.80 | 11,177.59 |
| 14 Total Net Cash Outflows | 8,403.51 | 9,664.04 |
| 15 Liquidity Coverage Ratio (%) | 135.44% | 115.66% |

The above LCR disclosures are based on the data available with the Company which has been relied upon by the auditors.

78 Disclosure under clause 16 of the Listing Agreement for Debt Securities

The Debentures are secured by way of an exclusive hypothecation of loans, investment in pass through certificates and investment in debentures.

79 Disclosure under clause 28 of the Listing Agreement for Debt Securities

| Particulars | As at | As at |
|------------------------------------------------------------------------------------------------|---------------|---------------|
| | 31 March 2023 | 31 March 2022 |
| Loans and advances in the nature of loans to subsidiaries | 800.00 | - |
| Loans and advances in the nature of loans to associates | - | - |
| Loans and advances in the nature of loans where there is - | | |
| (i) no repayment schedule or repayment beyond seven years | - | - |
| (ii) no interest or interest below section 186 of Companies Act, 2013 | - | - |
| Loans and advances in the nature of loans to firms/companies in which directors are interested | 14,583.01 | 6,316.06 |



80 Disclosures Pursuant to Reserve Bank of India Guidelines on Scale Based Regulations (SBR) RBI/2022-23/26 DOR.ACC.REC.No.20/21.04.018/2022-23 dated April 19, 2022

A Sectoral exposure

| Sector | As at 31 March 2023 | | | As at 31 March 2022 | | |
|--------------------------------------|---------------------------------------------------------------------------|-----------------|-----------------------------------------------------------|---------------------------------------------------------------------------|-----------------|-----------------------------------------------------------|
| | Total Exposure (includes on balance sheet and off-balance sheet exposure) | Gross NPAs | Percentage of Gross NPAs to total exposure in that sector | Total Exposure (includes on balance sheet and off-balance sheet exposure) | Gross NPAs | Percentage of Gross NPAs to total exposure in that sector |
| 1. Agriculture and Allied Activities | 15,721.31 | - | - | 9,102.07 | - | - |
| 2. Industry | | | | | | |
| (i) Solar and Renewable Energy | 21,237.13 | - | - | - | - | - |
| (ii) Others | 48,218.35 | - | - | 18,562.45 | - | - |
| Total | 69,455.48 | - | - | 18,562.45 | - | - |
| 3. Services | | | | | | |
| (i) Banks and Financial services | 283,508.58 | 1,341.89 | 0.47% | 205,611.42 | 1,091.69 | 0.53% |
| (ii) Retail Trade | 32,568.10 | - | - | 24,765.35 | - | - |
| (iii) Others | 32,849.10 | - | - | 37,112.04 | - | - |
| Total | 348,925.78 | 1,341.89 | 0.38% | 267,488.81 | 1,091.69 | 0.41% |
| 4. Personal Loans | | | | | | |
| (i) Consumer Finance | 124,764.14 | - | - | 71,100.24 | - | - |
| (ii) Loan against property | 1,809.43 | 462.08 | 25.54% | 730.80 | - | - |
| (iii) Vehicle/Auto Loans | 15,415.45 | - | - | 20,778.44 | - | - |
| Total | 141,989.02 | 462.08 | 0.33% | 92,609.48 | - | - |
| 5. Others | - | - | - | - | - | - |

Note : NPA contracts represents the Stage 3 contracts (net of write offs).

B Related Party disclosure

| Particulars | Subsidiaries / Associates | | Key Management Personnel | | Others | | Total | |
|--------------------------------|---------------------------|-----------|--------------------------|-----------|-----------|-----------|-----------|-----------|
| | As at | As at | As at | As at | As at | As at | As at | As at |
| | 31-Mar-23 | 31-Mar-22 | 31-Mar-23 | 31-Mar-22 | 31-Mar-23 | 31-Mar-22 | 31-Mar-23 | 31-Mar-22 |
| Borrowings | | | | | | | | |
| Closing | 6,870.00 | 7,930.07 | - | - | - | - | 6,870.00 | 7,930.07 |
| Maximum balance | 26,670.00 | 7,930.07 | - | - | - | - | NA | NA |
| Deposits | | | | | | | | |
| Closing | - | - | - | - | - | - | - | - |
| Maximum balance | - | - | - | - | - | - | NA | NA |
| Advances | | | | | | | | |
| Closing | 800.00 | - | - | - | 13,783.01 | 6,316.06 | 14,583.01 | 6,316.06 |
| Maximum balance | 2,000.00 | 550.00 | - | - | 15,712.65 | 7,500.00 | NA | NA |
| Investments | | | | | | | | |
| Closing | 12,736.85 | 10,752.00 | - | - | 1,870.00 | - | 14,606.85 | 10,752.00 |
| Maximum balance | 12,752.00 | 10,752.00 | - | - | 4,340.00 | - | NA | NA |
| Purchase of fixed/other assets | - | - | - | - | - | - | - | - |
| Sale of fixed/other assets | 175.62 | 645.74 | - | - | - | - | 175.62 | 645.74 |
| Interest paid | - | - | - | - | - | - | - | - |
| Interest received | 8.32 | 20.46 | - | - | 1,073.76 | 454.80 | 1,082.08 | 475.26 |
| Fee and Commission income | 1,416.59 | 1,169.39 | - | - | 5.03 | - | 1,421.62 | 1,169.39 |
| Sale of Investments | 20,291.07 | - | - | - | - | - | 20,291.07 | - |
| Issue of debt securities | 26,670.00 | 7,930.07 | - | - | - | - | 26,670.00 | 7,930.07 |
| FLDG settlement | - | - | - | - | 5,201.55 | - | 5,201.55 | - |
| Platform fees | 4,093.04 | 2,811.69 | - | - | - | - | 4,093.04 | 2,811.69 |

NA - Not applicable

There are no transactions with directors and relatives of directors or other key management personnel during the years ended 31 March 2023 and 31 March 2022.

B Intragroup Exposure

| | As at | As at |
|-----------------------------------------------------------------------------------------------|----------------|----------------|
| | March 31, 2023 | March 31, 2022 |
| i) Total amount of intra-group exposures | 800.00 | - |
| ii) Total amount of top 20 intra-group exposures | 800.00 | - |
| iii) Percentage of intra-group exposures to total exposure of the NBFC on borrowers/customers | 0.14% | - |

81 Sanctioned amount of Loans or advances in the nature of loans aggregating Rupees five crores and above as per circular RBI/2022-23/29 DOR.CRE.REC.No.25/03.10.001/2022-23 dated 19 April 2022

| | Year ended | Year ended |
|------------------------------------------------------------|------------------|-----------------|
| | 31 March 2023 | 31 March 2022 |
| i) Directors and their relatives | - | - |
| ii) Entities associated with directors and their relatives | 18,602.00 | 5,950.00 |
| iii) Senior Officers and their relatives | - | - |
| | 18,602.00 | 5,950.00 |



Vivriti Capital Private Limited

Notes to the standalone financial statements for the year ended 31 March 2023

(All amounts are in Rupees lakhs, unless stated otherwise)

82 Subsequent events

There are no subsequent events that have occurred after the reporting period till the date of approval of these standalone financial statements.

As per our report of even date attached

for **BSR & Co. LLP**

Chartered Accountants

Firm's Registration No. 101248W/W-100022



S Sethuraman

Partner

Membership No: 203491

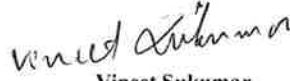
Place: Chennai

Date: 4 May 2023

For and on behalf of the Board of Directors of

Vivriti Capital Private Limited

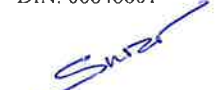
CIN: U65929TN2017PTC117196



Vineet Sukumar

Managing Director

DIN: 06848801



B Srinivasaraghavan

Chief Financial Officer

Place: Chennai

Date: 4 May 2023



Gaurav Kumar

Director

DIN: 07767248



Amritha Paitenkar

Company Secretary

Membership No: A49121

B S R & Co. LLP

Chartered Accountants

KRM Tower, 1st & 2nd Floors,
No. 1, Harrington Road, Chetpet,
Chennai – 600 031, India.
Tel: +91 44 4608 3100
Fax: +91 44 4608 3199

Independent Auditor's Report

To the Members of Vivriti Capital Private Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of Vivriti Capital Private Limited (hereinafter referred to as the "Holding Company") and its subsidiary (Holding Company and its subsidiary together referred to as "the Group"), its associates, which comprise the consolidated balance sheet as at 31 March 2023, and the consolidated statement of profit and loss (including other comprehensive income), consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group and its associates as at 31 March 2023, of its consolidated loss and other comprehensive loss, consolidated changes in equity and consolidated cash flows for the year then ended.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those SAs 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 and its associates in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in terms of the Code of Ethics issued by the Institute of Chartered Accountants of India and the relevant provisions of the Act, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the consolidated financial statements.

Key Audit Matter

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Registered Office:

B S R & Co. (a partnership firm with Registration No. BA61223) converted into B S R & Co. LLP (a Limited Liability Partnership with LLP Registration No. AAB-8181) with effect from October 14, 2013

14th Floor, Central B Wing and North C Wing, Nesco IT Park 4, Nesco Center, Western Express Highway, Goregaon (East), Mumbai - 400063

Independent Auditor's Report (*Continued*)

Vivriti Capital Private Limited

Impairment of loans and advances including off balance sheet elements

Charge : INR 917.00 Lakhs for the year ended 31 March 2023 Provision : INR 3,915.50 Lakhs as at 31 March 2023

Refer Notes 3.6, 6, 7, 19 and 30 to consolidated financial statements

| The key audit matter | How the matter was addressed in our audit |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p>Under Ind AS 109 - Financial Instruments, credit loss assessment is based on expected credit loss (ECL) model. The Holding Company's impairment allowance is derived from estimates including the historical default and loss ratios. Management exercises judgement in determining the quantum of loss based on a range of factors.</p> <p>The determination of impairment loss allowance is inherently judgmental and relies on managements' best estimate due to the following:</p> <p>Segmentation of loans given to the customer.</p> <p>Criteria selected to identify significant increase in credit risk.</p> <p>Increased level of data inputs for capturing the historical data to calculate the Probability of Default ("PDs") and Loss Given Default ("LGD") and the completeness and accuracy of that data.</p> <p>Use of management judgement for considering the forward looking macro-economic factors, economic environment and timing of cash flows.</p> <p>The underlying forecasts and assumptions used in the estimates of impairment loss allowance are subject to uncertainties which are often outside the control of the Holding Company.</p> <p>Given the size of loan portfolio relative to the balance sheet and the impact of impairment loss allowance on the standalone financial statements, we have considered this as a key audit matter.</p> | <p>In view of the significance of the matter, we applied the following key audit procedures, among others to obtain sufficient appropriate audit evidence:</p> <p>Performed process walkthroughs to identify the controls used in the impairment allowance processes.</p> <p>Assessed the design and implementation of controls in respect of the Holding Company's impairment allowance process such as the timely recognition of impairment loss, the completeness and accuracy of reports used in the impairment allowance process and management review processes over the calculation of impairment allowance.</p> <p>Obtained understanding of management's processes, compliance with the RBI circulars pertaining to impairment loss allowance, systems and controls implemented in relation to impairment allowance process including management rationale for determination of criteria of significant increase in credit risk.</p> <p>Evaluated whether the methodology applied by the Holding Company is compliant with the requirements of the relevant accounting standards and confirmed that the calculations are performed in accordance with the approved methodology, including checking mathematical accuracy of the workings.</p> <p>Tested the periods considered for capturing underlying data as base to PD and LGD calculations are in line with Holding Company's recent experience of past observed periods.</p> <p>Tested the accuracy of the key inputs used in the calculation and independently evaluated the reasonableness of the assumptions made.</p> <p>Challenged completeness and validity of impairment allowance including the management overlays, particularly in response to the pandemic with assistance of our financial risk modelling experts by</p> |

Independent Auditor's Report (Continued)

Vivriti Capital Private Limited

| | |
|--|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| | <p>critically evaluating the risks that have been addressed by management.</p> <p>Performed test of details, on a sample basis, on underlying data relating to segmentation, staging as at 31 March 2023 and other key inputs for computation of ECL.</p> <p>Assessed whether the disclosures on key judgements, assumptions and quantitative data with respect to impairment loss allowance in the standalone financial statements are appropriate and sufficient.</p> |
|--|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

Other Information

The Holding Company's Management and Board of Directors are responsible for the other information. The other information comprises the information included in the Holding Company's annual report, but does not include the financial statements and auditor's report thereon. The Holding Company's annual report is expected to be made available to us after the date of this auditor's report.

Our opinion on the consolidated financial statements does not cover the other information and we will 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 when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take necessary actions, as applicable under the applicable laws and regulations.

Management's and Board of Directors' Responsibilities for the Consolidated Financial Statements

The Holding Company's Management and Board of Directors are responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Act that give a true and fair view of the consolidated state of affairs, consolidated profit/ loss and other comprehensive income, consolidated statement of changes in equity and consolidated cash flows of the Group including its associates in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. The respective Management and Board of Directors of the companies included in the Group and of its associates are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of each company and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Management and Board of Directors of the Holding Company, as aforesaid.

Independent Auditor's Report (*Continued*)

Vivriti Capital Private Limited

In preparing the consolidated financial statements, the respective Management and Board of Directors of the companies included in the Group and of its associates are responsible for assessing the ability of each company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and of its associates are responsible for overseeing the financial reporting process of each company.

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 skepticism 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 control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting in preparation of consolidated financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the appropriateness of this assumption. 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 and its associate 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.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors 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.

Independent Auditor's Report (Continued)

Vivriti Capital Private Limited

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matter

- a. The consolidated financial statements include the Group's share of net loss (and other comprehensive loss) of INR 557 lakhs for the year ended 31 March 2023, as considered in the consolidated financial statements, in respect of one associate, whose financial information has not been audited by us or by other auditor. This unaudited financial information 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 this associate, and our report in terms of sub-section (3) of Section 143 of the Act in so far as it relates to the aforesaid associate, is based solely on such unaudited financial information. In our opinion and according to the information and explanations given to us by the Management, this financial information is not material to the Group.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of this matter with respect to the financial information certified by the Management.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
- 2 A. As required by Section 143(3) of the Act, 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 the aforesaid 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.
 - c. The consolidated balance sheet, the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of changes in equity and the consolidated statement of cash flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
 - d. In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act.
 - e. On the basis of the written representations received from the directors of the Holding Company as on 31 March 2023 taken on record by the Board of Directors of the Holding Company and its subsidiary company and associate company incorporated in India, none of the directors of the Group companies and its associate incorporated in India is disqualified as on 31 March 2023 from being appointed as a director in terms of Section 164(2) of the Act.
 - f. With respect to the adequacy of the internal financial controls with reference to financial statements of the Holding Company and its associate companies incorporated in India and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- B. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of

Independent Auditor's Report (Continued)

Vivriti Capital Private Limited

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:

- a. The consolidated financial statements disclose the impact of pending litigations as at 31 March 2023 on the consolidated financial position of the Group and its associates. Refer Note 42 to the consolidated financial statements.
- b. Provision has been made in the consolidated financial statements, as required under the applicable law or Ind AS, for material foreseeable losses, on long-term contracts including derivative contracts. Refer Note 7, 14 and 19 to the consolidated financial statements in respect of such items as it relates to the Group and its associates.
- c. There are no amounts which are required to be transferred to the Investor Education and Protection Fund by the Holding Company or its subsidiary company, associate companies incorporated in India during the year ended 31 March 2023.
- d (i) The respective management of the Holding Company and its subsidiary company and associate company incorporated in India whose financial statements have been audited under the Act have represented that, to the best of their knowledge and belief, as disclosed in the Note 49 (v) to the consolidated financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Group and associate companies to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group and associate companies ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (ii) The respective management of the Holding Company and its subsidiary company and associate company incorporated in India whose financial statements have been audited under the Act have represented that, to the best of their knowledge and belief, as disclosed in the Note 49 (vi) to the consolidated financial statements, no funds have been received by the Group and associate companies from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Group and associate companies shall directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Parties ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (iii) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (i) and (ii) above, contain any material misstatement.
- e. The Holding Company and its subsidiary companies, associate companies incorporated in India have neither declared nor paid any dividend during the year.
- f. As proviso to rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable for the Group and associate companies only with effect from 1 April 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 is not applicable.

Independent Auditor's Report (Continued)

Vivriti Capital Private Limited

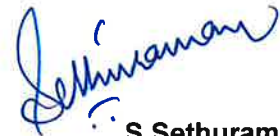
C. With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act:

In our opinion and according to the information and explanations given to us, the provisions of Section 197 of the Act are not applicable to the Holding Company, its subsidiary company and associate companies incorporated in India since none of these companies is a public company. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

For **B S R & Co. LLP**

Chartered Accountants

Firm's Registration No.:101248W/W-100022



S Sethuraman

Partner

Place: Chennai

Date: 04 May 2023

Membership No.: 203491

ICAI UDIN:23203491BGYXWN9005

Annexure A to the Independent Auditor's Report on the Consolidated Financial Statements of Vivriti Capital Private Limited for the year ended 31 March 2023

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

(xxi) In our opinion and according to the information and explanations given to us, following companies incorporated in India and included in the consolidated financial statements, have unfavourable remarks, qualification or adverse remarks given by the respective auditors in their reports under the Companies (Auditor's Report) Order, 2020 (CARO):

| S. no. | Name of the entity | CIN | Holding Company/ Subsidiary/ Associate | Clause number of the CARO report which is unfavourable or qualified or adverse |
|--------|------------------------------------------|-----------------------|----------------------------------------|--------------------------------------------------------------------------------|
| 1 | Vivriti Capital Private Limited | U65929TN2017PTC17196 | Holding Company | Clauses (iii) (c) and (iii) (d) |
| 2 | Vivriti Asset Management Private Limited | U65929TN2019PTC127644 | Subsidiary | Clause (xvii) |

The above does not include comments, if any, in respect of the following entities as the CARO report relating to them has not been issued by its auditor till the date of principal auditor's report.

| Name of the entities | CIN | Subsidiary/ JV/ Associate |
|----------------------------|-----------------------|---------------------------|
| Credavenue Private Limited | U72900TN2020PTC137251 | Associate |

For **B S R & Co. LLP**

Chartered Accountants

Firm's Registration No.:101248WW-100022

S Sethuraman

Partner

Place: Chennai

Date: 04 May 2023

Membership No.: 203491

ICAI UDIN:23203491BGYXWN9005

Annexure B to the Independent Auditor's Report on the consolidated financial statements of Vivriti Capital Private Limited for the year ended 31 March 2023

Report on the internal financial controls with reference to the aforesaid consolidated financial statements under Clause (i) of Sub-section 3 of Section 143 of the Act

(Referred to in paragraph 2(A)(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Opinion

In conjunction with our audit of the consolidated financial statements of Vivriti Capital Private Limited (hereinafter referred to as "the Holding Company") as of and for the year ended 31 March 2023, we have audited the internal financial controls with reference to financial statements of the Holding Company and such company incorporated in India under the Act which are its associate companies, as of that date.

In our opinion, the Company and such company incorporated in India which are its associate companies, have, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2023, based on the internal financial controls with reference to financial statements criteria established by such companies considering the essential components of such internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

Management's and Board of Directors' Responsibilities for Internal Financial Controls

The respective Company's Management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the respective company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to financial statements.



**Annexure B to the Independent Auditor's Report on the consolidated financial statements of Vivriti Capital Private Limited for the year ended 31 March 2023
(Continued)**

Meaning of Internal Financial Controls with Reference to Financial Statements

A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements include 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 consolidated financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the consolidated financial statements.

Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

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

For **B S R & Co. LLP**

Chartered Accountants

Firm's Registration No.:101248WW-100022



S Sethuraman

Partner

Place: Chennai

Date: 04 May 2023

Membership No.: 203491

ICAI UDIN:23203491BGYXWN9005

Vivriti Capital Private Limited
Consolidated Balance Sheet as at 31 March 2023
(All amounts are in Rupees lakhs, unless stated otherwise)

| Particulars | Note | As at 31 March 2023 | As at 31 March 2022 |
|---------------------------------------------------------------------------------------------|------|------------------------|------------------------|
| ASSETS | | | |
| Financial assets | | | |
| Cash and cash equivalents | 4 | 29,573.90 | 47,357.92 |
| Bank Balances other than cash and cash equivalents | 5 | 26,496.00 | 31,904.68 |
| Derivative financial instruments | 14 | 384.32 | - |
| Receivables | 6 | 1,417.13 | 742.05 |
| Loans | 7 | 453,295.43 | 296,075.94 |
| Investments | 8 | 314,872.57 | 294,868.40 |
| Other financial assets | 9 | 3,496.81 | 1,165.76 |
| Total financial assets | | 829,536.16 | 672,114.75 |
| Non-financial assets | | | |
| Current tax assets (net) | 10 | 3,499.35 | 1,951.69 |
| Deferred tax assets (net) | 35 | 1,329.80 | 355.36 |
| Investment property | 11 | 932.84 | 948.61 |
| Property, plant and equipment | 12.1 | 2,575.01 | 777.81 |
| Capital work-in-progress | 12.2 | 400.08 | - |
| Right of use asset | 12.3 | 2,893.48 | 969.06 |
| Intangible assets under development | 12.4 | 564.65 | 43.08 |
| Other intangible assets | 12.5 | 267.95 | 317.99 |
| Other non-financial assets | 13 | 3,742.21 | 2,280.37 |
| Total non-financial assets | | 16,205.37 | 7,643.97 |
| Total assets | | 845,741.53 | 679,758.72 |
| EQUITY AND LIABILITIES | | | |
| LIABILITIES | | | |
| Financial liabilities | | | |
| Derivative financial instruments | 14 | - | 382.00 |
| Trade Payables | 15 | | |
| (i) total outstanding dues of micro enterprises and small enterprises | | 14.80 | - |
| (ii) total outstanding dues of creditors other than micro enterprises and small enterprises | | 2,145.94 | 2,505.81 |
| Debt securities | 16 | 151,887.19 | 107,741.03 |
| Borrowings (Other than debt securities) | 17 | 350,698.27 | 247,962.03 |
| Other financial liabilities | 18 | 8,158.10 | 1,643.44 |
| Total financial liabilities | | 512,904.30 | 360,234.31 |
| Non-financial liabilities | | | |
| Deferred tax liabilities (net) | 35 | 45,957.00 | 45,424.37 |
| Provisions | 19 | 507.99 | 252.97 |
| Other non-financial liabilities | 20 | 376.92 | 465.66 |
| Total non-financial liabilities | | 46,841.91 | 46,143.00 |
| Total liabilities | | 559,746.21 | 406,377.31 |
| EQUITY | | | |
| Equity share capital | 21 | 1,708.12 | 1,252.24 |
| Convertible preference share capital | 21A | 9,002.20 | 8,739.15 |
| Other equity | 22 | 269,649.50 | 258,698.05 |
| Equity attributable to the shareholders of the Company | | 280,359.82 | 268,689.44 |
| Non-controlling interests | 23 | 5,635.50 | 4,691.97 |
| Total equity | | 285,995.32 | 273,381.41 |
| Total equity and liabilities | | 845,741.53 | 679,758.72 |

Significant accounting policies

2 and 3

The accompanying notes form an integral part of the consolidated financial statements

As per our report of even date attached

for **BSR & Co. LLP**

Chartered Accountants

Firm's Registration No. 101248W/W-100022



S Sethuraman

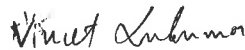
Partner

Membership No: 203491

For and on behalf of the Board of Directors of

Vivriti Capital Private Limited

CIN: U65929TN2017PTC117196



Vineet Sukumar

Managing Director

DIN: 06848801



B Srinivasaraghavan
Chief Financial Officer



Gaurav Kumar

Director

DIN: 07767248



Amritha Paitenkar
Company Secretary

Membership No: A49121

Place: Chennai

Date: 4 May 2023

Place: Chennai

Date: 4 May 2023

Vivriti Capital Private Limited
Consolidated Statement of Profit and Loss for the year ended 31 March 2023
(All amounts are in Rupees lakhs, unless stated otherwise)

| Particulars | Note | Year ended 31 March 2023 | Year ended 31 March 2022 |
|----------------------------------------------------------------------------------|------|-----------------------------|-----------------------------|
| Revenue from operations | | | |
| Interest income | 24 | 60,845.01 | 32,952.72 |
| Fees and commission income | 25 | 4,172.71 | 6,709.51 |
| Net gain on fair value change on financial instruments | 26 | 3,685.24 | 790.52 |
| Net gain on derecognition of financial instruments | 25.1 | 104.70 | 44.30 |
| Total revenue from operations | | 68,807.66 | 40,497.05 |
| Other Income | 27 | 1,166.29 | 550.25 |
| Gain on loss / dilution of control | 28 | 384.58 | 200,680.31 |
| Total income | | 70,358.53 | 241,727.61 |
| Expenses | | | |
| Finance costs | 29 | 38,425.53 | 19,931.34 |
| Impairment on financial instruments | 30 | 917.00 | 1,462.38 |
| Employee benefit expense | 31 | 7,480.61 | 6,673.39 |
| Depreciation and amortisation | 32 | 870.49 | 847.88 |
| Other expenses | 33 | 4,873.54 | 4,583.49 |
| Total expenses | | 52,567.17 | 33,498.48 |
| Profit before exceptional item and tax | | 17,791.36 | 208,229.13 |
| Exceptional item | 34 | - | 2,173.13 |
| Profit before tax | | 17,791.36 | 206,056.00 |
| Tax expense | 35 | | |
| - Current tax | | 4,572.81 | 1,882.70 |
| - Deferred tax charge / (benefit) | | (270.55) | 46,264.11 |
| Total tax expense | | 4,302.26 | 48,146.81 |
| Net profit after tax | | 13,489.10 | 157,909.19 |
| Share of loss from associate (net of income tax) | | (25,658.67) | (2,582.54) |
| Net (loss) / profit after tax for the year | | (12,169.57) | 155,326.65 |
| Other comprehensive income | | | |
| Items that will not be reclassified to profit or loss | | | |
| Remeasurements of the defined benefit asset/ (liability) | | (43.47) | (6.73) |
| Income tax relating to items that will not be reclassified to profit or loss | | 8.57 | 1.69 |
| Sub-total (A) | | (34.90) | (5.04) |
| Items that will be reclassified to profit or loss | | | |
| Fair valuation of financial instruments through other comprehensive income (net) | | (634.75) | 232.31 |
| Changes in cash flow hedge reserve | | (11.70) | (324.77) |
| Income tax relating to items that will be reclassified to profit or loss | | 162.70 | 23.27 |
| Sub-total (B) | | (483.75) | (69.19) |
| Other comprehensive income (A + B) | | (518.65) | (74.23) |
| Share of other comprehensive loss from associate (net of income tax) | | (228.36) | (20.46) |
| Total other comprehensive income | | (747.01) | (94.69) |
| Total comprehensive income for the year, net of income tax | | (12,916.58) | 155,231.96 |
| Profit for the year attributable to | | | |
| Owners of the Company | | (12,176.85) | 155,326.65 |
| Non-controlling interest | | 7.28 | - |
| Other comprehensive income for the year, net of tax | | | |
| Owners of the Company | | (744.70) | (94.69) |
| Non-controlling interest | | (2.31) | - |
| Total comprehensive income for the year, net of income tax | | | |
| Owners of the Company | | (12,921.55) | 155,231.97 |
| Non-controlling interest | | 4.97 | - |
| Earnings per equity share | 36 | | |
| Basic (₹) | | (72.56) | 1,244.05 |
| Diluted (₹) | | (72.56) | 178.95 |

Significant accounting policies

2 and 3

The accompanying notes form an integral part of the consolidated financial statements

As per our report of even date attached

for **BSR & Co. LLP**

Chartered Accountants

Firm's Registration No. 101248W/W-100022



S Sethuraman

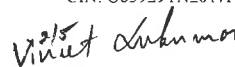
Partner

Membership No: 203491

For and on behalf of the Board of Directors of

Vivriti Capital Private Limited

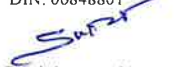
CIN: U65929TN2017PTC117196



Vineet Sukumar

Managing Director

DIN: 06848801



B Srinivasaraghavan

Chief Financial Officer



Gaurav Kumar

Director

DIN: 07767248



Amritha Patilkar

Company Secretary

Membership No: A49121

Place: Chennai

Date: 4 May 2023

Place: Chennai

Date: 4 May 2023

Vivriti Capital Private Limited
Consolidated Statement of Cash flows for the year ended 31 March 2023
(All amounts are in Rupees lakhs, unless stated otherwise)

| Particulars | Year ended 31 March 2023 | Year ended 31 March 2022 |
|----------------------------------------------------------------------------------|-----------------------------|-----------------------------|
| Cash flow from operating activities | | |
| Profit before tax | 17,791.36 | 206,056.00 |
| Adjustments for: | | |
| Depreciation and amortisation | 870.49 | 847.88 |
| Fair valuation gain / (loss) on derivative contract | (766.32) | 382.00 |
| Impairment on financial instruments (net) | 917.00 | 1,462.38 |
| Employee share based payment expenses | 1,395.85 | 245.02 |
| Finance costs | 38,425.53 | 19,931.34 |
| Notional interest income and net gain on sublease | (74.28) | - |
| Interest income on bank balances and investments | (2,263.28) | (5,190.61) |
| Gain on loss / dilution of control | (384.58) | (200,680.31) |
| Net gain on derecognition of financial instruments | (104.70) | (44.30) |
| Gain on sale of investments | - | (9.42) |
| Gain on sale of shares in associate company | (1,025.52) | - |
| Unrealised loss / (gain) on investments designated at FVTPL | 101.71 | (299.26) |
| Gain on mutual funds investments designated at fair value through profit or loss | - | (78.45) |
| Gain on sale of fixed assets | (6.49) | (299.87) |
| Gain on derecognition of finance leases | - | (143.22) |
| Stock compensation expenses | - | 2,580.63 |
| Operating Profit before working capital changes | 54,876.77 | 24,759.82 |
| Changes in working capital and other changes | | |
| (Increase) in other financial assets | (2,427.61) | (1,410.00) |
| (Increase) in loans | (157,863.71) | (134,149.59) |
| (Increase)/Decrease in trade receivables | (386.21) | 273.83 |
| (Increase) in other non-financial assets | (1,074.62) | (1,632.80) |
| (Increase)/Decrease in other bank balances | 5,917.54 | (20,293.00) |
| Increase/(Decrease) in trade payables, other liabilities and provisions | 3,555.97 | (950.43) |
| Cash used in operating activities | (97,401.87) | (133,402.18) |
| Finance cost paid | (31,402.73) | (15,531.83) |
| Income tax paid (net) | (6,118.19) | (2,542.93) |
| Net Cash flows used in operating activities (A) | (134,922.79) | (151,476.94) |
| Cash flows from investing activities | | |
| Purchase of property plant and equipment | (3,251.75) | (6,572.35) |
| Sale of property plant and equipment | 173.58 | 722.97 |
| Derecognition of finance lease | - | 1,681.01 |
| Derecognition of fixed assets on account of dilution of control | - | 3,280.25 |
| Investment in alternative investment funds (net) | (10,633.01) | 17,783.90 |
| Change in Investment in associate (net) | 1,637.20 | (3,782.50) |
| Investments in Mutual funds (net) | (4,156.73) | (2,932.40) |
| Investments other than Alternative investment funds and Mutual funds (net) | (31,328.88) | (81,711.73) |
| Interest received on bank balances and investments | 1,664.69 | 5,069.33 |
| Net cash flows used in investing activities (B) | (45,894.90) | (66,461.52) |
| Financing activities | | |
| Proceeds from issue of share capital including securities premium | 24,151.53 | 37,863.72 |
| Proceeds from issue of debt securities | 117,343.21 | 84,473.03 |
| Repayment of debt securities | (78,663.46) | (20,143.15) |
| Proceeds from borrowings (other than debt securities issued) | 266,916.99 | 219,786.08 |
| Repayment of borrowings (other than debt securities issued) | (166,194.82) | (71,302.13) |
| Payments of lease liabilities | (519.78) | (216.65) |
| Net cash flows generated from financing activities (C) | 163,033.67 | 250,460.89 |
| Net increase in cash and cash equivalents (A) + (B) + (C) | (17,784.02) | 32,522.43 |
| Cash and cash equivalents at the beginning of the year | 47,357.92 | 14,835.49 |
| Cash and cash equivalents at the end of the year | 29,573.90 | 47,357.92 |



Vivriti Capital Private Limited
Consolidated Statement of Cash flows for the year ended 31 March 2023
(All amounts are in Rupees lakhs, unless stated otherwise)

| Particulars | Note | As at | As at |
|-----------------------------------------|------|------------------|------------------|
| | | 31 March 2023 | 31 March 2022 |
| Components of cash and cash equivalents | | | |
| Balances with banks | | | |
| In current accounts | 4 | 29,573.90 | 47,357.92 |
| Total cash and cash equivalents | | 29,573.90 | 47,357.92 |

Significant accounting policies

2 and 3

The accompanying notes form an integral part of the consolidated financial statements

for **BSR & Co. LLP**
Chartered Accountants
Firm's Registration No. 101248W/W-100022



S Sethuraman
Partner
Membership No: 203491

For and on behalf of the Board of Directors of
Vivriti Capital Private Limited
CIN: U65929TN2017PTC117196



Vineet Sukumar
Managing Director
DIN: 06848801



B Srinivasaraghavan
Chief Financial Officer



Gaurav Kumar
Director
DIN: 07767248



Amritha Paitenkar
Company Secretary
Membership No: A49121

Place: Chennai
Date: 4 May 2023

Place: Chennai
Date: 4 May 2023

Vivriti Capital Private Limited
Consolidated Statement of changes in equity for the year ended 31 March 2023
(All amounts are in Rupees lakhs, unless stated otherwise)

A. Equity share capital

| Particulars | Note | Equity Share capital |
|-------------------------------------------------|------|----------------------|
| Balance as at 1 April 2021 | | 1,146.39 |
| Changes in equity share capital during the year | 21 | 105.85 |
| Balance as at 31 March 2022 | | 1,252.24 |
| Changes in equity share capital during the year | 21 | 455.88 |
| Balance as at 31 March 2023 | | 1,708.12 |

B. Convertible preference share capital

| Particulars | Note | Compulsorily Convertible Preference Shares (CCPS) | Optionally Convertible Redeemable Preference Shares (OCRPS) | Total |
|-----------------------------------------------------------------|------|---------------------------------------------------|-------------------------------------------------------------|----------|
| Balance as at 1 April 2021 | | 8,342.06 | 8.11 | 8,350.17 |
| Changes in convertible preference share capital during the year | 21A | 388.98 | - | 388.98 |
| Balance as at 31 March 2022 | | 8,731.04 | 8.11 | 8,739.15 |
| Changes in convertible preference share capital during the year | 21A | 271.16 | (8.11) | 263.05 |
| Balance as at 31 March 2023 | | 9,002.20 | 0.00 | 9,002.20 |

C. Other equity

| Particulars | Reserves and Surplus | | | | Other Comprehensive | | Equity attributable to the shareholders of the Company | Total non-controlling interest | Total |
|--------------------------------------------------------------------------------|----------------------|--------------------|-------------------------------------------|-------------------|-----------------------------------|-------------------------|--------------------------------------------------------|--------------------------------|-------------|
| | Statutory Reserve | Securities Premium | Employee Stock Option outstanding account | Retained Earnings | Financial instruments through OCI | Cash flow hedge reserve | | | |
| Balance as at 1 April 2021 | 842.48 | 66,058.80 | 399.71 | 1,118.98 | 135.47 | - | 68,555.34 | - | 68,555.34 |
| Changes in equity for the year ended 31 March 2022 (also refer note 37) | | | | | | | | | |
| Shares issued during the year | - | 33,094.20 | - | - | - | - | 33,094.20 | 4,691.97 | 37,786.17 |
| Share issue expenses | - | (9.78) | - | - | - | - | (9.78) | - | (9.78) |
| Stock compensation expense (also refer note 34) | - | 2,173.13 | - | - | - | - | 2,173.13 | - | 2,173.13 |
| Shares held by VAM ESOP Trust | - | (660.00) | - | - | - | - | (660.00) | - | (660.00) |
| Stock Compensation expense during the year | - | - | 238.63 | - | - | - | 238.63 | - | 238.63 |
| Stock compensation expense - recoverable from related parties | - | - | 74.57 | - | - | - | 74.57 | - | 74.57 |
| Remeasurement of net defined benefit liability | - | - | - | (5.04) | - | - | (5.04) | - | (5.04) |
| Fair valuation of financial instruments (net) | - | - | - | - | 173.84 | (243.03) | (69.19) | - | (69.19) |
| Profit for the year | - | - | - | 155,326.65 | - | - | 155,326.65 | - | 155,326.65 |
| Transfer to statutory reserve | 1,347.40 | - | - | (1,347.40) | - | - | - | - | - |
| Share of other comprehensive loss post tax from associate | - | - | - | - | (20.46) | - | (20.46) | - | (20.46) |
| Balance as at 31 March 2022 | 2,189.88 | 100,656.35 | 712.91 | 155,093.09 | 288.86 | (243.03) | 258,698.05 | 4,691.97 | 263,390.02 |
| Changes in equity for the year ended 31 March 2023 | | | | | | | | | |
| Shares issued during the year | - | 22,221.04 | - | - | - | - | 22,221.04 | 938.56 | 23,159.60 |
| Receipt of balance subscription price of OCRPS | - | 922.23 | - | - | - | - | 922.23 | - | 922.23 |
| Conversion of OCRPS in to equity shares | - | 64.06 | - | - | - | - | 64.06 | - | 64.06 |
| Share issue expenses | - | (766.34) | - | - | - | - | (766.34) | - | (766.34) |
| Stock Compensation expense during the year | - | - | 1,402.22 | - | - | - | 1,402.22 | - | 1,402.22 |
| Stock compensation expense - recoverable from related parties | - | - | 29.79 | - | - | - | 29.79 | - | 29.79 |
| Remeasurement of net defined benefit liability | - | - | - | (32.59) | - | - | (32.59) | (2.31) | (34.90) |
| Fair valuation of financial instruments (net) | - | - | - | - | (475.00) | - | (475.00) | - | (475.00) |
| Cash flow hedge reserve | - | - | - | - | - | (8.76) | (8.76) | - | (8.76) |
| Profit for the year | - | - | - | (12,176.83) | - | - | (12,176.83) | 7.28 | (12,169.55) |
| Transfer to statutory reserve | 2,585.95 | - | - | (2,585.95) | - | - | - | - | - |
| Share of other comprehensive loss post tax from associate | - | - | - | - | (228.36) | - | (228.36) | - | (228.36) |
| Balance as at 31 March 2023 | 4,775.83 | 123,097.34 | 2,144.92 | 140,297.70 | (414.50) | (251.79) | 269,649.50 | 5,635.50 | 275,285.00 |

The accompanying notes form an integral part of the consolidated financial statements

As per our report of even date attached

for **BSR & Co. LLP**

Chartered Accountants

Firm's Registration No 101248W/W-100022



S Senthuraman


Partner

Membership No 203491

For and on behalf of the Board of Directors of

Vivriti Capital Private Limited

CIN: U65929TN2017PTC117196



Vineet Sukumar

Managing Director

DIN: 06848801



Ganesh Kumar

Director

DIN: 07767248



B. Srinivasaraghavan

Chief Financial Officer



Amritha Paitenkar

Company Secretary

Membership No A49121

Place: Chennai
Date: 4 May 2023

Place: Chennai
Date: 4 May 2023

Vivriti Capital Private Limited**Notes to the Consolidated Financial Statements for the year ended 31 March 2023**

(All amounts are in Indian Rupees in lakhs, except share data and unless otherwise stated)

1 Corporate Information

Vivriti Capital Private Limited (Holding Company / Company) is a private limited Company domiciled in India and incorporated on June 22, 2017 under the provisions of the Companies Act, 2013 ("the Act"). The Holding Company is a systematically important Non Banking Finance Company - Investment & Credit Company (ICC) pursuant to circular dated February 22, 2019, issued by the Reserve Bank of India ('RBI'), which is engaged in financing to various corporates through enterprise financing and retail financing through co-lending and supply chain financing. Vivriti Asset Management Company Private Limited is engaged in the business of investment manager of or for any mutual funds, unit trusts, venture capital funds, alternative investment funds, investment trust or any other portfolio of securities. The Holding Company and its subsidiary viz Vivriti Asset Management Private Limited are together hereinafter referred to as "Group". The Holding Company's registered office is at No. 200/1-8, Block-1, Prestige Zackria Metropolitan, Annasalai, Chennai - 600002.

The Group structure is as follows:

| Particulars | % of shareholding | |
|------------------------------------------------------------------------------|------------------------|------------------------|
| | As at 31 March 2022 | As at 31 March 2022 |
| Vivriti Capital Private Limited ("Holding Company") | | |
| Investment in subsidiary | | |
| Vivriti Asset Management Private Limited | 75.54% | 75.54% |
| Investment in Associate* | | |
| Credavenue Private Limited (CAPL) | 50.30% | 50.52% |
| Subsidiary of Associate | | |
| Credavenue Securities Private Limited (Subsidiary of CAPL) | 100.00% | 100.00% |
| Spocto Solutions Private Limited ("Spocto") (Subsidiary of CAPL)# | 75.00% | 75.00% |
| Bluevine Technologies Private Limited ("Corpository") (Subsidiary of CAPL)** | 100.00% | NA |
| Credavenue Spocto Technologies Limited (Subsidiary of Spocto)## | 100.00% | NA |

* The Holding Company lost control over CAPL with effect from 20 September 2021 and CAPL became an associate from such date. Also refer note 37.

Spocto Solutions Private Limited became a subsidiary of CAPL with effect from 25 February 2022.

** Bluevine Technologies Private Limited became a subsidiary of CAPL with effect from 25 April 2022.

Incorporated as a wholly owned subsidiary of Spocto Solutions Private Limited with effect from 11 August 2022.

2 Basis of preparation**2.1 Statement of compliance**

These Consolidated Financial Statements ("financial statements") have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015, as amended notified under Section 133 of the Act as amended from time to time, other relevant provisions of the Act and in compliance with RBI requirements in this regard.

These financial statements were authorised for issue by the Group's Board of Directors on 4 May 2023.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to the existing accounting standard requires a change in the accounting policy hitherto in use.

Details of the Group's accounting policies are disclosed in note 3.

2.2 Presentation of financial statements

The Balance Sheet, the Statement of Profit and Loss, Statement of Changes in Equity, are presented in the format prescribed under Division III of Schedule III as amended from time to time, for Non-Banking Financial Companies ('NBFC') that are required to comply with Ind AS. The statement of cash flows has been presented as per the requirements of Ind AS 7 Statement of Cash Flows. The Group presents its balance sheet in order of liquidity. An analysis regarding recovery or settlement within 12 months after the reporting date (current) and more than 12 months after the reporting date (non-current) is presented separately in the notes to these financial statements.

Financial assets and financial liabilities are generally reported gross in the balance sheet. They are only offset and reported net when, in addition to having an unconditional legally enforceable right to offset the recognised amounts without being contingent on a future event, the parties also intend to settle on a net basis.

2.3 Functional and presentational currency

These consolidated financial statements are presented in Indian Rupees (INR), which is also the Group's functional currency. All amounts have been rounded-off to the nearest lakhs (two decimals), unless otherwise indicated.



2.4 Basis of measurement

The consolidated financial statements have been prepared on the historical cost basis except for the following items:

| Items | Measurement basis |
|---------------------------------------------------------------------------------------------------|-----------------------------------------------------------------|
| Investments in Mutual Funds, Alternative Investment funds and Market Linked Debentures (At FVTPL) | Fair value |
| Investments in Non-convertible debentures and pass through certificates (At FVOCI) | Fair value |
| Derivative Financial instruments | Fair value |
| Liabilities for equity-settled share-based payment arrangements | Fair value |
| Net defined benefit (asset)/ liability | Fair value of plan assets less present value of defined benefit |

2.5 Basis of consolidation

The Consolidated Ind AS financial statements comprise the financial statements of the Group, its subsidiary (being the entity that it controls) and its Associate as at March 31, 2022. Control is evidenced when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee
- Rights arising from other contractual arrangements
- The Group's voting rights and potential voting rights
- The size of the Group's holding of voting rights relative to the size and dispersion of the holdings of the other voting rights holders.

Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the Group uses accounting policies other than those adopted in the Consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that Group member's financial statements in preparing the Consolidated financial statements to ensure conformity with the Group's accounting policies.

The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the parent company, i.e., year ended on March 31.

i) Business Combination

In accordance with Ind AS 103, the Group should account for the business combinations using the acquisition method when control is transferred to the Group. The consideration transferred for the business combination is generally measured at fair value as at the date the control is acquired (acquisition date), as are the net identifiable assets acquired. Any goodwill that arises is tested annually for impairment. Any gain on a bargain purchase is recognised in Other Comprehensive Income (OCI) and accumulated in equity as capital reserve if there exists clear evidence of the underlying reasons for classifying the business combination as resulting in a bargain purchase; otherwise, the gain is recognised directly in equity as capital reserve. Transaction costs are expensed as incurred, except to the extent related to the issue of debt or equity securities.

The consideration transferred does not include amounts related to the settlement of pre-existing relationships with the acquiree. Such amounts are generally recognised in profit or loss.

If a business combination is achieved in stages (i.e., where the Group acquires control at a later stage), previously held equity interest in the acquiree is remeasured at its acquisition date fair value and any resulting gain or loss is recognised in statement of profit or loss or OCI, as appropriate.

ii) Subsidiaries

Subsidiaries are entities controlled by the Holding Company. Holding Company controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

iii) Loss of control

When the Group loses control over a subsidiary, it derecognises the assets and liabilities of the subsidiary, and any related NCI and other components of equity. Any interest retained in the former subsidiary is measured at fair value at the date the control is lost. Any resulting gain or loss is recognised in profit or loss.



iv) Investment in Associates

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee.

The Group's investments in its associates are accounted for using the equity method. Under the equity method, the investment in an associates is initially recognised at cost. The carrying amount of the investment is adjusted to recognise changes in the Group's share of net assets of the associates since the acquisition date. If an entity's share of losses of an associates equal or exceeds its interest in the associates (which includes any long-term interest that, in substance, form part of the Group's net investment in the associates), the entity discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associates. If the associates subsequently reports profits, the entity resumes recognising its share of those profits only after its share of the profits equals the share of losses not recognised.

The aggregate of the Group's share of profit or loss of an associates is shown on the face of the statement of profit and loss. The financial statements of the associates are prepared for the same reporting period as the Group.

Upon loss of significant influence over the associates, the Group measures and recognises any retained investment at its fair value. Any difference between the carrying amount of the associates upon loss of significant influence and the fair value of the retained investment and proceeds from disposal is recognised in profit or loss.

v) Non-controlling interests (NCI)

NCI are measured at their proportionate share of the acquiree's net identifiable assets at the date of acquisition. Changes in the Group's equity interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

vi) Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions, are eliminated. Unrealised gains arising from transactions with equity accounted investees are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

2.7 Use of estimates and judgements

The preparation of the financial statements in conformity with Ind AS requires management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. Accounting estimates could change from period to period. Actual results could differ from those estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

Information about judgements, estimates and assumptions made in applying accounting policies that have the most significant effects on the amounts recognised in these consolidated financial statements is included in the following notes:

i) Business model assessment

Classification and measurement of financial assets depends on the results of business model test and the sole payments of principal and interest ('SPPI') test. The Company determines the business model at a level that reflects how groups of financial assets are managed together to achieve a particular business objective. This assessment includes judgement reflecting all relevant evidence including how the performance of the assets is evaluated and their performance measured, the risks that affect the performance of the assets and how these are managed and how the managers of the assets are compensated. The Company monitors financial assets measured at amortised cost or fair value through other comprehensive income or fair value through profit and loss 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.



i) Fair value of financial instruments

The fair value of financial instruments is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e. an exit price) regardless of whether that price is directly observable or estimated using another valuation technique. When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be derived from active markets, they are determined using a variety of valuation techniques that include the use of valuation models. The inputs to these models are taken from observable markets where possible, but where this is not feasible, estimation is required in establishing fair values.

ii) Effective Interest Rate ('EIR') method

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

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

iv) Impairment of financial assets

The measurement of impairment losses across all categories of financial assets requires judgement, in particular, the estimation of the amount and timing of future cash flows and collateral values when determining impairment losses and the assessment of a significant increase in credit risk. These estimates are driven by a number of factors, changes in which can result in different levels of allowances.

The Company's expected credit loss ('ECL') calculations are outputs of complex models with a number of underlying assumptions regarding the choice of variable inputs and their interdependencies. Elements of the ECL models that are considered accounting judgements and estimates include :

- a) The Company's criteria for assessing if there has been a significant increase in credit risk and so allowances for financial assets should be measured on a life time expected credit loss ('LTECL') basis.
- b) Development of ECL models, including the various formulas and the choice of inputs.
- c) Determination of associations between macroeconomic scenarios and economic inputs, such as consumer spending, lending interest rates and collateral values, and the effect on probability of default ('PD'), exposure at default ('EAD') and loss given default ('LGD').
- d) Selection of forward-looking macroeconomic scenarios and their probability weightings, to derive the economic inputs into ECL models.

v) Provisions and other contingent liabilities

The Company operates in a regulatory and legal environment that, by nature, has a heightened element of litigation risk inherent to its operations. As a result, it is involved in various litigation, arbitration and regulatory inspections in the ordinary course of the Company's business.

When the Company can reliably measure the outflow of economic benefits in relation to a specific case and considers such outflows to be probable, the Company records a provision against the case. Where the outflow is considered to be probable, but a reliable estimate cannot be made, a contingent liability is disclosed.

Given the subjectivity and uncertainty of determining the probability and amount of losses, the Company takes into account a number of factors including legal advice, the stage of the matter and historical evidence from similar incidents. Significant judgement is required to conclude on these estimates.

These estimates and judgements are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances. Management believes that the estimates used in preparation of the consolidated financial statements are prudent and reasonable.

vi) Other assumptions and estimation uncertainties

Information about critical judgements in applying accounting policies, as well as estimates and assumptions that have the most significant effect to the carrying amounts of assets and liabilities within the next financial year are included in the following notes:

- a) Measurement of defined benefit obligations: key actuarial assumptions;
- b) Estimated useful life of property, plant and equipment and intangible assets;
- c) Recognition of deferred taxes;
- d) Upfront recognition of Excess Interest Spread (EIS) in relation to assignment transactions.



3 Significant accounting policies

3.1 Revenue Recognition

Revenue (other than for those items to which Ind AS 109 Financial Instruments are applicable) towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of goods sold and services rendered is net of variable consideration, if any. Ind AS 115 Revenue from contracts with customers outlines a single comprehensive model of accounting for revenue arising from contracts with customers and supersedes current revenue recognition guidance found within Ind ASs.

The Group recognises revenue from contracts with customers based on a five step model as set out in Ind AS 115 :

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

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

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

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

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

A. Recognition of interest income on loans

Under Ind AS 109, interest income is recorded using the effective interest rate method for all financial instruments measured at amortised cost, financial instrument measured at Fair value through other comprehensive income ('FVOCI') and financial instrument measured at Fair Value Through Profit and Loss ('FVTPL'). The EIR is the rate that exactly discounts estimated future cash receipts through the expected life of the financial instrument or, when appropriate, a shorter period, to the net carrying amount of the financial asset.

The EIR (and therefore, the amortised cost of the asset) is calculated by taking into account any discount or premium on acquisition, fees and costs that are an integral part of the EIR. The Group recognises interest income using a rate of return that represents the best estimate of a constant rate of return over the expected life of the financial instrument.

If expectations regarding the cash flows on the financial asset are revised for reasons other than credit risk, the adjustment is booked as a positive or negative adjustment to the carrying amount of the asset in the balance sheet with an increase or reduction in interest income. The adjustment is subsequently amortised through Interest income in the statement of profit and loss.

The Group calculates interest income by applying EIR to the gross carrying amount of financial assets other than credit impaired assets.

In case of the penal interest relating to the loans are accounted on the collection basis.

B. Interest income on deposits

Interest income on deposits is recognised on a time proportionate basis.

C. Fees and commission income

Arranger fees and advisory fees are recognised after the performance obligation in the contract is fulfilled and commission income such as guarantee commission, service income etc. are recognised on point in time or over the period basis, as applicable.

D. Dividend income

Dividend income (including from FVOCI investments) is recognised when the Group's right to receive the payment is established, it is probable that the economic benefits associated with the dividend will flow to the Group and the amount of the dividend can be measured reliably.

E. Income from investment in alternative investment fund

Income from investment in alternative investment fund is recognised when the right to receive is established.

F. Income from management fee

Fees and commission income such as Investment management fees, service income etc. are recognised at a point in time or over the period basis, as applicable

G. Income from platform fees

Income from platform fees revenue is derived from usage of platform by corporate borrowers/ debt investors, trade financing, end-to-end securitization and portfolio buyouts

F. Other income

All items of other income is recognized on an accrual basis, when there is no uncertainty in the ultimate realisation / collection.



G. Foreign Currency Transactions

The Group's financial statements are presented in Indian Rupees (INR) which is also the Group's functional currency. Transactions in foreign currencies are initially recorded by the Group at their respective functional currency spot rates at the date the transaction first qualifies for recognition. Income and expenses in foreign currencies are initially recorded by the Group at the exchange rates prevailing on the date of the transaction.

Foreign currency denominated monetary assets and liabilities are translated at the functional currency spot rates of exchange at the reporting date and exchange gains and losses arising on settlement and restatement are recognized in the statement of profit and loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognized in OCI or profit or loss are also recognized in OCI or profit or loss, respectively).

3.2 Financial instruments - Initial recognition

A. Date of recognition

Financial instruments comprise of financial assets and financial liabilities. Financial assets and liabilities are recognized when the company becomes the party to the contractual provisions of the instruments. Financial assets primarily comprise of loans and advances, investments, trade receivables and cash and cash equivalents. Financial liabilities primarily comprise of borrowings and trade payables.

B. Initial measurement of financial instruments

The classification of financial instruments at initial recognition depends on their contractual terms and the business model for managing the instruments. Recognised financial assets and financial liabilities are initially measured at fair value except for trade receivables which are initially measured at transaction price. Transaction costs and revenues that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at FVTPL) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs and revenues directly attributable to the acquisition of financial assets or financial liabilities at FVTPL are recognised immediately in statement of profit or loss.

C. Measurement categories of financial assets and liabilities

The Group classifies all of its financial assets based on the business model for managing the assets and the asset's contractual terms, measured at either:

- i) Amortised cost
- ii) Fair value through other comprehensive income ('FVOCI')
- iii) Fair value through profit and loss ('FVTPL')

3.3 Financial assets and liabilities

A. Financial assets

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 such as:

- a) How the performance of the business model and the financial assets held within that business model are evaluated and reported to the Group's key management personnel.
- b) The risks that affect the performance of the business model (and the financial assets held within that business model) and, in particular, the way those risks are managed.
- c) How managers of the business are compensated (for example, whether the compensation is based on the fair value of the assets managed or on the contractual cash flows collected).
- d) The expected frequency, value and timing of sales are also important aspects of the Group's assessment.

Sole Payments of Principal and Interest (SPPI) test

As a second step of its classification process, the Group assesses the contractual terms of financial assets to identify whether they meet 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 a financial asset (for example, if there are repayments of principal or amortisation of the premium/ discount). The most significant elements of interest within a lending arrangement are typically the consideration for the time value of money and credit risk. To make the SPPI assessment, the Group applies judgement and considers relevant factors such as the period for which the interest rate is set.

In contrast, contractual terms that introduce a more than *de minimis* exposure to risks or volatility in the contractual cash flows that are unrelated to a basic lending arrangement do not give rise to contractual cash flows that are solely payments of principal and interest on the amount outstanding. In such cases, the financial asset is required to be measured at FVTPL.

Accordingly, financial assets are measured as follows:

i) Financial assets carried at amortised cost (AC)

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



ii) Financial assets at fair value through other comprehensive income (FVOCI)

A financial asset is measured at FVOCI 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. Since the financial assets are held to sale and collect contractual cash flows, they are measured at FVOCI.

iii) Financial assets at fair value through profit or loss (FVTPL)

A financial asset which is not classified in any of the above categories is measured at FVTPL.

3.3 Financial assets and liabilities (continued)

B. Financial liability

i) Initial recognition and measurement

All financial liabilities are initially recognized at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial liability, which are not at fair value through profit or loss, are adjusted to the fair value on initial recognition.

ii) Subsequent measurement

Financial liabilities are carried at amortized cost using the Effective Interest Rate Method.

3.4 Reclassification of financial assets and liabilities

If the business model under which the Group holds financial assets changes, the financial assets affected are reclassified. The classification and measurement requirements related to the new category apply prospectively from the first day of the first reporting period following the change in business model that result in reclassifying the Group's financial assets. During the current financial year and previous accounting period there was no change in the business model under which the Group holds financial assets and therefore no reclassifications were made.

3.5 Derecognition of financial assets and liabilities

A. Derecognition of financial assets due to substantial modification of terms and conditions

The Group derecognises a financial asset, such as a loan to a customer, when the terms and conditions have been renegotiated to the extent that, substantially, it becomes a new loan, with the difference recognised as a de-recognition gain or loss, to the extent that an impairment loss has not already been recorded. The newly recognised loans are classified as Stage 1 for ECL measurement purposes.

B. Derecognition of financial assets other than due to substantial modification

i) Financial Assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised when the contractual rights to the cash flows from the financial asset expires or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Group neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

On derecognition of a financial asset in its entirety, the difference between the carrying amount (measured at the date of derecognition) and the consideration received (including any new asset obtained less any new liability assumed) is recognised in the statement of profit and loss. Accordingly, gain on sale or derecognition of assigned portfolio are recorded upfront in the statement of profit and loss as per Ind AS 109.

ii) Financial Liability

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expires. Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability. The difference between the carrying value of the original financial liability and the consideration paid is recognised in the statement of profit and loss.



3.6 Impairment of financial assets

A- Overview of Expected Credit Loss ('ECL') principles

In accordance with Ind AS 109, the Group uses ECL model, for evaluating impairment of financial assets other than those measured at fair value through profit and loss (FVTPL).

Expected credit losses are measured through a loss allowance at an amount equal to:

- i) The 12-months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or
- ii) Lifetime expected credit losses (LTECL) (expected credit losses that result from all possible default events over the life of the financial instrument)

Both LTECLs and 12 months ECLs are calculated on collective basis.

Based on the above, the Group categorises its financial assets into Stage 1, Stage 2 and Stage 3, as described below:

Stage 1:

When loans are first recognised, the Group recognises an allowance based on 12 months ECL. Stage 1 loans includes those loans where there is no significant credit risk observed.

Stage 2:

When a loan has shown a significant increase in credit risk since origination, the Group records an allowance for the life time ECL.

Stage 3:

Loans considered credit impaired are the loans which are past due for more than 90 days. The Group records an allowance for life time ECL.

3.6 Impairment of financial assets (continued)

B. Calculation of ECLs

The mechanics of ECL calculations are outlined below and the key elements are, as follows:

PD:

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

EAD:

Exposure at Default ("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. In case of stage 3 loans EAD represents exposure when the default occurred.

LGD:

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

The Group has calculated PD, EAD and LGD to determine impairment loss on the portfolio of loans and discounted at an approximation to the EIR. At every reporting date, the above calculated PDs, EAD and LGDs are reviewed and changes in the forward looking estimates are analysed.

The mechanics of the ECL method are summarised below:

Stage 1:

The 12 months ECL is calculated as the portion of LTECLs that represent the ECLs that result from default events on a financial instrument that are possible within the 12 months after the reporting date. The Group calculates the 12 months ECL allowance based on the expectation of a default occurring in the 12 months following the reporting date. These expected 12-months default probabilities are applied to a forecast EAD and multiplied by the expected LGD and discounted by an approximation to the original EIR.

Stage 2:

When a financial asset has shown a significant increase in credit risk since origination, the Group records an allowance for the LTECLs. The mechanics are similar to those explained above, but PDs and LGDs are estimated over the lifetime of the instrument. The expected cash shortfalls are discounted by an approximation to the original EIR.

Stage 3:

For financial assets considered credit-impaired, the Group recognises the lifetime expected credit losses for these financial assets. The method is similar to that for Stage 2 assets, with the PD set at 100%.



C. Financial Assets measured at FVOCI

The ECLs for loans and advances measured at FVOCI do not reduce the carrying amount of these financial assets in the balance sheet, which remains at fair value. Instead, an amount equal to the allowance that would arise if the assets were measured at amortised cost is recognised in OCI as an accumulated impairment amount with a corresponding charge to profit or loss. The accumulated loss recognised in OCI is recycled to the profit and loss upon derecognition of the assets.

D. Loan Commitment

When estimating LTECLs for undrawn loan commitments, the Group estimates the expected portion of the loan commitment that will be drawn down over its expected life. The ECL is then based on the present value of the expected shortfalls in cash flows if the loan is drawn down. The expected cash shortfalls are discounted at an approximation to the expected EIR on the loan. For an undrawn loan commitment, ECLs are calculated and presented under provisions.

E. Forward looking information

The Group considers a broad range of forward looking information with reference to external forecasts of economic parameters such as GDP growth, unemployment rates etc., as considered relevant so as to determine the impact of macroeconomic factors on the Group's ECL estimates. The inputs and models used for calculating ECLs are recalibrated periodically through the use of available incremental and recent information. Further, internal estimates of PD, LGD rates used in the ECL model may not always capture all the characteristics of the market / external environment as at the date of the financial statements. To reflect this, qualitative adjustments or overlays are made as temporary adjustments to reflect the emerging risks reasonably.

3.7 Write-offs

Financial assets are written off when the Group has stopped pursuing the recovery. If the amount to be written off is greater than the accumulated loss allowance, the difference is first treated as an addition to the allowance that is then applied against the gross carrying amount. Any subsequent recoveries are credited to impairment on financial instruments in the statement of profit and loss.

3.8 Determination of fair value

The Group measures financial instruments such as derivatives at fair values at each Balance Sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group has taken into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

Level 1 financial instruments: Those where the inputs used in the valuation are unadjusted quoted prices from active markets for identical assets or liabilities that the 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 balance sheet date;

Level 2 financial instruments: 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; and

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



3.9 Property, plant and equipment

i. Recognition and measurement

Items of property, plant and equipment are stated at cost, which includes capitalised borrowing costs, less accumulated depreciation and accumulated impairment losses, if any.

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.

Any gain or loss on disposal of an item of property, plant and equipment is recognised in profit or loss.

ii. Subsequent expenditure

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Group.

iii. Depreciation

Depreciation is calculated on cost of items of property, plant and equipment less their estimated residual values over their estimated useful lives using the Straight Line method, and is generally recognised in the statement of profit and loss.

The Group follows estimated useful lives which are given under Part C of the Schedule II of the Companies Act, 2013. The estimated useful lives of items of property, plant and equipment are as follows:

| Asset category | Estimated Useful life |
|---------------------------|-----------------------|
| Computers and accessories | 3 years |
| Servers | 6 years |
| Office equipment | 5 years |
| Furniture and fixtures | 10 years |

Leasehold improvements are depreciated on a straight line basis over the remaining period of lease or estimated useful life of the assets, whichever is lower.

Depreciation on additions (disposals) is provided on a pro-rata basis i.e. from (upto) the date on which asset is ready for use (disposed of).

3.10 Intangible assets

i. Intangible assets

Intangible assets including those acquired by the Group are initially measured at cost. Such intangible assets are subsequently measured at cost less accumulated amortisation and any accumulated impairment losses.

ii. Subsequent expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on internally generated goodwill and brands, is recognised in profit or loss as incurred.

iii. Internally generated:

Expenditure on research activities is recognised in profit or loss as incurred

Development expenditure is capitalised as part of the cost of the resulting intangible asset only if the expenditure can be measured reliably, the product is technically and commercially feasible, future economic benefits are probable, and the Company intends to and has sufficient resources to complete development and to use the asset. Otherwise, it is recognised in profit or loss as incurred. Subsequent to initial recognition, the asset is measured at cost less accumulated amortisation and any accumulated impairment losses.

The Company generally uses the Agile method for platform development activities which is based on iterative/repetition of feature requirements and solutions based on customer expectations/business needs which is carried out through 'sprints'. Research, development, testing, upgrade, minor/major enhancements, etc. are all carried out simultaneously during software development.

Activities associated with research, product planning etc. are expensed. All efforts during the sprints development are considered for capitalisation except for efforts towards defect fix, knowledge acquisition, technical feasibility etc. which are expensed. Efforts towards training, application monitoring etc. are also expensed.



3.10 Intangible assets (continued)**iv. Amortisation**

Amortisation is calculated to write off the cost of intangible assets less their estimated residual values over their estimated useful lives using the straight line method, and is included in depreciation and amortisation in statement of profit and loss.

| Asset category | Estimated Useful life |
|--------------------|-----------------------|
| Computer softwares | 4 years |

Amortisation method, useful lives and residual values are reviewed at the end of each financial year and adjusted if appropriate.

3.11 Investment property

Investment property represents property held to earn rentals or for capital appreciation or both. Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any.

Depreciation on building classified as investment property has been provided on the straight-line method over a period of 60 years based on the Group's estimate of their useful lives taking into consideration technical factors, which is the same as the period prescribed in Schedule III to the Companies Act 2013.

Though the Group measures investment property using cost based measurement, the fair value of investment property is disclosed in the notes. Fair values are determined based on an annual evaluation performed by an external independent valuer applying valuation models. Investment properties are derecognised either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in the statement of profit and loss in the period of derecognition.

3.12 Impairment of non-financial assets

The Group assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or Group of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

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. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The Group bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Group's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year.

To estimate cash flow projections beyond periods covered by the most recent budgets/forecasts, the Group extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. In any case, this growth rate does not exceed the long-term average growth rate for the products, industries, or country or countries in which the entity operates, or for the market in which the asset is used. Impairment losses of continuing operations, are recognised in the statement of profit and loss.

For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Group estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit or loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.



3.13 Employee benefits

i. Post-employment benefits

Defined contribution plan

The Group's contribution to provident fund are considered as defined contribution plan and are charged as an expense as they fall due based on the amount of contribution required to be made and when the services are rendered by the employees.

Defined benefit plans

Gratuity

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.

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

Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses and the effect of the asset ceiling (if any, excluding interest), are recognised in OCI. The Group determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability (asset), taking into account any changes in the net defined benefit liability (asset) during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in profit or loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service ('past service cost' or 'past service gain') or the gain or loss on curtailment is recognised immediately in profit or loss. The Group recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

ii. Other long-term employee benefits

Compensated absences

The employees can carry forward a portion of the unutilised accrued compensated absences and utilise it in future service periods or receive cash compensation on termination of employment. Since the compensated absences do not fall due wholly within twelve months after the end of such period, the benefit is classified as a long-term employee benefit. The Group records an obligation for such compensated absences in the period in which the employee renders the services that increase this entitlement. The obligation is measured on the basis of independent actuarial valuation using the projected unit credit method.

iii. Short-term employee benefits

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognized during the year when the employees render the service. These benefits include performance incentive and compensated absences which are expected to occur within twelve months after the end of the year in which the employee renders the related service. The cost of such compensated absences is accounted as under :

- (a) in case of accumulated compensated absences, when employees render the services that increase their entitlement of future compensated absences; and
- (b) in case of non-accumulating compensated absences, when the absences occur.

iv. Share Based Payments

The Company operates an Employee Stock Option Scheme for its employees through a trust (ESOP Trust) formed for the purpose. Equity shares are issued to the trust on the basis of the Company's expectation of the number of options that may be exercised by employees. 'Stock options are granted to the employees under the stock option scheme. The costs of stock options granted to the employees (equity-settled awards) is determined by the fair value at the date when the grant is made using Black-Scholes option pricing valuation model. For each stock option, the measurement of fair value is performed on the grant date.

The grant date is the date on which the Company and the employees agree to the stock option scheme. The fair value so determined is revised only if the stock option scheme is modified in a manner that is beneficial to the employees. This cost is recognised, together with a corresponding increase in Employee Stock Option outstanding reserves in other equity, over the period in which the performance and/or service conditions are fulfilled in employee benefits expense. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Company's best estimate of the number of equity instruments that will ultimately vest.

The statement of profit and loss expense or credit for a period represents the movement in cumulative expense recognised as at the beginning and end of that period and is recognised in employee benefits expense. The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share. If the options vests in instalments (i.e. the options vest pro rata over the service period), then each instalment is treated as a separate share option grant because each instalment has a different vesting period.



3.14 Income tax

Income tax comprises current and deferred tax. It is recognised in profit or loss except to the extent that it relates to a business combination or to an item recognised directly in equity or in other comprehensive income.

i. Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date.

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.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions when appropriate.

ii. Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax is also recognised in respect of carried forward tax losses and tax credits. Deferred tax is not recognised for:

- temporary differences arising on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss at the time of the transaction;
- temporary differences related to investments in subsidiaries, associates and joint arrangements to the extent that the Group is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future.

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which they can be used. The existence of unused tax losses is strong evidence that future taxable profit may not be available. Therefore, in case of a history of recent losses, the Group recognises a deferred tax asset only to the extent that it has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profit will be available against which such deferred tax asset can be realised. Deferred tax assets – unrecognised or recognised, are reviewed at each reporting date and are recognised/ reduced to the extent that it is probable/ no longer probable respectively that the related tax benefit will be realised.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date.

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

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

3.15 Leases

The Group as lessee.

The Group's lease asset classes primarily consist of leases for office premises. 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 ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee.

Certain lease arrangements include the options to extend or terminate the lease before the end of the lease term, ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

ROU assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

ROU assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. 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 liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

Estimating the incremental borrowing rate

The Group cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Group would have to pay to for its borrowings.



3.16 Trade receivables

The Group follows 'simplified approach' for recognition of impairment loss allowance on trade receivables. The application of simplified approach does not require the Group to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition. The Group uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated for changes in the forward looking estimates.

3.17 Borrowing cost

Borrowing costs are interest and other costs incurred in connection with the borrowings of funds. Borrowing costs directly attributable to acquisition or construction of an asset which necessarily take a substantial period of time to get ready for their intended use are capitalized as part of the cost of the asset. Other borrowings costs are recognized as an expense in the statement of profit and loss account on an accrual basis using the Effective Interest Rate Method.

3.18 Hedge Accounting policy

The Group makes use of derivative instruments to manage exposures to interest rate and foreign currency. In order to manage particular risks, the Group applies hedge accounting for transactions that meet specific criteria.

At the inception of a hedge relationship, the Group formally designates and documents the hedge relationship to which the Group wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge. The documentation includes the Group's risk management objective and strategy for undertaking hedge, the hedging / economic relationship, the hedged item or transaction, the nature of the risk being hedged, hedge ratio and how the Group would assess the effectiveness of changes in the hedging instrument's fair value in offsetting the exposure to changes in the hedged item's fair value or cash flows attributable to the hedged risk. Such hedges are expected to be highly effective in achieving offsetting changes in fair value or cash flows and are assessed on an on-going basis to determine that they actually have been highly effective throughout the financial reporting periods for which they were designated.

Cash flow Hedges

A cash flow hedge is a hedge of the exposure to variability in cash flows that is attributable to a particular risk associated with a recognised asset or liability (such as all or some future interest payments on variable rate debt) or a highly probable forecast transaction and could affect profit and loss.

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). The ineffective portion of the gain or loss on the hedging instrument is recognised immediately in Finance Cost in the statement of profit and loss.

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. When the forecast transaction subsequently results in the recognition of a non-financial asset or a non-financial liability, the gains and losses previously recognised in OCI are reversed and included in the initial cost of the asset or liability.

When a hedging instrument expires, is sold, terminated, exercised, or when a hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss that has been recognised in OCI at that time remains in OCI and is recognised when the hedged forecast transaction is ultimately recognised in the statement of profit and loss. When a forecast transaction is no longer expected to occur, the cumulative gain or loss that was reported in OCI is immediately transferred to the statement of profit and loss.

3.19 Cash and cash equivalents

Cash and cash equivalents comprises current account balances and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

3.20 Segment reporting- Identification of segments:

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, whose operating results are regularly reviewed by the Group's Chief Operating Decision Maker (CODM) to make decisions for which discrete financial information is available. Based on the management approach as defined in Ind AS 108, the CODM evaluates the Group's performance and allocates resources based on an analysis of various performance indicators by business segments and geographic segments.

3.21 Earnings per share

The Group reports basic and diluted earnings per equity share in accordance with Ind AS 33, Earnings Per Share. Basic earnings per equity share is computed by dividing net profit / loss after tax attributable to the equity share holders for the year by the weighted average number of equity shares outstanding during the year. Diluted earnings per equity share is computed and disclosed by dividing the net profit/ loss after tax attributable to the equity share holders for the year after giving impact of dilutive potential equity shares for the year by the weighted average number of equity shares and dilutive potential equity shares outstanding during the year, except where the results are anti-dilutive.

3.22 Cash flow statement

Cash flows are reported using the indirect method, whereby profit after tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from regular revenue generating, financing and investing activities of the Group are segregated. Cash flows in foreign currencies are accounted at the actual rates of exchange prevailing at the dates of the transactions.



3.23 Securities Premium Account

Securities premium is credited when shares are issued at premium. It can be used to issue bonus shares, to provide for premium on redemption of shares and issue expenses of securities which qualify as equity instruments.

3.24 Goods and Services Input Tax Credit

Input Tax Credit is accounted for in the books in the period when the underlying service / supply received is accounted to the extent permitted as per the applicable regulatory laws and when there is no uncertainty in availing / utilising the same. The ineligible input credit is charged off to the respective expense or capitalised as part of asset cost as applicable.

3.25 Provisions, Contingent Assets and Contingent Liabilities

Provisions are recognised only when:

- (i) The Group has a present obligation (legal or constructive) as a result of a past event;
- (ii) It is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and
- (iii) A reliable estimate can be made of the amount of the obligation.

Provision is measured using the cash flows estimated to settle the present obligation and when the effect of time value of money is material, the carrying amount of the provision is the present value of those cash flows.

Contingent liability is disclosed in case of:

- (i) A present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation; or
- (ii) A present obligation arising from past events, when no reliable estimate is possible.

Where the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under such contract, the present obligation under the contract is recognised and measured as a provision.

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

Provisions, contingent liabilities and contingent assets are reviewed at each Balance Sheet date.

3.26 Commitments

Commitments are future liabilities for contractual expenditure, classified and disclosed as follows:

- a) Estimated amount of contracts remaining to be executed on capital account and not provided for;
- b) Uncalled liability on shares and other investments partly paid; and
- c) Other non-cancellable commitments, if any, to the extent they are considered material and relevant in the opinion of management.

3.27 Recent accounting pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 31, 2023, MCA amended the Companies (Indian Accounting Standards) Rules, 2015 by issuing the Companies (Indian Accounting Standards) Amendment Rules, 2023, applicable from April 1, 2023, as below:

Ind AS 1 – Presentation of Financial Statements

The amendments require companies to disclose their material accounting policies rather than their significant accounting policies. Accounting policy information, together with other information, is material when it can reasonably be expected to influence decisions of primary users of general purpose financial statements. The Group does not expect this amendment to have any significant impact in its financial statements.

Ind AS 12 – Income Taxes

The amendments clarify how companies account for deferred tax on transactions such as leases and decommissioning obligations. The amendments narrowed the scope of the recognition exemption in paragraphs 15 and 24 of Ind AS 12 (recognition exemption) so that it no longer applies to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences. The Group is evaluating the impact, if any, in its financial statements.

Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors

The amendments will help entities to distinguish between accounting policies and accounting estimates. The definition of a change in accounting estimates has been replaced with a definition of accounting estimates. Under the new definition, accounting estimates are "monetary amounts in financial statements that are subject to measurement uncertainty". Entities develop accounting estimates if accounting policies require items in financial statements to be measured in a way that involves measurement uncertainty. The Group does not expect this amendment to have any significant impact in its financial statements.



Vivriti Capital Private Limited
Notes to the Consolidated Financial Statements for the year ended 31 March 2023
(All amounts are in Rupees lakhs, unless stated otherwise)

| Particulars | As at 31 March 2023 | As at 31 March 2022 |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------|------------------------|
| 4 Cash and cash equivalents | | |
| Balances with banks | | |
| In current accounts | 29,573.90 | 47,357.92 |
| | <u>29,573.90</u> | <u>47,357.92</u> |
| 5 Bank balances other than cash and cash equivalents | | |
| Bank balances other than cash and cash equivalents | | |
| - In deposit accounts - under lien* | 26,496.00 | 31,894.68 |
| | <u>26,496.00</u> | <u>31,904.68</u> |
| *These deposits are earmarked against the bank overdraft and borrowings availed by the Company stated in Note 17 and earns interest at fixed rate ranging from 2.50% p.a to 8.3% p.a. | | |
| 6 Receivables | | |
| Trade receivables considered good - secured | | - |
| Trade receivables considered good - unsecured | 1,417.13 | 742.05 |
| Trade receivables which have significant increase in credit risk | - | - |
| Trade receivables credit impaired | 200.24 | 196.24 |
| | <u>1,617.37</u> | <u>938.29</u> |
| Loss allowance | | |
| Less: Impairment loss allowance | (200.24) | (196.24) |
| Net trade receivables | <u>1,417.13</u> | <u>742.05</u> |
| Note: | | |
| Of the above, receivable from related parties are as below | | |
| Total receivables from related parties (refer note 40) | 465.90 | 172.40 |
| Less: Impairment loss allowance | - | - |
| Net receivables from associate | <u>465.90</u> | <u>172.40</u> |



Vivriti Capital Private Limited
Notes to the Consolidated Financial Statements for the year ended 31 March 2023
(All amounts are in Rupees lakhs, unless stated otherwise)

6.1 The ageing schedule of Trade receivables is as follows

i) As at 31 March 2023

| Particulars | Outstanding for following periods from due date of payment | | | | | Total |
|------------------------------------------------------------------------------------|------------------------------------------------------------|--------------------|-------------------|-----------|-----------|-----------------|
| | Not due | Less than 6 months | 6 months - 1 year | 1-2 years | 2-3 years | |
| (i) Undisputed Trade receivables – considered good | 629.55 | 787.58 | - | - | - | 1,417.13 |
| (ii) Undisputed Trade receivables – which have significant increase in credit risk | - | - | - | - | - | - |
| (iii) Undisputed Trade Receivables – credit impaired | - | - | 4.00 | 28.98 | 167.26 | 200.24 |
| (iv) Disputed Trade Receivables – considered good | - | - | - | - | - | - |
| (v) Disputed Trade receivables – which have significant increase in credit risk | - | - | - | - | - | - |
| (vi) Disputed Trade Receivables – credit impaired | - | - | - | - | - | - |
| Impairment loss allowance | 629.55 | 787.58 | 4.00 | 28.98 | 167.26 | 1,617.37 |
| Total Receivables | | | | | | (200.24) |
| | | | | | | 1,417.13 |

i) As at 31 March 2022

| Particulars | Outstanding for following periods from due date of payment | | | | | Total |
|------------------------------------------------------------------------------------|------------------------------------------------------------|--------------------|-------------------|-----------|-----------|-----------------|
| | Not due | Less than 6 months | 6 months - 1 year | 1-2 years | 2-3 years | |
| (i) Undisputed Trade receivables – considered good | 78.65 | 632.87 | 30.53 | - | - | 742.05 |
| (ii) Undisputed Trade receivables – which have significant increase in credit risk | - | - | - | - | - | - |
| (iii) Undisputed Trade Receivables – credit impaired | - | - | 28.98 | 167.26 | - | 196.24 |
| (iv) Disputed Trade Receivables – considered good | - | - | - | - | - | - |
| (v) Disputed Trade receivables – which have significant increase in credit risk | - | - | - | - | - | - |
| (vi) Disputed Trade Receivables – credit impaired | - | - | - | - | - | - |
| Impairment loss allowance | 78.65 | 632.87 | 30.53 | 28.98 | 167.26 | 938.29 |
| Total Receivables | | | | | | (196.24) |
| | | | | | | 742.05 |



Vivriti Capital Private Limited

Notes to the Consolidated Financial Statements for the year ended 31 March 2023

(All amounts are in Rupees lakhs, unless stated otherwise)

| Particulars | As at 31 March 2023 | As at 31 March 2022 |
|------------------------------------|------------------------|------------------------|
| 7 Loans (at Amortised cost) | | |
| A Based on nature | | |
| Term loans | 429,984.45 | 280,887.85 |
| Supply chain finance | 26,675.89 | 17,809.14 |
| Others | 336.00 | 262.50 |
| Total - Gross | 456,996.34 | 298,959.49 |
| Less: Impairment loss allowance | (3,700.91) | (2,883.55) |
| | 453,295.43 | 296,075.94 |
| B Based on security | | |
| (i) Secured* | 273,241.84 | 212,175.26 |
| (ii) Unsecured | 183,754.51 | 86,784.23 |
| Total - Gross | 456,996.34 | 298,959.49 |
| Less: Impairment loss allowance | (3,700.91) | (2,883.55) |
| | 453,295.43 | 296,075.94 |
| C Based on region | | |
| (i) Loans in India | | |
| (a) Public Sector | - | - |
| (b) Others | 456,996.34 | 298,959.49 |
| (ii) Loans outside India | - | - |
| Total - Gross | 456,996.34 | 298,959.49 |
| Less: Impairment loss allowance | (3,700.91) | (2,883.55) |
| | 453,295.43 | 296,075.94 |

*These loans are secured by way of hypothecation of underlying loan/book debts/receivables, mortgage of immovable property and pledge of securities etc.

Note : The Company has not granted any loans or advances in the nature of loans to promoters, directors, Key managerial personnels (KMPs), and the related parties, either severally or jointly with any other person that are repayable on demand or without specifying any terms or period of repayment.

Details of loans to related parties (Also refer note 40)

| | | |
|-------------------------------------|------------------|-----------------|
| Loans to related parties | 13,783.01 | 6,316.06 |
| Less: Impairment loss allowance | (55.13) | (25.26) |
| Net loans to related parties | 13,727.88 | 6,290.80 |



Vivriti Capital Private Limited

Notes to the Consolidated Financial Statements for the year ended 31 March 2023

(All amounts are in Rupees lakhs, unless stated otherwise)

| Particulars | As at | |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------|-------------------|
| | 31 March 2023 | 31 March 2022 |
| 8 Investments | | |
| Investment in associate (Unquoted) - also refer note 37 | | |
| Credavenue Private Limited 49,858,474 Equity shares of INR 10 each fully paid up (As at 31 March 2022: 50,010,000 Equity shares of INR 10 each) (Credavenue Private Limited was a subsidiary till 20 September 2021) (Also refer note 37) | 175,781.30 | 201,880.27 |
| | 175,781.30 | 201,880.27 |
| Investments in Alternate investment fund at FVTPL (Unquoted) | | |
| - Vivriti Samarth Bond Fund - 28,538 Class A units (31 March 2022 : 2,500 Class A units) | 3,114.73 | 4,350.86 |
| - Vivriti Short Term Bond Fund - 11,438.69 units (31 March 2022 : Nil) | 1,189.52 | - |
| - Vivriti India Impact Bond Fund - 12,938.09 units (31 March 2022 : 12,686.08 Units) | 1,442.41 | 1,982.39 |
| - Vivriti Emerging Corporate Bond Fund - 42,500 Class A1 units (31 March 2022 : 34,054.32 Class A1 units) | 4,461.43 | 8,241.62 |
| - Vivriti Emerging Corporate Bond Fund - 76,371.62 Class XA1 units (31 March 2022 : Nil) | 14,253.86 | - |
| - Vivriti Emerging Corporate Bond Fund - 5,000.00 Class S units (31 March 2022 : Nil) | 525.58 | - |
| - Vivriti Alpha debt fund - 37,893.37 units (31 March 2022 : Nil units) | 4,062.59 | - |
| - Vivriti Alpha debt fund enhanced - 12,240.67 Class B1 units (31 March 2022 : 3,930.83 Class B1 units) | 1,330.83 | 522.53 |
| - Vivriti Alpha debt fund enhanced - Nil Class B1 units (31 March 2022 : 1,472.97 Class B1 units) | - | 220.36 |
| - Vivriti Promising lenders fund - 524,708.33 Class B units (31 March 2022: 152,250 Class B units) | 5,356.84 | 2,166.88 |
| - Vivriti Promising lenders fund - 174,902.78 Class C1 units (31 March 2022: Nil) | 1,789.40 | - |
| - Vivriti Promising lenders fund - 50,000 Class C2 units (31 March 2022: Nil) | 514.20 | - |
| - Vivriti Fixed Income Fund Series IX - 50,000.00 units (31 March 2022: Nil) | 500.00 | - |
| | 38,541.39 | 17,484.64 |
| Investments in Mutual Funds at FVTPL (Quoted) | | |
| Bandhan Ultra Short term Fund Direct plan - Growth (erstwhile IDFC Overnight Fund Direct plan - Growth) - 9,172,450.719 units (31 March 2022: 88,461.68 units) | 1,200.00 | 1,002.96 |
| Axis Overnight Fund Direct Plan - Growth - 84,361.363 units (As at 31 March 2022: 89,508.18 units) | 1,000.00 | 1,005.93 |
| Nippon India Overnight Fund Direct Plan - Growth Nil units (As at 31 March 2022: 8,77,472.17 units) | - | 1,001.95 |
| Nippon India Liquid Fund Direct Plan - Growth 14,536.253 units (As at 31 March 2022: Nil) | 800.50 | - |
| Canara Robeco Liquid Fund - Direct Growth - 1,869.822 units (As at 31 March 2022: Nil) | 50.43 | - |
| HSBC Liquid Fund - Direct Growth - 35,698.96 units (As at 31 March 2022: Nil) | 800.42 | - |
| Invesco India Overnight Fund - Direct Plan Growth - 1,86,822.345 units (As at 31 March 2022: Nil) | 2,116.28 | - |
| UTI Liquid cash plan - Direct Plan Growth - 5,424.535 units (As at 31 March 2022: Nil) | 200.00 | - |
| Sundaram Overnight Fund - Direct Growth - 83,953.607 units (As at 31 March 2022: Nil) | 999.95 | - |
| | 7,167.58 | 3,010.85 |
| Investments in Commercial Papers at amortised cost (Unquoted) | 3,974.40 | - |
| Investments in Market Linked Debentures at FVTPL (Unquoted) | 15,740.98 | 20,155.04 |
| Others - Unquoted at FVOCI (Unquoted) | | |
| - Non Convertible Debentures | 40,730.34 | 22,496.10 |
| - Pass Through Certificates | 32,936.58 | 29,841.50 |
| | 314,872.57 | 294,868.40 |
| All investments disclosed above represents investments made in India. | | |
| Aggregate book value of quoted investments | 7,166.00 | 3,005.29 |
| Aggregate market value of quoted investments | 7,167.58 | 3,010.85 |
| Aggregate amount of fair value changes in investments | 1.58 | 5.56 |



Vivriti Capital Private Limited

Notes to the Consolidated Financial Statements for the year ended 31 March 2023

(All amounts are in Rupees lakhs, unless stated otherwise)

| Particulars | As at 31 March 2023 | As at 31 March 2022 |
|-------------------------------------------|------------------------|------------------------|
| 9 Other Financial assets | | |
| Security deposits | 557.42 | 329.39 |
| Dues from related parties (refer note 40) | 618.78 | 454.91 |
| Receivable from assigned loans | 250.46 | 9.86 |
| Other receivables | 2,070.15 | 371.60 |
| | 3,496.81 | 1,165.76 |
| 10 Current tax assets (net) | | |
| Advance income tax (net of provisions) | 3,499.35 | 1,951.69 |
| | 3,499.35 | 1,951.69 |
| 11 Investment Property | | |
| Investment property | 932.84 | 948.61 |
| | 932.84 | 948.61 |

11.1 Investment Property

A. Reconciliation of carrying amount

| Particulars | Building | Total |
|------------------------------------|---------------|---------------|
| Gross carrying amount | | |
| Balance as at 1 April 2021 | - | - |
| Additions | 948.61 | 948.61 |
| Deletions | - | - |
| Balance as at 31 March 2022 | 948.61 | 948.61 |
| Additions | - | - |
| Deletions | - | - |
| Balance as at 31 March 2023 | 948.61 | 948.61 |
| Accumulated depreciation | | |
| Balance as at 1 April 2021 | - | - |
| Additions | - | - |
| Deletions | - | - |
| Balance as at 31 March 2022 | - | - |
| Additions | 15.77 | 15.77 |
| Deletions | - | - |
| Balance as at 31 March 2023 | 15.77 | 15.77 |
| Net carrying amount | | |
| As at 31 March 2022 | 948.61 | 948.61 |
| As at 31 March 2023 | 932.84 | 932.84 |
| Fair value | | |
| As at 31 March 2022 | 948.61 | 948.61 |
| As at 31 March 2023 | 950.00 | 950.00 |

Investment property comprises one commercial property that is leased to a third party. The Group has measured the investment property at cost. The fair value of investment property (as measured for disclosure purposes in the financial statements) is based on the valuation by a registered valuer as defined under rule 2 of Companies (Registered Valuers and Valuation) Rules, 2017.

B. Amounts recognised in profit or loss

Rental income recognised by the Company during the year ended 31 March 2023 was INR 21.21 lakhs (31 March 2022: Nil) and was included in 'Other income' (refer note 27).



12.1 Property, plant and equipment

| Particulars | Leasehold Improvements | Furniture and fixtures | Office equipments | Computers and accessories | Total |
|----------------------------------------------|------------------------|------------------------|-------------------|---------------------------|-----------------|
| Cost | | | | | |
| Balance as at 1 April 2021 | 421.32 | 362.92 | 128.65 | 585.87 | 1,498.76 |
| Additions | 348.11 | 742.61 | 58.16 | 612.87 | 1,761.75 |
| Adjustments* | 38.20 | 11.79 | 29.62 | 28.66 | 108.27 |
| Disposals | (459.51) | (374.71) | (158.27) | (11.56) | (1,004.05) |
| De-recognition on account of loss of control | (348.11) | (265.04) | (28.27) | (596.31) | (1,237.73) |
| Balance as at 31 March 2022 | 0.01 | 477.57 | 29.89 | 619.53 | 1,127.00 |
| Additions | 352.93 | 1,634.74 | 53.39 | 232.02 | 2,273.08 |
| Disposals | - | (170.22) | (23.50) | - | (193.72) |
| Balance as at 31 March 2023 | 352.94 | 1,942.09 | 59.78 | 851.55 | 3,206.36 |
| Accumulated depreciation | | | | | |
| Balance as at 1 April 2021 | 318.07 | 107.09 | 83.71 | 253.15 | 762.02 |
| Additions | 5.40 | 27.54 | 4.11 | 155.27 | 192.32 |
| Adjustments* | 36.51 | 11.97 | 14.68 | 40.71 | 103.87 |
| Disposals | (354.58) | (119.06) | (98.39) | (8.93) | (580.96) |
| De-recognition on account of loss of control | (5.40) | (1.23) | 0.29 | (121.72) | (128.06) |
| Balance as at 31 March 2022 | 0.00 | 26.31 | 4.40 | 318.49 | 349.19 |
| Additions | 30.53 | 115.47 | 9.53 | 153.26 | 308.79 |
| Disposals | - | (21.06) | (5.57) | - | (26.63) |
| Balance as at 31 March 2023 | 30.53 | 120.72 | 8.36 | 471.75 | 631.35 |
| Net block | | | | | |
| As at 31 March 2022 | 0.01 | 451.26 | 25.49 | 301.05 | 777.81 |
| As at 31 March 2023 | 322.40 | 1,821.37 | 51.42 | 379.80 | 2,575.01 |

*Adjustments represents the presentation of the gross block and accumulated depreciation of fully depreciated assets as per asset category wise details maintained in the fixed asset register.

Notes

1. The Company has not revalued any of its property, plant and equipment.

12.2 Capital work in progress

| Particulars | Amount |
|------------------------------------|---------------|
| Balance as at 1 April 2021 | - |
| Additions | - |
| Capitalized during the year | - |
| Balance as at 31 March 2022 | - |
| Additions | 400.08 |
| Capitalized during the year | - |
| Balance as at 31 March 2023 | 400.08 |

As at 31 March 2023

| Capital work in progress | Amount in Intangible asset under development for a period of | | | | |
|--------------------------|--------------------------------------------------------------|-----------|-----------|-------------------|--------|
| | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | Total |
| Projects in progress | 400.08 | - | - | - | 400.08 |
| Projects suspended | - | - | - | - | - |

As at 31 March 2022

| Capital work in progress | Amount in Intangible asset under development for a period of | | | | |
|--------------------------|--------------------------------------------------------------|-----------|-----------|-------------------|-------|
| | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | Total |
| Projects in progress | - | - | - | - | - |
| Projects suspended | - | - | - | - | - |

The Company does not have any capital work in progress which is overdue or has exceeded its cost compared to its original plan and hence completion schedule is not applicable.



12.3 Right of use assets ('ROUA')

| Particulars | Office premises | Total |
|----------------------------------------------|-----------------|-----------------|
| Gross block value | | |
| Balance as at 1 April 2021 | 1,587.32 | 1,587.32 |
| Additions | 2,510.66 | 2,510.66 |
| Deletions | (2,453.27) | (2,453.27) |
| De-recognition on account of loss of control | (536.15) | (536.15) |
| Balance as at 31 March 2022 | 1,108.56 | 1,108.56 |
| Additions | 3,109.75 | 3,109.75 |
| Deletions | (743.17) | (743.17) |
| De-recognition on account of loss of control | - | - |
| Balance as at 31 March 2023 | 3,475.14 | 3,475.14 |
| Accumulated depreciation | | |
| Balance as at 1 April 2021 | 712.59 | 712.59 |
| Additions | 409.81 | 409.81 |
| Deletions | (915.49) | (915.49) |
| De-recognition on account of loss of control | (67.41) | (67.41) |
| Balance as at 31 March 2022 | 139.49 | 139.49 |
| Additions | 473.01 | 473.01 |
| Deletions | (30.85) | (30.85) |
| De-recognition on account of loss of control | - | - |
| Balance as at 31 March 2023 | 581.66 | 581.66 |
| Net block value | | |
| As at 31 March 2022 | 969.06 | 969.06 |
| As at 31 March 2023 | 2,893.48 | 2,893.48 |

Note : The Company has not revalued any of its right of use assets.



12.4 Intangible assets under development

| Particulars | Software under development | Total |
|----------------------------------------------|----------------------------|---------------|
| Balance as at 1 April 2021 | 492.30 | 492.30 |
| Additions | 1,550.38 | 1,550.38 |
| Capitalized during the year | (1,279.06) | (1,279.06) |
| De-recognition on account of loss on control | (720.54) | (720.54) |
| Balance as at 31 March 2022 | 43.08 | 43.08 |
| Additions | 521.57 | 521.57 |
| Capitalized during the year | - | - |
| Balance as at 31 March 2023 | 564.65 | 564.65 |

As at 31 March 2023

| Particulars | Amount in Intangible asset under development for a period of | | | | |
|----------------------|--------------------------------------------------------------|-----------|-----------|-------------------|--------|
| | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | Total |
| Projects in Progress | 521.57 | 43.08 | - | - | 564.65 |
| Projects Suspended | - | - | - | - | - |

As at 31 March 2022

| Particulars | Amount in Intangible asset under development for a period of | | | | |
|----------------------|--------------------------------------------------------------|-----------|-----------|-------------------|-------|
| | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | Total |
| Projects in Progress | 43.08 | - | - | - | 43.08 |
| Projects Suspended | - | - | - | - | - |

The Company does not have any intangibles under development which is overdue or has exceeded its cost compared to its original plan and hence completion schedule is not applicable.

12.5 Intangible Assets

| Particulars | Softwares and websites | Total |
|----------------------------------------------|------------------------|---------------|
| Cost | | |
| Balance as at 1 April 2021 | 572.14 | 572.14 |
| Additions | 1,543.31 | 1,543.31 |
| Disposals | - | - |
| De-recognition on account of loss on control | (1,639.49) | (1,639.49) |
| Balance as at 31 March 2022 | 475.96 | 475.96 |
| Additions | 71.08 | 71.08 |
| Disposals | - | - |
| Balance as at 31 March 2023 | 547.04 | 547.04 |
| Accumulated depreciation | | |
| Balance as at 1 April 2021 | 96.30 | 96.30 |
| Additions | 246.66 | 246.66 |
| Adjustments* | 3.86 | 3.86 |
| Disposals | - | - |
| De-recognition on account of loss on control | (188.85) | (188.85) |
| Balance as at 31 March 2022 | 157.97 | 157.97 |
| Additions | 121.12 | 121.12 |
| Disposals | - | - |
| Balance as at 31 March 2023 | 279.09 | 279.09 |
| Net block | | |
| As at 31 March 2022 | 317.99 | 317.99 |
| As at 31 March 2023 | 267.95 | 267.95 |

*Refer note under 12.1



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| Particulars | As at | |
|---------------------------------------|-----------------|-----------------|
| | 31 March 2023 | 31 March 2022 |
| 13 Others non financial assets | | |
| Prepaid Expenses | 1,656.12 | 397.99 |
| Advance to vendors | 1,045.76 | 1,501.41 |
| Balance with Government authorities | 688.61 | 353.26 |
| Deferred lease rentals | 141.82 | 27.71 |
| Others | 209.90 | - |
| | 3,742.21 | 2,280.37 |

| | As at 31 March 2023 | | As at 31 March 2022 | |
|-------------------------------------------------------------------|---------------------|--------------------------|---------------------|--------------------------|
| | Nominal value | Fair value of derivative | Nominal value | Fair value of derivative |
| 14 Derivative Financial Instruments | | | | |
| Currency derivatives - (Refer Note 48) - measured at FVOCI | | | | |
| Asset | | | | |
| Cash flow hedge - Interest rate swaps | 11,504.45 | 384.32 | - | - |
| | 11,504.45 | 384.32 | - | - |
| Liability | | | | |
| Cash flow hedge - Interest rate swaps | - | - | 7,639.68 | 382.00 |
| | - | - | 7,639.68 | 382.00 |

| | As at | |
|------------------------------------------------------------------------------------------|-----------------|-----------------|
| | 31 March 2023 | 31 March 2022 |
| 15 Trade payables | | |
| - Total outstanding dues of micro enterprises and small enterprises - refer note 41 | 14.80 | - |
| - Total outstanding dues of creditors other than micro enterprises and small enterprises | 2,145.94 | 2,505.81 |
| | 2,160.74 | 2,505.81 |

15.1 The ageing schedule of Trade payables is as follows

i) As at 31 March 2023

| Particulars | Outstanding for following periods from date of invoice | | | | | Total |
|------------------------|--------------------------------------------------------|------------------|--------------|--------------|-------------------|-----------------|
| | Not due | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | |
| Undisputed dues | | | | | | |
| (i) MSME | 0.63 | 14.17 | - | - | - | 14.80 |
| (ii) Others | 154.98 | 869.82 | 43.21 | 11.39 | 1.42 | 1,080.81 |
| Disputed dues | | | | | | |
| (i) MSME | - | - | - | - | - | - |
| (ii) Others | - | - | - | - | - | - |
| Unbilled dues | 1,065.13 | - | - | - | - | 1,065.13 |
| | 1,220.73 | 883.99 | 43.21 | 11.39 | 1.42 | 2,160.74 |

i) As at 31 March 2022

| Particulars | Outstanding for following periods from date of invoice | | | | | Total |
|------------------------|--------------------------------------------------------|------------------|-----------|-----------|-------------------|-----------------|
| | Not due | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | |
| Undisputed dues | | | | | | |
| (i) MSME | - | - | - | - | - | - |
| (ii) Others | 1.52 | 2,135.23 | - | - | - | 2,136.75 |
| Disputed dues | | | | | | |
| (i) MSME | - | - | - | - | - | - |
| (ii) Others | - | - | - | - | - | - |
| Unbilled dues | 369.06 | - | - | - | - | 369.06 |
| | 370.58 | 2,135.23 | - | - | - | 2,505.81 |



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Notes to the Consolidated Financial Statements for the year ended 31 March 2023
(All amounts are in Rupees lakhs, unless stated otherwise)

| Particulars | As at | As at |
|---------------------------------------|-------------------|-------------------|
| | 31 March 2023 | 31 March 2022 |
| 16 Debt securities | | |
| <i>Measured at amortised cost</i> | | |
| Redeemable Non-convertible debentures | 146,583.39 | 99,383.42 |
| Commercial papers | 5,303.80 | 8,357.61 |
| Total debt securities | 151,887.19 | 107,741.03 |
| Debt securities in India | 151,887.19 | 107,741.03 |
| Debt securities outside India | - | - |
| Total | 151,887.19 | 107,741.03 |

16.1 Security

(i) Redeemable Non-convertible debentures are secured by way of exclusive charge over identified loan portfolio and guaranteed by directors of the Company.

(ii) The Company has not defaulted in the repayment of dues to its lenders during the current or previous period.

(iii) Details of repayment such as date of repayment, interest rate and amount to be paid have been disclosed in note 16.2 based on the Contractual terms basis.

(iv) Quarterly returns and statements of current assets (identified loan portfolio) provided by the Company with the respective financial institutions are in agreement with the books of accounts.

16.2 Details of terms of redemption / repayment provided in respect of debt securities:

| Debt Reference | Remaining maturity | Due date of redemption | Terms of repayment | As at 31 March 2023 | As at 31 March 2022 |
|----------------------------------------|--------------------|------------------------|-----------------------------------------------------------------|---------------------|---------------------|
| 7.60% Commercial Paper I | NA | 28-Apr-22 | Principal in Bullet Payment | - | 993.86 |
| 7.00% Commercial Paper V | NA | 23-May-22 | Principal in Bullet Payment | - | 987.57 |
| 7.60% Commercial Paper VI | NA | 23-May-22 | Principal in Bullet Payment | - | 2,967.38 |
| 10.00% Vivriti Capital Private Limited | NA | 16-Jun-22 | Principal is Quarterly payment and Interest is Monthly payment | - | 1,002.79 |
| 10.25% Vivriti Capital Private Limited | NA | 16-Jun-22 | Principal is Quarterly payment and Interest is Monthly payment | - | 2,000.00 |
| 7.25% Commercial Paper VII | NA | 30-Jun-22 | Principal in Bullet Payment | - | 983.74 |
| 10.71% Vivriti Capital Private Limited | NA | 5-Jul-22 | Principal is bullet payment and interest is monthly payment | - | 4,011.74 |
| 9.48% Market Linked Debentures - IV | NA | 29-Jul-22 | Principal and interest is Bullet payment | - | 5,551.99 |
| 7.65% Commercial Paper II | NA | 10-Aug-22 | Principal in Bullet Payment | - | 2,425.06 |
| 9.90% Vivriti Capital Private Limited | NA | 25-Aug-22 | Principal is monthly payment and interest in monthly payment | - | 2,479.88 |
| 10.50% Vivriti Capital Private Limited | NA | 25-Aug-22 | Principal is bullet payment and interest in monthly payment | - | 3,004.04 |
| 12.12% Vivriti Capital Private Limited | NA | 26-Aug-22 | Principal is Bullet payment and Interest is Half yearly payment | - | 2,022.66 |
| 9.48% Market Linked Debentures - V | NA | 16-Oct-22 | Principal and interest is Bullet payment | - | 5,532.68 |
| 10.75% Market Linked Debentures - III | NA | 27-Nov-22 | Principal and interest is Bullet payment | - | 1,140.67 |
| 10.39% Vivriti Capital Private Limited | NA | 30-Dec-22 | Principal is bullet payment and interest in monthly payment | - | 5,495.74 |



Vivriti Capital Private Limited

Notes to the Consolidated Financial Statements for the year ended 31 March 2023

(All amounts are in Rupees lakhs, unless stated otherwise)

| Debt Reference | Remaining maturity | Due date of redemption | Terms of repayment | As at 31 March 2023 | As at 31 March 2022 |
|-----------------------------------------|--------------------|------------------------|----------------------------------------------------------------|---------------------|---------------------|
| 9.40% Vivriti Capital Private Limited | NA | 6-Jan-23 | Principal and interest in Bullet payment | - | 5,403.05 |
| 9.40% Vivriti Capital Private Limited | NA | 6-Feb-23 | Principal and interest in Bullet payment | - | 5,403 |
| 9.25% Vivriti Capital Private Limited | NA | 28-Feb-23 | Principal and interest in Bullet payment | - | 8,174.56 |
| 10.39 % Vivriti Capital Private Limited | NA | 28-Feb-23 | Principal and interest in Bullet payment | - | 3,027.23 |
| 8.90% Vivriti Capital Private Limited | < 1 year | 3-Apr-23 | Principal and interest in Bullet payment | 5,608.29 | 5,049.47 |
| 9.00% Vivriti Capital Private Limited | < 1 year | 24-Apr-23 | Principal and interest in Bullet payment | 5,610.70 | 5,046.45 |
| 8.23% Commercial paper | < 1 year | 25-Apr-23 | Principal in Bullet Payment | 994.60 | - |
| 8.45% Commercial paper | < 1 year | 20-May-23 | Principal in Bullet Payment | 1,977.67 | - |
| 8.65 % Vivriti Capital Private Limited | < 1 year | 4-Jun-23 | Principal and interest in Bullet payment | 10,968.86 | 9,870.17 |
| 8.50% Vivriti Capital Private Limited | < 1 year | 14-Jul-23 | Principal and interest in Bullet payment | 10,955.96 | 9,852.61 |
| 8.50% Vivriti Capital Private Limited | < 1 year | 14-Jul-23 | Principal and interest in Bullet payment | 10,718.77 | 9,645.24 |
| 9.55% Vivriti Capital Private Limited | 1- 2 year | 26-Sep-23 | Principal in bullet payment and interest in monthly payment | 4,994.67 | - |
| 10.57% Vivriti Capital Private Limited | < 1 year | 10-Feb-24 | Principal is Quarterly payment and Interest is Monthly payment | 337.80 | 675.21 |
| 8.50% Vivriti Capital Private Limited | 1- 2 year | 5-Apr-24 | Principal and interest in Bullet payment | 20,860.27 | - |
| 9.75% Vivriti Capital Private Limited | 1- 2 year | 28-May-24 | Principal in bullet payment and interest in monthly payment | 5,009.18 | - |
| 8.60% Vivriti Capital Private Limited | 1- 2 year | 26-Jul-24 | Principal and interest in Bullet payment | 20,394.19 | - |
| 12.43% Vivriti Capital Private Limited | 1- 2 year | 30-Sep-24 | Principal and Interest is Quarterly payment | 3,347.87 | 4,994.55 |
| 8.60% Vivriti Capital Private Limited | 1- 2 year | 13-Dec-24 | Principal and interest in Bullet payment | 29,873.16 | - |
| 10.25% Vivriti Capital Private Limited | 1- 2 year | 26-Dec-24 | Principal in bullet payment and interest in monthly payment | 4,906.88 | - |
| 9.60% Vivriti Capital Private Limited | 1- 2 year | 23-Sep-24 | Principal and Interest is Quarterly payment | 2,991.15 | - |
| 10.40% Vivriti Capital Private Limited | <1 year | 29-Mar-24 | Principal and interest in Bullet payment | 10,005.65 | - |
| 8.20% Commercial Paper | <1 year | 22-Jun-23 | Principal in Bullet Payment | 981.71 | - |
| 9.78% Commercial paper | <1 year | 27-Mar-24 | Principal in Bullet Payment | 1,349.83 | - |
| Total | | | | 151,887.19 | 107,741.03 |



Vivriti Capital Private Limited

Notes to the Consolidated Financial Statements for the year ended 31 March 2023

(All amounts are in Rupees lakhs, unless stated otherwise)

| Particulars | As at 31 March 2023 | As at 31 March 2022 |
|---------------------------------------------------------------------------------------|------------------------|------------------------|
| 17 Borrowings (Other than Debt Securities) | | |
| At amortised cost | | |
| (i) Term loans (secured) - (Refer note 17.1 and 17.2) | | |
| From banks | 252,450.88 | 159,606.23 |
| From other parties | 64,660.26 | 59,081.86 |
| | 317,111.14 | 218,688.09 |
| (ii) Loans repayable on demand (secured) (Refer note 17.1 and 17.2 below) | | |
| From Banks (Overdrafts) (Refer note 17.1 (ii)) | 21,087.13 | 24,273.94 |
| Working capital demand loan from banks (Cash credit) (Refer note 17.1 (iii) and 17.2) | 12,500.00 | 5,000.00 |
| | 350,698.27 | 247,962.03 |
| Borrowings in India | 342,404.42 | 240,322.35 |
| Borrowings outside India | 8,293.85 | 7,639.68 |
| | 350,698.27 | 247,962.03 |

17.1 Security

(i) Loans from banks and financial institutions are secured by first ranking and exclusive charge over identified receivables and guaranteed by directors of the Company.

(ii) The Company has not defaulted in the repayment of principal and interest to its lenders during the current or previous period.

(iii) Rate of interest payable on bank overdraft is 7.45% - 7.75% p.a (31 March 2022: 3.3% p.a.). The Company has taken bank overdraft against the deposit balances (also refer note 5)

(iv) Rate of interest payable on cash credit loans is 8.00 to 9.00 % p.a. (31 March 2022:7.00- 7.8% p.a.)

(v) Quarterly returns and statements of current assets (identified loan portfolio) provided by the Company with the respective financial institutions are in agreement with the books of accounts.



Vivriti Capital Private Limited

Notes to the Consolidated Financial Statements for the year ended 31 March 2023

(All amounts are in Rupees lakhs, unless stated otherwise)

17.2 Details of term loans - Contractual repayment values

| Particulars | Remaining maturity | Rate of Interest | Maturity Date | Terms of repayment - principal | Terms of repayment - Interest | As at 31 March 2023 | As at 31 March 2022 |
|--------------|--------------------|------------------|---------------|--------------------------------|-------------------------------|---------------------|---------------------|
| Term Loan 1 | NA | 10.50% | 28-Mar-23 | Monthly | Monthly | - | 3,319.16 |
| Term Loan 2 | NA | 10.90% | 30-Jun-22 | Monthly | Monthly | - | 199.82 |
| Term Loan 3 | NA | 11.25% | 28-Jul-22 | Monthly | Monthly | - | 453.04 |
| Term Loan 4 | NA | 10.80% | 3-Oct-22 | Monthly | Monthly | - | 733.58 |
| Term Loan 5 | < 1 year | 10.70% | 29-Sep-23 | Monthly | Monthly | 333.04 | 1,003.00 |
| Term Loan 6 | 1-2 years | 10.80% | 22-Mar-25 | Quarterly | Monthly | 2,275.29 | 3,406.41 |
| Term Loan 7 | NA | 9.60% | 27-Oct-22 | Monthly | Monthly | - | 729.47 |
| Term Loan 8 | NA | 9.50% | 21-Dec-22 | Monthly | Monthly | - | 935.98 |
| Term Loan 9 | 1-2 years | 10.25% | 30-Apr-24 | Quarterly | Monthly | 1,038.50 | 1,863.16 |
| Term Loan 10 | < 1 year | 11.35% | 31-Dec-23 | Monthly | Monthly | 641.48 | 1,484.75 |
| Term Loan 11 | NA | 10.93% | 10-Dec-22 | Monthly | Monthly | - | 748.52 |
| Term Loan 12 | NA | 10.93% | 14-Dec-22 | Monthly | Monthly | - | 374.04 |
| Term Loan 13 | NA | 10.30% | 31-Jan-23 | Monthly | Monthly | - | 623.38 |
| Term Loan 14 | 1-2 years | 11.15% | NA | Monthly | Monthly | - | 3,528.90 |
| Term Loan 15 | NA | 10.75% | 15-Feb-23 | Monthly | Monthly | - | 622.48 |
| Term Loan 16 | NA | 11.40% | 3-Mar-23 | Monthly | Monthly | - | 753.57 |
| Term Loan 17 | < 1 year | 11.70% | NA | Monthly | Monthly | - | 981.74 |
| Term Loan 18 | < 1 year | 9.90% | 12-Mar-24 | Monthly | Monthly | 914.60 | 1,759.40 |
| Term Loan 19 | 1-2 years | 10.45% | 28-Feb-25 | Quarterly | Monthly | 5,016.28 | 7,543.93 |
| Term Loan 20 | NA | 10.75% | 24-Mar-23 | Monthly | Monthly | - | 528.22 |
| Term Loan 21 | < 1 year | 10.30% | 31-Aug-23 | Monthly | Monthly | 200.10 | 605.32 |
| Term Loan 22 | < 1 year | 10.05% | 13-Jul-23 | Quarterly | Monthly | 981.59 | 3,925.23 |
| Term Loan 23 | NA | 5.75% | 10-Jun-22 | Quarterly | Monthly | - | 5,016.65 |
| Term Loan 24 | < 1 year | 10.15% | 31-Jan-24 | Quarterly | Monthly | 901.13 | 1,992.73 |
| Term Loan 25 | 1-2 years | 10.10% | 18-Aug-24 | Quarterly | Monthly | 1,413.79 | 2,499.25 |
| Term Loan 26 | < 1 year | 9.95% | 31-Aug-23 | Monthly | Monthly | 416.33 | 1,411.03 |
| Term Loan 27 | < 1 year | 10.45% | 30-Sep-23 | Monthly | Monthly | 381.70 | 1,142.77 |
| Term Loan 28 | 1-2 years | 10.55% | 24-Sep-24 | Monthly | Monthly | 2,515.02 | 4,160.61 |
| Term Loan 29 | < 1 year | 9.95% | 24-Sep-23 | Monthly | Monthly | 499.30 | 1,492.63 |
| Term Loan 30 | 1-2 years | 9.75% | 30-Sep-24 | Monthly | Monthly | 2,414.65 | 4,139.70 |
| Term Loan 31 | < 1 year | 9.40% | 30-Sep-23 | Monthly | Monthly | 1,500.32 | 4,479.98 |
| Term Loan 32 | 1-2 years | 11.15% | NA | Monthly | Monthly | - | 883.63 |
| Term Loan 33 | 1-2 years | 9.75% | 30-Sep-24 | Monthly | Monthly | 2,274.92 | 4,011.89 |
| Term Loan 34 | 1-2 years | 10.00% | 31-Oct-24 | Monthly | Monthly | 574.44 | 997.34 |
| Term Loan 35 | < 1 year | 11.80% | 3-Nov-23 | Monthly | Monthly | 1,007.69 | 2,508.04 |
| Term Loan 36 | 1-2 years | 11.15% | NA | Monthly | Monthly | - | 2,086.58 |
| Term Loan 37 | < 1 year | 10.25% | 15-Nov-23 | Monthly | Monthly | 1,000.10 | 2,514.06 |
| Term Loan 38 | 1-2 years | 10.20% | 8-Dec-24 | Quarterly | Monthly | 1,596.03 | 2,503.92 |
| Term Loan 39 | 1-2 years | 12.25% | 10-Dec-24 | Monthly | Monthly | 1,588.91 | 2,492.68 |
| Term Loan 40 | 2-3 years | 10.45% | 31-Mar-26 | Quarterly | Monthly | 3,000.20 | 3,760.34 |
| Term Loan 41 | NA | 10.45% | 30-Jun-23 | Bullet | Monthly | 1,008.88 | 997.07 |
| Term Loan 42 | 1-2 years | 9.85% | 31-Dec-24 | Monthly | Monthly | 2,897.88 | 4,536.72 |
| Term Loan 43 | < 1 year | 9.25% | 27-Dec-23 | Monthly | Monthly | 285.77 | 670.02 |
| Term Loan 44 | < 1 year | 9.75% | 8-Feb-24 | Monthly | Monthly | 1,139.15 | 2,349.83 |
| Term Loan 45 | 1-2 years | 9.25% | 28-Feb-25 | Monthly | Monthly | 1,599.65 | 2,408.09 |
| Term Loan 46 | < 1 year | 9.40% | 24-Feb-24 | Monthly | Monthly | 3,432.04 | 7,198.79 |
| Term Loan 47 | < 1 year | 11.47% | 25-Feb-24 | Monthly | Monthly | 916.17 | 1,945.56 |
| Term Loan 48 | < 1 year | 10.50% | 25-Feb-24 | Monthly | Monthly | 915.20 | 1,908.44 |
| Term Loan 49 | < 1 year | 9.90% | 28-Dec-23 | Monthly | Monthly | 958.37 | 1,464.21 |
| Term Loan 50 | < 1 year | 11.00% | 8-Mar-24 | Monthly | Monthly | 3,378.73 | 6,160.50 |
| Term Loan 51 | 1-2 years | 12.00% | 22-Mar-25 | Quarterly | Monthly | 6,646.57 | 10,444.79 |
| Term Loan 52 | 2-3 years | 9.75% | 30-Mar-26 | Monthly | Monthly | 4,463.81 | 5,869.27 |
| Term Loan 53 | 1-2 years | 9.50% | 10-Mar-25 | Monthly | Monthly | 9,340.84 | 11,989.10 |
| Term Loan 54 | 1-2 years | 10.25% | 10-Mar-25 | Monthly | Monthly | 12,072.38 | 14,989.10 |
| Term Loan 55 | < 1 year | 9.40% | 31-Mar-24 | Monthly | Monthly | 1,245.59 | 2,491.81 |
| Term Loan 56 | 1-2 years | 10.00% | 1-Dec-24 | Monthly | Monthly | 1,769.41 | 2,693.09 |
| Term Loan 57 | NA | 0.00% | 27-Apr-22 | Bullet | Monthly | - | 1,499.80 |
| Term Loan 58 | NA | 9.95% | 24-Feb-23 | Monthly | Monthly | - | 913.22 |



Vjvriti Capital Private Limited

Notes to the Consolidated Financial Statements for the year ended 31 March 2023

(All amounts are in Rupees lakhs, unless stated otherwise)

17.2 Details of term loans - Contractual repayment values

| Particulars | Remaining maturity | Rate of Interest | Maturity Date | Terms of repayment - principal | Terms of repayment - Interest | As at 31 March 2023 | As at 31 March 2022 |
|---------------|--------------------|------------------|---------------|--------------------------------|-------------------------------|---------------------|---------------------|
| Term Loan 59 | < 1 year | 10.85% | 26-Nov-23 | Monthly | Monthly | 843.76 | 2,206.65 |
| Term Loan 60 | 3-4 years | 9.70% | 30-Nov-26 | Half Yearly | Half yearly | 8,293.85 | 7,639.68 |
| Term Loan 61 | < 1 year | 10.40% | 28-Feb-24 | Monthly | Monthly | 713.26 | 1,412.42 |
| Term Loan 62 | NA | 11.30% | 1-Dec-22 | Monthly | Monthly | 0.00 | 428.79 |
| Term Loan 63 | < 1 year | 11.00% | 30-Jun-23 | Half Yearly | Monthly | 875.02 | 2,620.59 |
| Term Loan 64 | 1-2 years | 10.50% | 30-Sep-24 | Monthly | Monthly | 1,618.39 | 2,563.33 |
| Term Loan 65 | 1-2 years | 9.75% | 31-Mar-25 | Monthly | Monthly | 1,260.67 | 1,800.00 |
| Term Loan 66 | < 1 year | 11.00% | 28-Dec-23 | Monthly | Monthly | 238.96 | 529.41 |
| Term Loan 67 | 1-2 years | 9.60% | 19-Jun-24 | Monthly | Monthly | 2,071.05 | 3,711.10 |
| Term Loan 68 | NA | 8.85% | 26-Jun-23 | Bullet | Monthly | 4,000.77 | 4,000.00 |
| Term Loan 69 | NA | 11.10% | 23-Dec-22 | Monthly | Monthly | - | 131.15 |
| Term Loan 70 | NA | 11.10% | 23-Dec-22 | Monthly | Monthly | - | 103.02 |
| Term Loan 71 | NA | 11.10% | 23-Dec-22 | Monthly | Monthly | - | 131.40 |
| Term Loan 72 | NA | 11.10% | 23-Dec-22 | Monthly | Monthly | - | 103.11 |
| Term Loan 73 | NA | 11.10% | 23-Dec-22 | Monthly | Monthly | - | 131.40 |
| Term Loan 74 | NA | 11.10% | 23-Dec-22 | Monthly | Monthly | - | 103.07 |
| Term Loan 75 | NA | 11.10% | 23-Dec-22 | Monthly | Monthly | - | 131.23 |
| Term Loan 76 | NA | 11.10% | 23-Dec-22 | Monthly | Monthly | - | 103.11 |
| Term Loan 77 | < 1 year | 10.90% | 25-Sep-23 | Monthly | Monthly | 752.01 | 2,255.77 |
| Term Loan 78 | NA | 11.25% | 24-Jun-22 | Monthly | Monthly | 0.00 | 44.00 |
| Term Loan 79 | NA | 11.25% | 24-Jun-22 | Monthly | Monthly | 0.00 | 34.35 |
| Term Loan 80 | NA | 11.25% | 24-Jun-22 | Monthly | Monthly | 0.00 | 30.07 |
| Term Loan 81 | NA | 11.25% | 24-Jun-22 | Monthly | Monthly | 0.00 | 34.35 |
| Term Loan 82 | NA | 11.25% | 24-Jun-22 | Monthly | Monthly | 0.00 | 43.83 |
| Term Loan 83 | NA | 11.25% | 24-Jun-22 | Monthly | Monthly | 0.00 | 46.57 |
| Term Loan 84 | NA | 11.25% | 24-Jun-22 | Monthly | Monthly | 0.00 | 45.04 |
| Term Loan 85 | NA | 11.25% | 24-Jun-22 | Monthly | Monthly | 0.00 | 34.37 |
| Term Loan 86 | NA | 11.50% | 20-Sep-22 | Monthly | Monthly | - | 88.07 |
| Term Loan 87 | NA | 11.50% | 20-Sep-22 | Monthly | Monthly | - | 69.04 |
| Term Loan 88 | NA | 11.50% | 20-Sep-22 | Monthly | Monthly | - | 88.07 |
| Term Loan 89 | NA | 11.50% | 20-Sep-22 | Monthly | Monthly | - | 70.10 |
| Term Loan 90 | NA | 11.50% | 20-Sep-22 | Monthly | Monthly | - | 88.07 |
| Term Loan 91 | NA | 11.50% | 20-Sep-22 | Monthly | Monthly | - | 68.96 |
| Term Loan 92 | NA | 11.50% | 20-Sep-22 | Monthly | Monthly | - | 88.07 |
| Term Loan 93 | NA | 11.50% | 20-Sep-22 | Monthly | Monthly | - | 69.32 |
| Term Loan 94 | NA | 11.50% | 10-Feb-23 | Monthly | Monthly | - | 169.91 |
| Term Loan 95 | NA | 11.50% | 10-Feb-23 | Monthly | Monthly | - | 139.10 |
| Term Loan 96 | NA | 11.50% | 10-Feb-23 | Monthly | Monthly | - | 45.85 |
| Term Loan 97 | NA | 11.50% | 10-Feb-23 | Monthly | Monthly | - | 164.99 |
| Term Loan 98 | NA | 11.50% | 10-Feb-23 | Monthly | Monthly | - | 138.22 |
| Term Loan 99 | NA | 11.50% | 10-Feb-23 | Monthly | Monthly | - | 45.85 |
| Term Loan 100 | NA | 11.50% | 10-Feb-23 | Monthly | Monthly | - | 168.25 |
| Term Loan 101 | NA | 11.50% | 10-Feb-23 | Monthly | Monthly | - | 138.22 |
| Term Loan 102 | NA | 11.50% | 10-Feb-23 | Monthly | Monthly | - | 45.85 |
| Term Loan 103 | NA | 11.50% | 10-Feb-23 | Monthly | Monthly | - | 161.09 |
| Term Loan 104 | NA | 11.50% | 10-Feb-23 | Monthly | Monthly | - | 138.22 |
| Term Loan 105 | NA | 11.50% | 10-Feb-23 | Monthly | Monthly | - | 48.64 |
| Term Loan 106 | < 1 year | 11.40% | 23-Jun-23 | Monthly | Monthly | 46.97 | 233.99 |
| Term Loan 107 | < 1 year | 11.40% | 23-Jun-23 | Monthly | Monthly | 46.97 | 233.99 |
| Term Loan 108 | < 1 year | 11.40% | 23-Jun-23 | Monthly | Monthly | 46.97 | 233.99 |
| Term Loan 109 | < 1 year | 11.40% | 23-Jun-23 | Monthly | Monthly | 46.97 | 234.41 |
| Term Loan 110 | < 1 year | 11.40% | 23-Jun-23 | Monthly | Monthly | 46.97 | 234.41 |
| Term Loan 111 | < 1 year | 11.40% | 23-Jun-23 | Monthly | Monthly | 46.97 | 234.41 |
| Term Loan 112 | < 1 year | 11.40% | 23-Jun-23 | Monthly | Monthly | 46.97 | 234.41 |
| Term Loan 113 | < 1 year | 11.40% | 23-Jun-23 | Monthly | Monthly | 46.97 | 234.32 |
| Term Loan 114 | < 1 year | 11.40% | 23-Jun-23 | Monthly | Monthly | 46.97 | 234.32 |
| Term Loan 115 | < 1 year | 11.40% | 23-Jun-23 | Monthly | Monthly | 46.97 | 234.32 |
| Term Loan 116 | < 1 year | 11.40% | 23-Jun-23 | Monthly | Monthly | 46.97 | 234.32 |



Vivriti Capital Private Limited

Notes to the Consolidated Financial Statements for the year ended 31 March 2023

(All amounts are in Rupees lakhs, unless stated otherwise)

17.2 Details of term loans - Contractual repayment values

| Particulars | Remaining maturity | Rate of Interest | Maturity Date | Terms of repayment - principal | Terms of repayment - Interest | As at 31 March 2023 | As at 31 March 2022 |
|---------------|--------------------|------------------|---------------|--------------------------------|-------------------------------|---------------------|---------------------|
| Term Loan 117 | < 1 year | 11.40% | 23-Jun-23 | Monthly | Monthly | 46.97 | 233.97 |
| Term Loan 118 | < 1 year | 10.65% | 20-Dec-23 | Monthly | Monthly | 131.60 | 306.65 |
| Term Loan 119 | < 1 year | 10.65% | 20-Dec-23 | Monthly | Monthly | 131.60 | 306.65 |
| Term Loan 120 | < 1 year | 10.65% | 20-Dec-23 | Monthly | Monthly | 131.60 | 307.58 |
| Term Loan 121 | < 1 year | 10.65% | 20-Dec-23 | Monthly | Monthly | 131.60 | 307.58 |
| Term Loan 122 | < 1 year | 10.65% | 20-Dec-23 | Monthly | Monthly | 131.60 | 305.89 |
| Term Loan 123 | < 1 year | 10.65% | 20-Dec-23 | Monthly | Monthly | 131.60 | 309.61 |
| Term Loan 124 | < 1 year | 10.65% | 20-Dec-23 | Monthly | Monthly | 131.60 | 306.65 |
| Term Loan 125 | < 1 year | 10.65% | 20-Dec-23 | Monthly | Monthly | 131.60 | 306.65 |
| Term Loan 126 | < 1 year | 10.65% | 20-Dec-23 | Monthly | Monthly | 131.60 | 315.31 |
| Term Loan 127 | < 1 year | 10.65% | 20-Dec-23 | Monthly | Monthly | 131.60 | 317.22 |
| Term Loan 128 | < 1 year | 10.65% | 20-Dec-23 | Monthly | Monthly | 131.60 | 322.02 |
| Term Loan 129 | < 1 year | 10.65% | 20-Dec-23 | Monthly | Monthly | 56.34 | 132.58 |
| Term Loan 130 | < 1 year | 10.40% | 9-Feb-24 | Monthly | Monthly | 1,382.77 | 2,871.54 |
| Term Loan 131 | 1-2 years | 10.30% | 1-Jan-25 | Quarterly | Monthly | 1,747.25 | 2,992.84 |
| Term Loan 132 | < 1 year | 11.25% | 1-Sep-23 | Quarterly | Monthly | 499.89 | 1,501.60 |
| Term Loan 133 | NA | 12.00% | 31-Jul-22 | Monthly | Monthly | 0.00 | 166.54 |
| Term Loan 134 | < 1 year | 11.40% | 30-Nov-23 | Monthly | Monthly | 375.10 | 921.33 |
| Term Loan 135 | 1-2 years | 11.75% | 31-Jan-25 | Quarterly | Monthly | 868.88 | 1,279.92 |
| Term Loan 136 | NA | 11.50% | 30-Apr-22 | Monthly | Monthly | - | 113.80 |
| Term Loan 137 | < 1 year | 10.75% | 22-Aug-23 | Monthly | Monthly | 565.78 | 1,817.02 |
| Term Loan 138 | NA | 12.55% | 10-Apr-23 | Monthly | Monthly | 50.29 | 649.12 |
| Term Loan 139 | < 1 year | 12.15% | 5-Oct-23 | Monthly | Monthly | 670.97 | 1,653.67 |
| Term Loan 140 | < 1 year | 12.15% | 5-Oct-23 | Monthly | Monthly | 396.31 | 566.68 |
| Term Loan 141 | < 1 year | 10.10% | 31-Mar-23 | Monthly | Monthly | - | 246.00 |
| Term Loan 142 | NA | 10.50% | 30-Nov-22 | Monthly | Monthly | - | 399.57 |
| Term Loan 143 | 2-3 years | 9.50% | 30-Jun-25 | Monthly | Monthly | 7,848.63 | - |
| Term Loan 144 | 1-2 years | 9.40% | 29-Jun-24 | Monthly | Monthly | 3,121.03 | - |
| Term Loan 145 | 1-2 years | 10.25% | 1-Jul-24 | Monthly | Monthly | 3,119.30 | - |
| Term Loan 146 | 1-2 years | 10.40% | 5-Jul-24 | Monthly | Monthly | 201.49 | - |
| Term Loan 147 | 1-2 years | 10.40% | 5-Jul-24 | Monthly | Monthly | 201.49 | - |
| Term Loan 148 | 1-2 years | 10.40% | 5-Jul-24 | Monthly | Monthly | 201.49 | - |
| Term Loan 149 | 1-2 years | 10.40% | 5-Jul-24 | Monthly | Monthly | 201.49 | - |
| Term Loan 150 | 1-2 years | 10.40% | 5-Jul-24 | Monthly | Monthly | 201.49 | - |
| Term Loan 151 | 1-2 years | 10.40% | 5-Jul-24 | Monthly | Monthly | 201.49 | - |
| Term Loan 152 | 1-2 years | 10.40% | 5-Jul-24 | Monthly | Monthly | 201.49 | - |
| Term Loan 153 | 1-2 years | 10.40% | 5-Jul-24 | Monthly | Monthly | 201.49 | - |
| Term Loan 154 | 1-2 years | 10.40% | 5-Jul-24 | Monthly | Monthly | 201.49 | - |
| Term Loan 155 | 1-2 years | 10.40% | 5-Jul-24 | Monthly | Monthly | 201.49 | - |
| Term Loan 156 | 1-2 years | 9.90% | 28-Jun-24 | Monthly | Monthly | 1,157.09 | - |
| Term Loan 157 | < 1 year | 8.00% | 5-Jul-23 | Monthly | Monthly | 852.45 | - |
| Term Loan 158 | 2-3 years | 9.90% | 1-Jul-25 | Monthly | Monthly | 528.13 | - |
| Term Loan 159 | < 1 year | 9.70% | 26-Jul-23 | Bullet | Monthly | 2,500.58 | - |
| Term Loan 160 | 2-3 years | 9.75% | 31-Aug-25 | Monthly | Monthly | 2,904.49 | - |
| Term Loan 161 | 2-3 years | 9.95% | 29-Jul-25 | Monthly | Monthly | 3,210.61 | - |
| Term Loan 162 | 1-2 years | 8.50% | 9-Sep-24 | Monthly | Monthly | 2,003.43 | - |
| Term Loan 163 | 2-3 years | 9.50% | 30-Sep-25 | Monthly | Monthly | 9,895.11 | - |
| Term Loan 164 | 1-2 years | 10.10% | 20-Sep-24 | Monthly | Monthly | 1,469.75 | - |
| Term Loan 165 | 1-2 years | 9.20% | 30-Sep-24 | Monthly | Monthly | 5,610.65 | - |
| Term Loan 166 | 1-2 years | 10.50% | 30-Sep-24 | Monthly | Monthly | 3,000.48 | - |
| Term Loan 167 | 2-3 years | 9.50% | 29-Sep-25 | Quarterly | Monthly | 4,151.55 | - |
| Term Loan 168 | 2-3 years | 10.50% | 25-Oct-25 | Monthly | Monthly | 1,924.94 | - |
| Term Loan 169 | 1-2 years | 9.90% | 29-Sep-24 | Monthly | Monthly | 1,989.41 | - |
| Term Loan 170 | 1-2 years | 9.60% | 28-Oct-24 | Monthly | Monthly | 8,691.31 | - |
| Term Loan 171 | 1-2 years | 10.00% | 31-Oct-24 | Monthly | Monthly | 7,920.99 | - |
| Term Loan 172 | 2-3 years | 9.80% | 14-Nov-25 | Monthly | Monthly | 23,275.08 | - |
| Term Loan 173 | 2-3 years | 10.15% | 1-Nov-25 | Quarterly | Monthly | 4,990.04 | - |
| Term Loan 174 | 1-2 years | 9.50% | 30-Nov-24 | Monthly | Monthly | 831.75 | - |



17.2 Details of term loans - Contractual repayment values

| Particulars | Remaining maturity | Rate of Interest | Maturity Date | Terms of repayment - principal | Terms of repayment - Interest | As at 31 March 2023 | As at 31 March 2022 |
|---------------|--------------------|------------------|---------------|--------------------------------|-------------------------------|---------------------|---------------------|
| Term Loan 175 | 2-3 years | 9.80% | 16-Dec-25 | Monthly | Monthly | 1,791.92 | - |
| Term Loan 176 | 1-2 years | 9.50% | 31-Dec-24 | Monthly | Monthly | 1,637.44 | - |
| Term Loan 177 | 2-3 years | 9.55% | 31-Dec-25 | Monthly | Monthly | 4,538.10 | - |
| Term Loan 178 | 1-2 years | 9.75% | 21-Dec-24 | Quarterly | Monthly | 2,402.72 | - |
| Term Loan 179 | 1-2 years | 9.50% | 31-Dec-24 | Monthly | Monthly | 109.16 | - |
| Term Loan 180 | 2-3 years | 8.00% | 30-Dec-25 | Monthly | Monthly | 8,912.74 | - |
| Term Loan 181 | 1-2 years | 9.25% | 29-Dec-24 | Monthly | Monthly | 4,113.71 | - |
| Term Loan 182 | 1-2 years | 9.25% | 30-Dec-24 | Monthly | Monthly | 2,429.82 | - |
| Term Loan 183 | 1-2 years | 10.00% | 2-Feb-25 | Monthly | Monthly | 2,897.09 | - |
| Term Loan 184 | NA | 9.75% | 17-Feb-25 | Monthly | Monthly | 2,388.61 | - |
| Term Loan 185 | 1-2 years | 10.25% | 28-Feb-25 | Quarterly | Monthly | 5,039.61 | - |
| Term Loan 186 | 3-4 years | 9.50% | 1-Aug-26 | Monthly | Monthly | 1,401.86 | - |
| Term Loan 187 | 1-2 years | 9.50% | 28-Feb-25 | Monthly | Monthly | 2,870.73 | - |
| Term Loan 188 | 1-2 years | 10.25% | 15-Feb-25 | Half Yearly | Monthly | 2,512.94 | - |
| Term Loan 189 | 1-2 years | 10.20% | 6-Mar-25 | Monthly | Monthly | 11,382.70 | - |
| Term Loan 190 | 2-3 years | 9.85% | 31-Mar-26 | Monthly | Monthly | 4,977.71 | - |
| Term Loan 191 | 2-3 years | 9.85% | 31-Mar-26 | Monthly | Monthly | 1,989.42 | - |
| Term Loan 192 | < 1 year | 9.50% | 5-Jan-24 | Monthly | Monthly | 4,007.15 | - |
| Term Loan 193 | 3-4 years | 10.95% | 31-Mar-27 | Monthly | Monthly | 4,984.35 | - |
| Term Loan 194 | 2-3 years | 10.00% | 18-Apr-25 | Monthly | Monthly | 2,488.73 | - |
| Term Loan 195 | 1-2 years | 10.60% | 30-Mar-25 | Monthly | Monthly | 7,502.24 | - |
| Term Loan 196 | 3-4 years | 10.00% | 28-Feb-26 | Monthly | Monthly | 1,705.91 | - |
| Term Loan 197 | 1-2 years | 10.00% | 1-Apr-24 | Monthly | Monthly | 4,987.94 | - |
| Term Loan 198 | 1-2 years | 10.10% | 1-Mar-25 | Monthly | Monthly | 1,646.32 | - |
| Term Loan 199 | 3-4 years | 10.15% | 31-Mar-27 | Monthly | Monthly | 4,956.09 | - |
| Term Loan 200 | 2-3 years | 9.20% | 31-Mar-26 | Monthly | Monthly | 1,994.45 | - |
| Term Loan 201 | 1-2 years | 9.90% | 1-Mar-25 | Monthly | Monthly | 4,000.00 | - |
| Term Loan 242 | 3-4 years | 11.00% | 30-Apr-26 | Quarterly | Monthly | 596.62 | - |
| WCDL 1 | NA | 8.85% | 26-Jun-23 | Bullet | Monthly | 2,499.18 | 2,508.15 |
| WCDL 2 | < 1 year | 8.00% | 12-Feb-24 | Bullet | Monthly | 2,476.54 | 2,447.09 |
| WCDL 3 | NA | 9.00% | 18-Sep-23 | Bullet | Monthly | 5,012.83 | - |
| WCDL 4 | < 1 year | 8.85% | 27-May-23 | Bullet | Monthly | 2,496.33 | - |
| Total | | | | | | 329,611.14 | 223,688.09 |



Vivriti Capital Private Limited**Notes to the Consolidated Financial Statements for the year ended 31 March 2023***(All amounts are in Rupees lakhs, unless stated otherwise)*

| Particulars | As at | As at |
|--------------------------------------------------------------|-----------------|-----------------|
| | 31 March 2023 | 31 March 2022 |
| 18 Other financial liabilities | | |
| Lease Liabilities | 3,078.20 | 997.48 |
| Employee benefits payable | 856.38 | 385.90 |
| Advances received against loan agreements | 740.77 | 259.83 |
| Collateral deposits from customers | 1,590.29 | - |
| Dues to partners towards collections from co-lending loans | 1,892.23 | - |
| Remittances payable on assets derecognised | 0.23 | 0.23 |
| | 8,158.10 | 1,643.44 |
| 19 Provisions | | |
| Provision for Employee Benefits | | |
| - Gratuity (refer note 38) | 150.79 | 44.68 |
| - Compensated Absences | 342.85 | 155.92 |
| Provision on non-fund exposure | | |
| - Impairment loss allowance for guarantees and undrawn loans | 14.35 | 52.37 |
| | 507.99 | 252.97 |
| 20 Other non financial liabilities | | |
| Statutory dues payable | 376.92 | 465.66 |
| | 376.92 | 465.66 |



Vivriti Capital Private Limited

Notes to the Consolidated Financial Statements for the year ended 31 March 2023

(All amounts are in Rupees lakhs, unless stated otherwise)

| Particulars | As at | |
|-------------------------------------------------------------------------------------------------------------|-----------------|-----------------|
| | 31 March 2023 | 31 March 2022 |
| 21 Equity share capital | | |
| Authorised | | |
| 26,000,000 (As at 31 March 2022: 20,900,000 shares) Equity Shares of Rs 10 each | 2,600.00 | 2,090.00 |
| | 2,600.00 | 2,090.00 |
| Issued, subscribed and fully paid up | | |
| 21,575,735 (As at 31 March 2022: 16,326,754 shares) Equity shares of Rs. 10 each | 2,155.47 | 1,632.67 |
| 21,053 (As at 31 March 2022: Nil) partly paid equity shares of Rs. 10 each (Amount paid up Rs. 5 per share) | 1.05 | - |
| Less: Shares held under Vivriti ESOP Trust | (448.40) | (380.43) |
| | 1,708.12 | 1,252.24 |

A. Reconciliation of number of equity shares outstanding at the beginning and at the end of the reporting period

| Particulars | As at 31 March 2023 | | As at 31 March 2022 | |
|----------------------------------|---------------------|-----------------|---------------------|-----------------|
| | Number | Amount | Number | Amount |
| As at the beginning of the year | 16,326,754 | 1,632.67 | 15,641,010 | 1,564.10 |
| Issued during the year | 1,021,153 | 101.06 | 685,744 | 68.57 |
| Conversion from OCRPS | 4,227,828 | 422.78 | - | - |
| As at the end of the year | 21,575,735 | 2,156.51 | 16,326,754 | 1,632.67 |

Equity shares held by the trust

| Particulars | As at 31 March 2023 | | As at 31 March 2022 | |
|----------------------------------|---------------------|---------------|---------------------|---------------|
| | Number | Amount | Number | Amount |
| As at the beginning of the year | 3,804,325 | 380.43 | 4,177,060 | 417.71 |
| Issued during the year | 1,000,000 | 100.00 | - | - |
| Transferred during the year | (320,360) | (32.04) | (372,735) | (37.27) |
| As at the end of the year | 4,483,965 | 448.40 | 3,804,325 | 380.43 |

B. Details of equity shareholders holding more than 5 percent shares in the Company are given below:

| Particulars | As at 31 March 2023 | | As at 31 March 2022 | |
|--------------------|---------------------|--------|---------------------|--------|
| | Number | % | Number | % |
| Vineet Sukumar | 6,737,840 | 31.23% | 4,900,000 | 30.01% |
| Gaurav Kumar | 6,632,577 | 30.74% | 4,900,000 | 30.01% |
| Vivriti ESOP Trust | 4,483,965 | 20.78% | 3,934,425 | 24.10% |

C. Details of equity shares held by the promoter at the end of the year

| Particulars | As at 31 March 2023 | | As at 31 March 2022 | |
|----------------|---------------------|--------|---------------------|--------|
| | Number | % | Number | % |
| Vineet Sukumar | 6,737,840 | 31.23% | 4,900,000 | 30.01% |
| Gaurav Kumar | 6,632,577 | 30.74% | 4,900,000 | 30.01% |

As per records of the Company, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.

D. Terms/Rights attached to equity shares:

The Company has a single class of equity shares. Accordingly, all equity shares rank equally with regard to dividends and share in the Company's residual assets. The equity shares are entitled to receive dividend as declared from time to time subject to payment of dividend to preference shareholders. Dividend proposed by the board of directors, if any, is subject to the approval of the shareholders at the Annual General Meeting, except in the case of interim dividend.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.



Vivriti Capital Private Limited

Notes to the Consolidated Financial Statements for the year ended 31 March 2023

(All amounts are in Rupees lakhs, unless stated otherwise)

| Particulars | As at 31 March 2023 | As at 31 March 2022 |
|------------------------------------------------------------------------------------------------------------------|------------------------|------------------------|
| 21A Convertible preference share capital | | |
| Authorised | | |
| 90,637,063 (As at 31 March 2022: 87,937,063) Compulsorily Convertible Preference Shares of Rs. 10 each | 9,063.71 | 8,793.71 |
| 850,000 (As at 31 March 2022: 850,000 shares) Optionally Convertible Redeemable Preference Shares of Rs. 60 each | 510.00 | 510.00 |
| | 9,573.71 | 9,303.71 |
| Issued, subscribed and fully paid up | | |
| 90,021,966 (As at 31 March 2022: 87,310,410) 0.001% Compulsorily Convertible Preference Shares of Rs. 10 each | 9,002.20 | 8,731.04 |
| Issued, subscribed and partially paid up | | |
| NIL (As at 31 March 2022: 811,402 of Re. 1 each paid up) Optionally Convertible Redeemable Preference shares | - | 8.11 |
| | 9,002.20 | 8,739.15 |

A. Reconciliation of number of convertible preference shares outstanding at the beginning and at the end of the reporting period

i. Compulsorily convertible preference shares

| Particulars | As at 31 March 2023 | | As at 31 March 2022 | |
|----------------------------------|---------------------|-----------------|----------------------|-----------------|
| | Number | Amount | Number | Amount |
| As at the beginning of the year | 87,310,410 | 8,731.04 | 83,420,634.00 | 8,342.06 |
| Issued during the year | 2,711,556 | 271.16 | 3,889,776.00 | 388.98 |
| As at the end of the year | 90,021,966 | 9,002.20 | 87,310,410.00 | 8,731.04 |

ii. Optionally convertible redeemable preference shares

| Particulars | As at 31 March 2023 | | As at 31 March 2022 | |
|------------------------------------------------|---------------------|----------|---------------------|-------------|
| | Number | Amount | Number | Amount |
| As at the beginning of the year | 811,402 | 8.11 | 811,402 | 8.11 |
| Receipt of balance subscription price of OCRPS | - | 478.73 | - | - |
| Issued during the year | (811,402) | (486.84) | - | - |
| As at the end of the year | - | - | 811,402 | 8.11 |

B. Details of convertible preference shareholders holding more than 5 percent shares in the Company are given below:

i. Compulsorily convertible preference shares

| Particulars | As at 31 March 2023 | | As at 31 March 2022 | |
|-----------------------------------------------------------------------------------|---------------------|--------|---------------------|--------|
| | Number | % | Number | % |
| Creation Investments LLC | 64,124,177 | 71.23% | 64,124,177 | 73.44% |
| Lightrock Growth Fund I S.A (Formerly known as Lightstone Fund SA) | 11,593,166 | 12.88% | 11,593,166 | 13.28% |
| Financial Investments SPC (affiliate of Lightrock Growth Fund I S.A., SICAV-RAIF) | 11,593,067 | 12.88% | 11,593,067 | 13.28% |

ii. Optionally convertible redeemable preference shares

| Particulars | As at 31 March 2023 | | As at 31 March 2022 | |
|----------------|---------------------|---|---------------------|--------|
| | Number | % | Number | % |
| Vineet Sukumar | - | - | 405,701.00 | 50.00% |
| Gaurav Kumar | - | - | 405,701.00 | 50.00% |



| Particulars | As at | | As at | |
|-------------|---------------|--|---------------|--|
| | 31 March 2023 | | 31 March 2022 | |

C. Details of convertible preference shares held by the promoters at the beginning and at end of the reporting period

i. Compulsorily convertible preference shares

Promoters do not hold any compulsorily convertible preference shares.

ii. Optionally convertible redeemable preference shares

| Particulars | As at 31 March 2023 | | As at 31 March 2022 | |
|----------------|---------------------|---|---------------------|--------|
| | Number | % | Number | % |
| Vineet Sukumar | - | - | 405,701 | 50.00% |
| Gaurav Kumar | - | - | 405,701 | 50.00% |

D. Terms/rights attached to convertible preference shares

i. Compulsorily convertible preference shares

During the year, the Company has issued 2,711,556 (March 2022: 3,889,776), 0.001% Compulsorily Convertible Preference Shares ("CCPS") of face value Rs. 10/- aggregating Rs.271.16 Lakhs (March 2022: 388.98 Lakhs) which are convertible into equity shares at the option of CCPS holder during the conversion period.

Conversion of CCPS into equity shares will be as per the respective shareholders agreement and are treated pari-passu with equity shares on all voting rights. The CCPS if not converted by the preference shareholders shall be compulsorily converted into equity shares upon any of the following events:

- In connection with an IPO, immediately prior to the filing of red herring prospectus (or equivalent document, by whatever name called) with the competent authority or such later date as may be permitted under applicable law at the relevant time; and
- By delivering a Conversion Notice at any time during the relevant Conversion Period as per the respective shareholders agreement.

The CCPS holders have a right to receive dividend, prior to the Equity shareholders and will be cumulative if preference dividend is not declared or paid in any year.

Lightstone Fund SA has changed its name to Lightrock Growth Fund I S.A., SICAV-RAIF, with effective from March 9, 2021.LR India Holdings Ltd. has changed its name to LR India Fund I S.à r.l., SICAV-RAIF., with effective from June 01, 2022.

ii. Optionally convertible redeemable preference shares ('OCRPS')

The right to convert OCRPS shall be exercisable by the holder at any time during the Conversion Period by delivering to the Company a notice in writing, subject to payment of balance subscription price.

The OCRPS, shall be entitled to divided equivalent to 0.001% per annum of the paid-up portion of such OCRPS.

The OCRPS shall not carry any voting rights, until such OCRPS is converted into Equity Share(s) in accordance with the terms of the OCRPS.

During the year, the Company received the balance subscription price of these 811,402 OCRPS of face value INR 60 per share and converted these OCRPS into 4,227,828 equity shares of INR 10 per share ranking pari passu with existing fully paid-up equity shares of the Company.



Vivriti Capital Private Limited
Notes to the Consolidated Financial Statements for the year ended 31 March 2023
(All amounts are in Rupees lakhs, unless stated otherwise)

| Particulars | As at 31 March 2023 | As at 31 March 2022 |
|------------------------------------------------------------------------------------------|------------------------|------------------------|
| 22 Other Equity | | |
| Statutory reserve | 4,775.83 | 2,189.88 |
| Share options outstanding account | 2,144.92 | 712.91 |
| Securities premium | 123,097.34 | 100,656.35 |
| Other comprehensive income | (666.29) | 45.82 |
| Retained earnings | 140,297.70 | 155,093.09 |
| | 269,649.50 | 258,698.05 |
| i Statutory reserve | | |
| Balance at the beginning of the year | 2,189.88 | 842.48 |
| Add: Transfer from retained earnings | 2,585.95 | 1,347.40 |
| Balance at the end of the year | 4,775.83 | 2,189.88 |
| ii. Employee stock options outstanding account | | |
| Balance at the beginning of the year | 712.91 | 399.71 |
| Add: Share based payment expenses incurred during the year | 1,402.22 | 238.63 |
| Add: Stock compensation expenses - recoverable from associate | 29.79 | 74.57 |
| Balance at the end of the year | 2,144.92 | 712.91 |
| iii. Securities premium | | |
| Balance at the beginning of the year | 100,656.35 | 66,058.80 |
| Add: Premium on shares issued during the year | 30,271.04 | 33,094.20 |
| Add: Premium on receipt of balance subscription and conversion of OCRPS to equity shares | 986.29 | - |
| Less: Utilised during the year for share issue expenses | (766.34) | (9.78) |
| Less: Amount recoverable from VAM ESOP Trust | - | (660.00) |
| Less: Premium on shares held under Vivriti ESOP Trust | (8,050.00) | - |
| Add: Premium on issue of shares in lieu of cash remuneration | - | 2,173.13 |
| Balance at the end of the year | 123,097.34 | 100,656.35 |
| iv Other Comprehensive Income | | |
| Balance at the beginning of the year | 45.82 | 135.47 |
| Add/ (Less) : Fairvaluation of investment in debt instruments (net) | (475.00) | 255.58 |
| Add/ (Less) : Cash flow hedge reserve | (8.76) | (324.77) |
| Share of other comprehensive loss post tax from associate | (228.36) | (20.46) |
| Balance at the end of the year | (666.29) | 45.82 |
| v Retained earnings | | |
| Balance at the beginning of the year | 155,093.09 | 1,118.88 |
| Add : Profit/ (Loss) for the year | (12,176.85) | 155,326.65 |
| Add/ (Less) : Remeasurement of net defined benefit liability | (32.59) | (5.04) |
| Less: Transfer to Statutory reserve | (2,585.95) | (1,347.40) |
| Balance at the end of the year | 140,297.70 | 155,093.09 |
| <i>Also refer Note 37</i> | | |
| vi Non-controlling interests | | |
| Balance at the beginning of the year | 4,691.97 | - |
| Non-controlling interest on issue of shares | 938.56 | 4,691.97 |
| Share of profit | 7.28 | - |
| Share of Other Comprehensive income | (2.31) | - |
| Balance at the end of the year | 5,635.50 | 4,691.97 |

Details of Non-Controlling Interests

| Name of the subsidiary | Proportion of ownership interests and voting rights held by Non-Controlling Interests | |
|------------------------------------------|---------------------------------------------------------------------------------------|---------------|
| | 31 March 2023 | 31 March 2022 |
| Vivriti Asset Management Private Limited | 24.46% | 24.46% |



Vivriti Capital Private Limited

Notes to the Consolidated Financial Statements for the year ended 31 March 2023

(All amounts are in Rupees lakhs, unless stated otherwise)

Statutory Reserve u/s. 45-IA of the Reserve Bank of India Act, 1934 ("the RBI Act, 1934")

Reserve u/s. 45-IA of RBI Act, 1934 is created in accordance with section 45 IC(1) of the RBI Act, 1934. As per Section 45 IC(2) of the RBI Act, 1934, no appropriation of any sum from this reserve fund shall be made by the non-banking financial company except for the purpose as may be specified by RBI.

Securities premium

Securities premium is used to record the premium on issue of shares. The reserve can be utilised only for limited purposes such as issue bonus shares, to provide for premium on redemption of shares or debentures, write-off equity related expenses like underwriting costs, etc in accordance with the provisions of the Companies Act, 2013.

Employee stock option outstanding account

The Company has stock option schemes under which options to subscribe for the Company's shares have been granted to eligible employees and key management personnel. The share-based payment reserve is used to recognise the value of equity-settled share-based payments.

Other comprehensive income

a. The Company has elected to recognise changes in the fair value of investments in other comprehensive income. These changes are accumulated within the FVOCI - loans and advances reserve within equity.

b. The Company has applied hedge accounting 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 as cash flow hedge reserve.

Retained earnings

Surplus in the statement of profit and loss is the accumulated available profit of the Company carried forward from earlier years. This reserve is free reserves which can be utilised for any purpose as may be required.



Vivriti Capital Private Limited
Notes to the Consolidated Financial Statements for the year ended 31 March 2023
(All amounts are in Rupees lakhs, unless stated otherwise)

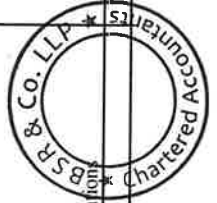
23 Additional information as required by paragraph 2 of the general instructions for preparation of consolidated financial statements to schedule III to the companies act, 2013 as at and for the year ended 31 March 2023 and 31 March 2022

As at 31 March 2023

| Name of the entities | Net Assets (i.e. total assets less total liabilities) | | Share in profit and loss | | Other comprehensive income | | Total comprehensive income | |
|---------------------------------------------------------------------------------|-------------------------------------------------------|-------------------|--------------------------------------|--------------------|-------------------------------------------------|-----------------|-------------------------------------------------|--------------------|
| | As % of consolidated net assets | Amount | As % of consolidated profit and loss | Amount | As % of consolidated other comprehensive income | Amount | As % of consolidated total comprehensive income | Amount |
| (i) Parent Vivriti Capital Private Limited | 54.71% | 156,474.55 | -106.25% | 12,929.75 | 68.17% | (509.22) | -96.16% | 12,420.53 |
| (ii) Subsidiaries Vivriti Asset Management Private Limited | 4.35% | 12,439.12 | -0.14% | 16.65 | 0.64% | (4.75) | -0.09% | 11.90 |
| (iii) Associates (Investment as per equity method) Credavenu Private Limited | 45.39% | 129,824.30 | 207.68% | (25,274.09) | 30.57% | (228.36) | 197.44% | (25,502.45) |
| Non-controlling interests in subsidiaries | 1.97% | 5,635.50 | -0.06% | 7.28 | 0.31% | (2.31) | -0.04% | 4.97 |
| Less: Effect of Intercompany adjustments/ eliminations | -6.43% | (18,378.15) | -1.24% | 150.84 | 0.32% | (2.37) | -1.15% | 148.47 |
| Total | 100.00% | 285,995.32 | 100.00% | (12,169.57) | 100.00% | (747.01) | 100.00% | (12,916.58) |

As at 31 March 2022

| Name of the entities | Net Assets (i.e. total assets less total liabilities) | | Share in profit and loss | | Other comprehensive income | | Total comprehensive income | |
|---------------------------------------------------------------------------------|-------------------------------------------------------|-------------------|--------------------------------------|-------------------|-------------------------------------------------|----------------|-------------------------------------------------|-------------------|
| | As % of consolidated net assets | Amount | As % of consolidated profit and loss | Amount | As % of consolidated other comprehensive income | Amount | As % of consolidated total comprehensive income | Amount |
| (i) Parent Vivriti Capital Private Limited | 43.75% | 119,614.66 | 4.34% | 6,736.98 | 75.04% | (71.05) | 4.29% | 6,665.93 |
| (ii) Subsidiaries Vivriti Asset Management Private Limited | 3.42% | 9,347.98 | -1.66% | (2,582.82) | 4.49% | (4.25) | -1.67% | (2,587.07) |
| (iii) Associates (Investment as per equity method) Credavenu Private Limited | 57.05% | 155,964.61 | 97.63% | 151,649.93 | 21.60% | (20.46) | 97.68% | 151,629.48 |
| Non-controlling interests in subsidiaries | 1.72% | 4,691.97 | 0.00% | - | 0.00% | - | 0.00% | - |
| Less: Effect of Intercompany adjustments/ eliminations | -5.94% | (16,237.82) | -0.31% | (477.45) | -1.13% | 1.07 | 0.00% | (476.38) |
| Total | 100.00% | 273,381.41 | 100.00% | 155,326.64 | 100.00% | (94.69) | 100.00% | 155,231.96 |



Vivriti Capital Private Limited
Notes to the Consolidated Financial Statements for the year ended 31 March 2023
(All amounts are in Rupees lakhs, unless stated otherwise)

24 Interest income

| | Year ended 31 March 2023 | | | |
|----------------------------------|---------------------------------|-----------------|-------|------------------|
| | On financial assets measured at | | | |
| | Amortised cost | FVOCI | FVTPL | Total |
| Interest on loans | 50,984.90 | - | - | 50,984.90 |
| Interest income from investments | 4,512.87 | 3,998.24 | - | 8,511.11 |
| Interest on deposits | 1,349.00 | - | - | 1,349.00 |
| | 56,846.77 | 3,998.24 | - | 60,845.01 |

| | Year ended 31 March 2022 | | | |
|----------------------------------|---------------------------------|-----------------|-------|------------------|
| | On financial assets measured at | | | |
| | Amortised cost | FVOCI | FVTPL | Total |
| Interest on loans | 28,879.51 | - | - | 28,879.51 |
| Interest income from investments | 1,713.68 | 1,913.55 | - | 3,627.23 |
| Interest on deposits | 445.98 | - | - | 445.98 |
| | 31,039.17 | 1,913.55 | - | 32,952.72 |

| | Year ended 31 March 2023 | Year ended 31 March 2022 |
|--------------------------------------------------------------------------------------|-----------------------------|-----------------------------|
| 25 Fee and commission income | | |
| Fee and commission income | 4,172.71 | 1,825.87 |
| Platform fees | - | 4,883.64 |
| | 4,172.71 | 6,709.51 |
| 25.1 Net gain on derecognition of financial instruments | | |
| Net gain on derecognition of financial instruments | 104.70 | 44.08 |
| | 104.70 | 44.08 |
| 26 Net gain on fair value changes | | |
| Net gain on financial instruments at fair value through profit or loss | | |
| On alternative investment funds | 2,755.74 | 707.30 |
| On mutual funds investments | 874.00 | 73.80 |
| Profit on sale of investments in NCD and PTC | 55.50 | 9.42 |
| | 3,685.24 | 790.52 |
| Fair value changes | | |
| - Realised | 2,751.13 | 487.08 |
| - Unrelaised | 934.11 | 303.44 |
| | 3,685.24 | 790.52 |
| 27 Other income | | |
| Gain on sale of shares in associate company | 1,025.52 | - |
| Gain on sale of property, plant and equipments | 6.49 | 299.87 |
| Gain on termination of finance leases | - | 143.22 |
| Interest on rental deposit | 17.65 | 1.95 |
| Interest on income tax refund | 35.98 | - |
| Reimbursement of expenses | 59.44 | 10.38 |
| Rental income | 21.21 | 94.83 |
| | 1,166.29 | 550.25 |
| 28 Gain on loss /dilution of control | | |
| Gain on loss /dilution of control in Credavenue Private Limited (also refer note 37) | 384.58 | 200,680.31 |
| | 384.58 | 200,680.31 |
| 29 Finance costs | | |
| <i>Finance costs on financial liabilities measured at amortised cost</i> | | |
| Interest on borrowings | | |
| - Term loans from banks and others | 25,122.10 | 13,303.39 |
| - Overdrafts and Cash credits | 431.65 | 498.88 |
| Interest on debt securities | 12,598.11 | 5,931.50 |
| Interest on lease liability | 214.58 | 175.67 |
| Interest on rental deposit | 59.09 | 21.90 |
| | 38,425.53 | 19,931.34 |



Vivriti Capital Private Limited
Notes to the Consolidated Financial Statements for the year ended 31 March 2023
(All amounts are in Rupees lakhs, unless stated otherwise)

| | Year ended 31 March 2023 | Year ended 31 March 2022 |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------|-----------------------------|
| 30 Impairment on financial instruments | | |
| Impairment loss allowance on | | |
| - Loans | 804.96 | 1,236.37 |
| - Investments | 146.06 | 256.94 |
| - Guarantees | 4.00 | 41.12 |
| - Trade receivables | | |
| Write off on | | |
| - Loans | - | - |
| - Investments | - | - |
| - Guarantees | - | - |
| Less: Recovery | - | - |
| | 917.00 | 1,462.38 |
| 31 Employee benefit expenses | | |
| Salaries and bonus | 5,333.23 | 6,056.63 |
| Contribution to provident and other funds | 231.84 | 152.90 |
| Share based payments to employees | 1,395.85 | 245.02 |
| Staff welfare expenses | 441.26 | 175.81 |
| Gratuity expenses | 78.43 | 43.03 |
| | 7,480.61 | 6,673.39 |
| 32 Depreciation and amortisation expense | | |
| Depreciation on property, plant and equipment | 308.78 | 316.95 |
| Depreciation on right of use assets | 424.82 | 409.81 |
| Amortisation of intangible assets | 121.12 | 121.12 |
| Depreciation on investment property | 15.77 | |
| | 870.49 | 847.88 |
| 33 Other Expenses | | |
| Information technology Cost | 504.56 | 633.21 |
| Distribution expenses | 251.44 | 1,162.45 |
| Maintenances of premises | 297.98 | 162.83 |
| Administrative expenses | 45.12 | 14.99 |
| Legal and professional expenses (refer note 33.2) | 1,454.40 | 1,160.92 |
| Advertisement expenses | 417.09 | - |
| Auditor's remuneration (refer note 33.1) | 134.80 | 76.50 |
| Communication expenses | 36.64 | 34.89 |
| Director sitting fees | 37.43 | 33.80 |
| Expenditure on corporate social responsibility (refer note 33.3) | 93.34 | 38.00 |
| Insurance | 249.18 | 131.62 |
| Rates and taxes | 104.54 | 76.30 |
| Recruitment related fees | 245.64 | 235.58 |
| Subscription expenses | 30.57 | 17.72 |
| Travelling expenses | 416.86 | 248.95 |
| Rent | 212.30 | 26.36 |
| Loss on sale of investments | - | 7.96 |
| Miscellaneous expenses | 341.65 | 521.42 |
| | 4,873.54 | 4,583.49 |
| 33.1 Auditors' Remuneration | | |
| Statutory audit including limited review | 120.00 | 73.00 |
| Other services and reimbursement of expenses | 14.80 | 3.50 |
| | 134.80 | 76.50 |
| 33.2 Stock compensation expenses | | |
| Professional fees for year ended 31 March 2022 includes share based payment of INR 407.50 lakhs to one advisor by allotment of Series 1C shares in May 2021 considering the fair value on the date of such allotment. | | |



Vivriti Capital Private Limited**Notes to the Consolidated Financial Statements for the year ended 31 March 2023***(All amounts are in Rupees lakhs, unless stated otherwise)*

| | Year ended 31 March 2023 | Year ended 31 March 2022 |
|-----------------------------------------------------------------------------|-----------------------------|-----------------------------|
| 33.3 Details of expenditure on corporate social responsibility (CSR) | | |
| (a) Gross amount required to be spent by the Company during the year | 93.34 | 37.94 |
| (b) Amount approved by the Board to be spent during the year | 93.34 | 38.00 |
| (c) Amount spent during the year (in cash): | | |
| (i) Construction/ acquisition of any asset | - | - |
| (ii) On purposes other than (i) above | 93.34 | 44.00 |
| (d) Contribution to related parties | - | - |
| (e) Excess amount spent / Shortfall | - | (6.06) |
| | As at | As at |
| | 31 March 2023 | 31 March 2022 |
| Opening balance | (6.06) | (6.06) |
| Amount required to be spent during the year | 93.34 | - |
| Amount spent during the year | (93.34) | - |
| Closing balance to be spent | (6.06) | (6.06) |

Nature of CSR activities

During the year, the Company had transferred the CSR amounts to IITM Incubation Cell towards promoting education and to Environmental Foundation of India towards environmental sustainability activities covered under Schedule VII of the Act.

34 Exceptional item

| | | |
|----------------------------|---|-----------------|
| Stock compensation expense | - | 2,173.13 |
| | - | 2,173.13 |

Note:

The Subsidiary Company allotted 4,470,532 equity shares on 14 March 2022 to Vineet Sukumar and Gaurav Kumar (2,235,266 each), promoters of the subsidiary in lieu of part of cash remuneration, to compensate them for their valuable professional contribution and domain expertise to the growth of the business carried by the subsidiary. The aforesaid shares were issued at a price of INR 27 per share. The said issuance was carried out based on a valuation report (as at 31 December 2021) dated 25 January 2022 from a registered valuer and a fairness opinion dated 27 January 2022 from another independent chartered accountant firm on the aforesaid valuation report.

During the year ended 31 March 2022, the subsidiary had granted stock options under the Employee Stock Option Scheme (grant date of 28 February 2022) to its employees and was also in discussion with various external investors for its first round of fund raising. In this connection, subsequently, the subsidiary obtained a valuation report (as at 31 January 2022) dated 16 March 2022 from another registered valuer / merchant banker with value of INR 75.61 per share. Such valuation report was considered for its option valuation.

The Subsidiary has recorded the difference between the fair value of the shares of INR 75.61 per share and the issue price of INR 27 per share as stock compensation expense during the year and has presented it as an exceptional item in the Statement of profit and loss. Further, during the current year, the subsidiary company remitted the withholding tax pertaining to the stock compensation expense and the promoters have reimbursed the same to the subsidiary company.



Vivriti Capital Private Limited
Notes to the Consolidated Financial Statements for the year ended 31 March 2023
(All amounts are in Rupees lakhs, unless stated otherwise)

35 Income tax

The component of income tax expenses:

| | Year ended 31 March 2023 | Year ended 31 March 2022 |
|----------------------------------------------------------------------------|-----------------------------|-----------------------------|
| Current tax | 4,572.81 | 1,882.70 |
| Deferred tax relating to origination and reversal of temporary differences | (270.55) | 46,264.11 |
| | 4,302.26 | 48,146.81 |

35.1 Reconciliation of total tax expenses

The tax charge shown in the statement of profit and loss differs from the tax charge that would apply if all profits had been charged at India corporate tax rate. A reconciliation between the tax expense and the accounting profit multiplied by India's domestic tax rate for the years March 31, 2023 and 2022 are, as follows:

| | | |
|-------------------------------------------------------------------------------------------------------------------------------|-----------------|------------------|
| Accounting profit before tax | 17,791.36 | 208,229.13 |
| Applicable tax rate | 25.17% | 25.17% |
| Computed tax expense | 4,478.09 | 52,411.27 |
| Tax effect of: | | |
| Permanent differences | 23.49 | 45.65 |
| Items with different tax rates | (20.92) | - |
| Others | (1.99) | - |
| Income tax expense recognised in statement of profit and loss excluding change in estimates relating to previous years | 4,478.67 | 52,456.92 |
| Effective tax rate | 25.17% | 25.19% |

35.2 Deferred tax

The following table shows deferred tax recorded in the balance sheet and changes recorded in the income tax expenses

| Components of deferred tax asset (liability) | As at 31 March 2022 | Statement of profit and loss | Other comprehensive income | Derecognition on account of loss of control | As at 31 March 2023 |
|--------------------------------------------------|------------------------|---------------------------------|----------------------------------|---------------------------------------------------|------------------------|
| Deferred tax asset/ (liability) in relation to - | | | | | |
| Property, plant and equipments | (10.52) | (22.78) | - | - | (33.30) |
| Impairment on financial assets | 724.85 | 24.57 | - | - | 749.42 |
| Provision for employee benefits | 147.92 | 198.67 | (6.20) | - | 340.39 |
| Unamortised processing fee income (net) | (339.04) | 53.81 | - | - | (285.23) |
| Others | 98.33 | 416.43 | (162.70) | - | 352.07 |
| Business Loss | 324.59 | 31.99 | - | - | 356.58 |
| Gain on loss / dilution of control | (46,015.13) | (91.99) | - | - | (46,107.12) |
| | (45,069.01) | 610.70 | (168.90) | - | (44,627.20) |

| Components of deferred tax asset (liability) | As at 31 March 2021 | Statement of profit and loss | Other comprehensive income | Derecognition on account of loss of control | As at 31 March 2022 |
|--------------------------------------------------|------------------------|---------------------------------|----------------------------------|---------------------------------------------------|------------------------|
| Deferred tax asset/ (liability) in relation to - | | | | | |
| Property, plant and equipments | 36.91 | (254.73) | - | 207.29 | (10.52) |
| Impairment on financial assets | 534.82 | 190.03 | - | - | 724.85 |
| Provision for employee benefits | 321.88 | 208.99 | 0.63 | (383.58) | 147.92 |
| Unamortised processing fee income (net) | 300.36 | (639.40) | - | - | (339.04) |
| Others | 40.68 | 108.10 | 23.27 | (73.72) | 98.33 |
| Business Loss | 186.55 | 138.03 | - | - | 324.59 |
| Gain on loss / dilution of control | - | (46,015.13) | - | - | (46,015.13) |
| | 1,421.21 | (46,264.11) | 23.90 | (250.00) | (45,069.01) |

36 Earnings per share

| | Year ended 31 March 2023 | Year ended 31 March 2022 |
|-----------------------------------------------------------------------------------------------------|-----------------------------|-----------------------------|
| Net (loss) / profit after tax for the year | (12,169.57) | 155,326.65 |
| Weighted average number of equity shares outstanding during the year for calculation of basic EPS | 16,772,776 | 12,485,534 |
| Effect of dilutive potential equity shares: | | |
| Convertible preference shares | 76,796,265 | 71,402,633 |
| Employee stock options | 2,311,856 | 2,909,817 |
| Weighted average number of equity shares outstanding during the year for calculation of diluted EPS | 95,880,897 | 86,797,984 |
| Face value per share | 10.00 | 10.00 |
| Earnings per share (in Rs.) | | |
| - Basic | (72.56) | 1,244.05 |
| - Diluted | (72.56) | 178.95 |



37 Change in ownership interests in Credavenue Private Limited (CAPL)

A Shareholder related transactions

On 12 August 2021, the Company had received an offer for subscribing to the rights issue of 13,336,000 equity shares of its then wholly owned subsidiary "Credavenue Private Limited" ("CAPL") at an issue price of INR 15 per share. The management of CAPL had obtained a fair valuation report from a registered valuer with value of INR 15 per share and a fairness opinion from another independent chartered accountant firm on the aforesaid report.

In view of its strategic outlook and regulatory aspects, the Company did not seek to subscribe to such rights and renounced the rights entitlement on the aforesaid date in favor of the promoters in their capacity as founder shareholders of the Company ("Founder shareholders") without any consideration (to be received by VCPL) for the rights renunciation. This has been approved / ratified subsequently by the Board of directors including the investor shareholders of the Company.

Subsequently, on 13 August 2021, the founder shareholders subscribed to the rights issue of equity shares of CAPL and consequently, the holding in CAPL reduced from 100% to 80%.

During the same time, CAPL was also in discussion with various external investors for its first round of fund raising and subsequently, during September 2021, concluded the fund raise through issue of Series A CCPS at an issue price of INR 351 per share (also refer note B

The Company has evaluated the aforesaid shareholder transactions forming part of equity and believes that there are no material financial reporting / tax implications arising therefrom.

B Loss / Dilution of control

Consequent to the Series A funding in CAPL and on basis the shareholders' agreement dated 20 September 2021, VCPL did not retain control over CAPL and CAPL became an associate. As a result, VCPL's shareholding in CAPL on a fully diluted basis, reduced to 58.33%. In the consolidated financial results, considering the loss of control, the Company has fair valued its investment in CAPL in accordance with Ind AS 110 – 'Consolidated Financial Statements' and accordingly an amount of INR 170,534 lakhs was recorded as gain on loss of control.

Further, pursuant to the subsequent funding arrangements in March 2022, VCPL's shareholding on a fully diluted basis, has further reduced to 50.52% as at 31 March 2022 and an incremental amount of INR 28,948 lakhs was recorded as dilution gain. Thus the aggregate gain on loss / dilution of control recorded in the year ended 31 March 2022 is INR 200,680 lakhs. During the current year an incremental amount of INR 384.58 lakhs has been recorded as dilution gain for further reduction in holding from 50.52% to 50.45%. The resultant deferred tax charge on aforesaid gains has been created aggregating to INR 46,287 lakhs.

Further, during the current year, pursuant to further issuance of shares by CAPL and sale of 151,526 CAPL shares by VCPL, the shareholding of VCPL in CAPL stands at 50.30% as at 31 March 2023

Up to September 2021, the Company has consolidated CAPL on a line-by-line consolidation basis and thereafter accounted on an equity method basis with effect from date of loss of control.

37.1 Investment in Associate

- (i) Below is the Associate Company of the Group which, in the opinion of the Management, is material to the Group which has been accounted as per Equity Method of Accounting.

| Particulars | As at | | | |
|-----------------------------|-------------------|-------------------|-------------------|-------------------|
| | 31 March 2023 | | 31 March 2022 | |
| | No. of shares | Amount | No. of shares | Amount |
| Credavenue Private Limited | 49,858,474 | 175,781.30 | 50,010,000 | 201,880.27 |
| Total Carrying value | 49,858,474 | 175,781.30 | 50,010,000 | 201,880.27 |

| Particulars | Principal place of business | Proportion of ownership's interest | |
|----------------------------|-----------------------------|------------------------------------|---------------|
| | | As at | |
| | | 31 March 2023 | 31 March 2022 |
| Credavenue Private Limited | India | 50.30% | 50.52% |



Vivriti Capital Private Limited**Notes to the Consolidated Financial Statements for the year ended 31 March 2023***(All amounts are in Rupees lakhs, unless stated otherwise)***Principal activities of the business:**

Credavenue Private Limited is financial-technology company that through its online platform supports corporate borrowers and debt investors to interact transparently and efficiently. The Company delivers an integrated enterprise debt platform and a one stop solution for prospecting, evaluating, executing and monitoring debt through a dynamic credit underwriting engine that uses cutting-edge data analytics to facilitate credit decision making.

(ii) Summarised financial information of Associate company

The summarised financial information given below represents amount shown in the Associate's consolidated financial statements prepared in accordance with Ind AS adjusted by the Group for equity accounting purposes.

| Particulars | As at | |
|-------------------------|---------------|---------------|
| | 31 March 2023 | 31 March 2022 |
| Non-current assets | 61,251.69 | 30,725.53 |
| Current assets | 112,949.87 | 160,542.77 |
| Non-current liabilities | 28,133.12 | 15,836.69 |
| Current liabilities | 14,778.74 | 6,468.32 |

| Particulars | For the year ended | |
|----------------------------|--------------------|---------------|
| | 31 March 2023 | 31 March 2022 |
| Revenue | 32,691.26 | 16,564.94 |
| Loss for the year | (51,011.27) | (5,741.49) |
| Other Comprehensive income | (454.00) | (40.49) |
| Total Comprehensive income | (51,465.27) | (5,781.98) |

(iii) Reconciliation of the above summarised financial information to the carrying amount of the interest in Credavenue Private Limited (CAPL) recognised in consolidated financial statements is given below:

| Particulars | As at | |
|---------------------------------------------------------------------------|-------------------|-------------------|
| | 31 March 2023 | 31 March 2022 |
| Net assets of CAPL | 131,289.70 | 168,963.29 |
| Proportion of the Group's ownership interest in CAPL | 50.30% | 50.52% |
| Group's ownership interest in CAPL | 66,038.72 | 85,360.25 |
| Adjustment on account of loss/dilution of control as referred in note 37B | 109,742.58 | 116,520.02 |
| Carrying amount of the Group's interest in CAPL | 175,781.30 | 201,880.27 |

(iv) Commitments and Contingent Liabilities in respect of Associate Company

| Particulars | As at | |
|-----------------------------------------------------------------------------------------------------------|---------------|---------------|
| | 31 March 2023 | 31 March 2022 |
| Group Share in Commitments in respect of Associate Companies not being included in Note No. 42 | - | - |
| Group Share in Contingent Liabilities in respect of Associate Companies not being included in Note No. 42 | - | - |



38 Employee benefits

38.1 Defined contribution plan

The Group makes specified monthly contributions towards employee provident fund to Government administered provident fund scheme which is a defined contribution plan. The Group's contribution is recognized as an expenses in the statement of profit and loss during the period in which the employee renders the related service. The Group has recognised INR 270.91 Lakhs (As at 31 March 2022 : INR 152.90 Lakhs) as contribution to provident fund in the statement of profit and loss account.

38.2 Defined benefit plans

The Group's gratuity benefit scheme is a defined benefit plan. The Group's net obligation in respect of a defined benefit plan is calculated by estimating the amount of future benefit that employees have earned in return for their services in the current and prior periods; that benefit is discounted to determine its present value. Any unrecognised past services and the fair value of any plan assets are deducted. The Calculation of the Group's obligation under the plan is performed annually by a qualified actuary using the projected unit credit method.

Risks associated with defined benefit plan

Gratuity is a defined benefit plan and Group is exposed to the following risks:

Interest rate risk: A fall in the discount rate, which is linked to the Government Securities rate, will increase the present value of the liability requiring higher provision. A fall in the discount rate generally increases the mark to market value of the assets depending on the duration of asset.

Salary Risk: The present value of the defined benefit plan liability is calculated by reference to the future salaries of members. As such, an increase in the salary of the members more than assumed level may increase the plan's liability.

Investment Risk: The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds.

If the return on plan asset is below this rate, it will create a plan deficit. Currently, for the plan in India, it has a relatively balanced mix of investments in government securities, and other debt instruments.

Asset Liability Matching (ALM) Risk: The plan faces the ALM risk as to the matching cash flow. Since the plan is invested in lines of Rule 101 of Income Tax Rules, 1962, this generally reduces ALM risk.

Mortality risk: Since the benefits under the plan is not payable for life time and payable till retirement age only, plan does not have any longevity risk.

| | Year ended 31 March 2023 | Year ended 31 March 2022 |
|-------------------------------------------------------------------------------------------------------------------|-----------------------------|-----------------------------|
| A. Change in present value defined benefit of obligations | | |
| Change in defined benefit obligations during the year | | |
| Present value of defined benefit obligation at the beginning of the year | 44.68 | 83.72 |
| Current service cost | 65.88 | 41.70 |
| Interest cost | 3.12 | 1.34 |
| Acquisitions/Divestures/Transfer | - | - |
| Benefits paid | (6.36) | - |
| Actuarial loss / (gain) recognised in other comprehensive income | 43.47 | 6.72 |
| Derecognition on account of loss of control | - | (88.80) |
| Present value of defined benefit obligation at the end of the year | 150.79 | 44.68 |
| B. Change in fair value of plan assets during the year | | |
| Fair value of plan assets at the beginning of the year | - | - |
| Expected return on plan assets | - | - |
| Employer contributions | 6.36 | - |
| Benefits paid | (6.36) | - |
| Actuarial loss / (gain) recognised in other comprehensive income | - | - |
| Fair value of plan assets at the end of the year | - | - |
| C. Actual return on plan assets | | |
| Expected return on plan assets | - | - |
| Actuarial gain / (loss) on plan assets | - | - |
| Actual return on plan assets | - | - |
| D. Reconciliation of present value of the defined benefit obligation and the fair value of the plan assets | | |
| Present value of defined benefit obligations at the end of the year | 150.79 | 44.68 |
| Fair value of plan assets | - | - |
| Net liability recognised in balance sheet | 150.79 | 44.68 |
| The liability in respect of the gratuity plan comprises of the following non-current and current | | |
| Current | 4.03 | 0.05 |
| Non-current | 146.76 | 44.63 |



| | Year ended 31 March 2023 | Year ended 31 March 2022 |
|-------------------------------------------------------------------|--------------------------------|--------------------------------|
| E. Expense recognised in statement of profit and loss | | |
| Current service cost | 65.88 | 41.70 |
| Interest cost | 3.12 | 1.34 |
| Expected return on plan assets | - | - |
| Net cost recognized in the statement of profit and loss | 69.00 | 43.04 |
| F. Remeasurements recognised in other comprehensive income | | |
| Actuarial loss / (gain) on defined benefit obligation | 43.47 | 6.72 |
| Return on plan assets excluding interest income | - | - |
| | 43.47 | 6.72 |
| | As at 31 March 2023 | As at 31 March 2022 |
| G. Assumptions as at balance sheet date | | |
| Discount rate (refer note (b)) | 7.55% to 7.6% | 7.50% to 7.56% |
| Interest rate (rate of return on assets) | - | - |
| Future salary increase (refer note (a)) | 7.00% to 9.00% | 7.00% to 8.00% |
| Mortality table | 2.00% to 12.00% | 2.00% to 12.50% |
| Attrition rate (refer note (a)) | 15.00% to 17.37% | 10.00% to 15.00% |

Notes:

- a) The estimate of future salary increase takes into account inflation, seniority, promotion and other relevant factors. Further, the Management re-visits the assumptions such as attrition rate, salary escalation etc., taking into account, the business conditions, various external / internal factors affecting the Group.
- b) Discount rate is based on the prevailing market yields of Indian Government Bonds as at the balance sheet date for the estimated term of the obligation.
- c) Experience adjustments:

| | As at 31 March 2023 | As at 31 March 2022 | As at 31 March 2021 | As at 31 March 2020 | As at 31 March 2019 |
|------------------------------------------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|
| Defined benefit obligation | 150.79 | 44.68 | 83.72 | 27.57 | 4.97 |
| Fair value of plan assets | - | - | - | - | - |
| Surplus / (deficit) | (150.79) | (44.68) | (83.72) | (27.57) | (4.97) |
| Experience adjustments on plan liabilities - (loss) / gain | (43.47) | (6.72) | (15.12) | 12.47 | - |
| Experience adjustments on plan assets - loss / (gain) | - | - | - | - | - |

d) Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below:

| | As at 31 March 2023 | As at 31 March 2022 |
|----------------------|------------------------|------------------------|
| Discount rate | | |
| -1% increase | (16.68) | (5.09) |
| -1% decrease | 18.25 | 5.48 |
| Future salary growth | | |
| -1% increase | 13.23 | 4.43 |
| -1% decrease | (12.49) | (4.31) |
| Employee Turnover | | |
| -1% increase | (3.44) | (0.72) |
| -1% decrease | 3.54 | 0.73 |

Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown.



Vivriti Capital Private Limited
Notes to the Consolidated Financial Statements for the year ended 31 March 2023
(All amounts are in Rupees lakhs, unless stated otherwise)

39 Segment disclosures

Operating segments are defined as components of an enterprise for which discrete financial information is available and evaluated regularly by Chief Operating Decision Maker (CODM), in deciding how to allocate resources and assessing performance.

The Group has considered business segment as reportable segment for disclosure. The products and services included in each of the reported business segments are as follows:

| Segment | Activities |
|-----------------|-----------------------------|
| NBFC | Non-Bank Financial Services |
| Fund Management | Fund Management |
| Technology | Financial technology |

Information about Business Segments

1. Segment Revenue

| | Year ended 31 March 2023 | | | Year ended 31 March 2022 | | |
|--------------------------------------------------------------------|--------------------------|---------------|------------------|--------------------------|-----------------|-------------------|
| | External | Inter-Segment | Total | External | Inter-Segment | Total |
| NBFC | 67,054.43 | 66.94 | 67,121.37 | 34,828.15 | 338.76 | 35,166.91 |
| Fund Management | 3,516.04 | 78.95 | 3,594.99 | 1,067.06 | - | 1,067.06 |
| Technology | - | - | - | 5,152.08 | 914.51 | 6,066.59 |
| Segment Revenue | 70,570.47 | 145.89 | 70,716.36 | 41,047.29 | 1,253.27 | 42,300.56 |
| Less: Inter-Segment Revenue | | | (145.89) | | | (1,253.27) |
| Total | | | 70,570.47 | | | 41,047.29 |
| Add: Gain on loss / dilution of control | | | 384.58 | | | 200,680.31 |
| Less: Differential gain elimination on sale of shares of associate | | | (596.52) | | | - |
| Total Income | | | 70,358.53 | | | 241,727.60 |

2. Segment Results

| | Year ended 31 March 2023 | Year ended 31 March 2022 |
|--------------------------------------------------------------------|-----------------------------|-----------------------------|
| NBFC | 17,284.47 | 9,095.48 |
| Fund Management | 31.98 | (547.48) |
| Technology | - | (589.79) |
| Subtotal | 17,316.45 | 7,958.21 |
| Add: Intersegment results | 686.85 | (409.39) |
| Add: Gain on loss / dilution of control | 384.58 | 200,680.31 |
| Less: Differential gain elimination on sale of shares of associate | (596.52) | - |
| Profit before tax | 17,791.36 | 208,229.13 |
| Less: Exceptional item | - | (2,173.13) |
| Less: Income taxes | (4,302.26) | (48,146.81) |
| Less: Share of loss from associate (net of income tax) | (25,658.67) | (2,582.54) |
| Net (loss) / profit after tax for the year | (12,169.57) | 155,326.65 |

3. Segment Assets

| | As at 31 March 2023 | As at 31 March 2022 |
|----------------------------|------------------------|------------------------|
| NBFC | 655,853.27 | 467,532.35 |
| Fund Management | 16,904.10 | 10,969.75 |
| Inter Segment elimination | (2,797.14) | (623.65) |
| Other unallocable assets * | 175,781.30 | 201,880.27 |
| Total | 845,741.53 | 679,758.72 |

4. Segment Liabilities

| | As at 31 March 2023 | As at 31 March 2022 |
|-------------------------------|------------------------|------------------------|
| NBFC | 512,115.57 | 358,669.69 |
| Fund Management | 4,464.99 | 1,621.77 |
| Inter Segment elimination | (2,791.35) | 170.20 |
| Other unallocable liabilities | 45,957.00 | 45,915.65 |
| Total | 559,746.21 | 406,377.31 |

* pertains to Investment in Associate accounted under equity method

Information about Geographical Segments

The Group is domiciled in India. Hence, there are no separate reportable geographical segments as per Ind AS 108 on 'Operating Segment'.

Information about major customers

No customer contributed more than 10% to the Group's revenue during the year ended 31 March 2023 and 31 March 2022.



39B Revenue from contracts with customers

| Type of service | Year ended 31 March 2023 | Year ended 31 March 2022 |
|--------------------------------------------------------|-----------------------------|-----------------------------|
| Fee and commission income | 4,172.71 | 1,825.87 |
| Platform fees | - | 4,883.64 |
| Total | 4,172.71 | 6,709.51 |
| Geographical market | | |
| In India | 4,172.71 | 6,709.51 |
| Outside India | - | - |
| Total | 4,172.71 | 6,709.51 |
| Timing of recognition of revenue | | |
| Performance obligation satisfied at a point in time | 4,172.71 | 6,709.51 |
| Performance obligation satisfied over a period in time | - | - |
| Total | 4,172.71 | 6,709.51 |
| Contract receivables | | |
| Trade receivables | 1,417.13 | 742.05 |
| Other receivables | - | - |
| Total | 1,417.13 | 742.05 |

40 Related Party information

40.1 Names of related parties and nature of relationship

| | |
|--------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Associate | Credavenue Private Limited (also refer note 37) |
| Subsidiary of associate | Credavenue Securities Private Limited Spocto Solutions Private Limited (w.e.f. 25 February 2022) Bluevine Technologies Private Limited (w.e.f. 26 April 2022) Credavenue Spocto Technology Limited (w.e.f. 11 August 2022) |
| Key Managerial Personnel | Mr. Vineet Sukumar, Managing Director Mr. Gaurav Kumar, (Non-executive Director w.e.f. 5 August 2021) Ms. Namrata Kaul, Independent Director Ms. Anita P Belani, Independent Director (w.e.f. 07 May 2021) Mr. Santanu Paul, Independent Director (w.e.f. 9 February 2023) Mr. John Tyler Day, Nominee Director Mr. Kenneth Dan Vander Weele, Nominee Director (till 9 February 2023) Mr. Kartik Srivatsa, Nominee Director Mr. Gopal Srinivasan, Nominee Director (w.e.f. 27 May 2022) Mr. Lazar Zdrakovic, Additional Director (w.e.f. 31 March 2023) Mr. Narayan Ramachandran, Independent Director of the subsidiary |
| Entity in which KMP of the Company / Subsidiary company is a Director or Shareholder | QED Business Solutions Private Limited (w.e.f. 1 February 2023) Epimoney Private Limited (w.e.f. 27 May 2022) Smartcoin Financials Private Limited Aye Finance Private Limited Shapos Services Private Limited Sonata Finance Private Limited (till 9 February 2023) UC Inclusive Credit Private Limited |



Vivriti Capital Private Limited
Notes to the Consolidated Financial Statements for the year ended 31 March 2023
(All amounts are in Rupees lakhs, unless stated otherwise)

40.2 Transactions during the year

| Particulars | Year ended 31 March 2023 | Year ended 31 March 2022 |
|------------------------------------------|-------------------------------------|-------------------------------------|
| Interest Income | | |
| Aye Finance Private Limited | 32.47 | - |
| Epimoney Private Limited | 59.57 | - |
| Shapos Services Private Limited | 292.49 | 27.73 |
| Sonata Finance Private Limited | 363.18 | 329.60 |
| UC Inclusive Credit Private Limited | 326.05 | 97.47 |
| Rent income | | |
| Credavenue Private Limited | 50.07 | 84.00 |
| Reimbursement of expenses | | |
| Credavenue Private Limited | 349.09 | 655.78 |
| Platform fees expense: | | |
| Credavenue Private Limited | 1,149.99 | 2,811.69 |
| Credavenue Securities Private Limited | 2,927.13 | - |
| Bluevine Technologies Private Limited | 15.92 | - |
| Servicer fee | | |
| Smartcoin Financials Private Limited | 1,421.18 | - |
| Sale of fixed assets | | |
| Credavenue Private Limited | 175.62 | 640.80 |
| Employee share option recoverable | | |
| Credavenue Private Limited | 29.79 | 194.59 |
| Fees and commission income: | | |
| Credavenue Private Limited | 767.99 | 1,136.09 |
| Credavenue Securities Private Limited | 648.60 | - |
| Sonata Finance Private Limited | 1.28 | - |
| Smartcoin Financials Private Limited | 3.75 | - |
| Processing fee received | | |
| Aye Finance Private Limited | 4.00 | - |
| Shapos Services Private Limited | 12.50 | 8.00 |
| Sonata Finance Private Limited | 11.28 | 16.50 |
| UC Inclusive Credit Private Limited | 18.50 | 7.50 |
| Rental Deposit recoverable | | |
| Credavenue Private Limited | - | 150.00 |
| Loans given | | |
| Aye Finance Private Limited | 4,000.00 | - |
| Shapos Services Private Limited | 6,902.00 | 1,600.00 |
| Sonata Finance Private Limited | 3,700.00 | 2,300.00 |
| UC Inclusive Credit Private Limited | 2,000.00 | 1,500.00 |



ivriti Capital Private Limited

Notes to the Consolidated Financial Statements for the year ended 31 March 2023

(All amounts are in Rupees lakhs, unless stated otherwise)

| Particulars | Year ended 31 March 2023 | Year ended 31 March 2022 |
|--------------------------------------------------------------------|-----------------------------|-----------------------------|
| Loans repaid | | |
| Epimoney Private Limited | 500.00 | - |
| Shapos Services Private Limited | 5,481.24 | 150.00 |
| Sonata Finance Private Limited | 2,473.43 | 2,019.78 |
| UC Inclusive Credit Private Limited | 1,300.00 | 400.00 |
| Investments in Debentures | | |
| Aye Finance Private Limited | 4,340.00 | - |
| Secondary purchase of investments in MLDS of other entities | | |
| Credavenue Private Limited | 1,713.74 | - |
| Credavenue Securities Private Limited | 8,999.74 | - |
| Secondary sale of investment in MLDS of other entities | | |
| Credavenue Private Limited | 1,885.88 | - |
| Credavenue Securities Private Limited | 16,983.73 | - |
| Subscription of Company's debt securities (borrowings) | | |
| Credavenue Private Limited | 5,670.00 | 7,930.07 |
| Credavenue Securities Private Limited | 21,000.00 | - |
| Advisory fee expense | | |
| QED Business Solutions Private Limited | 8.00 | - |
| Business Support services | | |
| Bluevine Technologies Private Limited | 3.00 | - |
| Distribution expenses | | |
| Credavenue Securities Private Limited | 38.80 | - |
| Deal execution services | | |
| Credavenue Securities Private Limited | 11.70 | - |
| First Loss Default Guarantee (FLDG) settlement | | |
| Epimoney Private Limited | 440.87 | - |
| Smartcoin Financials Private Limited | 4,760.67 | - |
| Directors Sitting fees | | |
| Ms. Namrata Kaul | 17.08 | 11.00 |
| Ms. Anita P Belani | 14.17 | 9.00 |
| Mr. Santanu Paul | 2.18 | - |
| Mr. Narayan Ramachandran | 4.00 | 6.00 |
| Reimbursement of withholding taxes | | |
| Mr. Vineet Sukumar | 492.31 | - |
| Mr. Gaurav Kumar | 492.31 | - |
| Remuneration paid (short-term employment benefits) | | |
| Mr. Vineet Sukumar | 249.56 | 292.19 |
| Mr. Gaurav Kumar | - | 241.35 |

Also refer note 37 for renunciation of rights

Note:

Managerial remuneration above does not include gratuity and compensated absences, since the same are provided on actuarial basis for the Group as a whole and the amount attributable to the key managerial personnel cannot be ascertained separately.



Vivriti Capital Private Limited
Notes to the Consolidated Financial Statements for the year ended 31 March 2023
(All amounts are in Rupees lakhs, unless stated otherwise)

40.3 Balances as at the year-end:

| Particulars | As at | |
|---------------------------------------|---------------|---------------|
| | 31 March 2023 | 31 March 2022 |
| Investment in Equity | | |
| Credavenue Private Limited | 175,781.30 | 201,880.27 |
| Loans | | |
| Epimoney Private Limited | 167.75 | - |
| Aye Finance Private Limited | 4,014.46 | - |
| Shapos Services Private Limited | 2,804.42 | 1,461.54 |
| Sonata Finance Private Limited | 4,011.54 | 2,790.38 |
| UC Inclusive Credit Private Limited | 2,784.84 | 2,064.14 |
| Investments in Debentures | | |
| Aye Finance Private Limited | 1,870.00 | - |
| Debt Securities (Borrowings) | | |
| Credavenue Private Limited | - | 7,930.07 |
| Credavenue Securities Private Limited | 6,870.00 | - |
| Trade payables | | |
| Credavenue Private Limited | 775.98 | 535.42 |
| Smartcoin Financials Private Limited | 490.34 | - |
| Credavenue Securities Private Limited | 66.05 | - |
| Bluevine Technologies Private Limited | 0.28 | - |
| Receivables | | |
| Credavenue Private Limited | 83.85 | 172.40 |
| Credavenue Securities Private Limited | 382.05 | - |
| Other financial assets | | |
| Credavenue Private Limited | 133.35 | 172.40 |
| Epimoney Private Limited | 51.29 | - |
| Smartcoin Financials Private Limited | 384.54 | - |

Notes:

1. There are no provision for doubtful debts/ advances or amounts written off or written back for debts due from/ due to related parties.
2. The transactions disclosed above are exclusive of GST.



Vivriti Capital Private Limited
Notes to the Consolidated Financial Statements for the year ended 31 March 2023
(All amounts are in Rupees lakhs, unless stated otherwise)

41 Micro and small enterprises

The Ministry of Micro, Small and Medium Enterprises has issued an office memorandum dated August 26, 2008 which recommends that the Micro and Small Enterprises should mention in their correspondence with its customers the Entrepreneurs Memorandum Number as allocated after filing of the Memorandum in accordance with the Micro, Small and Medium Enterprise Development Act, 2006 ('MSMED Act, 2006'). Accordingly, the disclosure in respect of the amounts payable to such enterprises as at 31 March 2021 has been made in the financial statements based on information received and available with the Group. Further in view of the Management, the impact of interest, if any, that may be payable in accordance with the provisions of the Act is not expected to be material. The Group has not received any claim for interest from any supplier as at the balance sheet date.

| | As at 31 March 2023 | As at 31 March 2022 |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------|------------------------|
| The principal amount and the interest due thereon (to be shown separately) | | |
| - Principal | 14.80 | 1.72 |
| - Interest | - | - |
| The amount of interest paid by the buyer in terms of Section 16, of the MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year | - | - |
| The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the period) but without adding the interest specified under the MSMED Act, 2006 | - | - |
| The amount of interest accrued and remaining unpaid at the end of each accounting year; and | - | - |
| The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under Section 23 of the MSMED Act, 2006. | - | - |

42 Contingent liabilities, commitments and other litigations

42.1 Contingent liabilities

Guarantees issued to third party

| Year ended 31 March 2023 | Year ended 31 March 2022 |
|-----------------------------|-----------------------------|
| 1,139.18 | 4,156.80 |

42.2 Commitments

Capital commitments

| | |
|--------|----------|
| 971.10 | 1,171.11 |
|--------|----------|

Undrawn committed sanctions to borrowers

| | |
|----------|----------|
| 7,725.00 | 6,905.17 |
|----------|----------|

42.3 Pending litigations

Suits filed by the Group against counterparties

| | |
|----------|----------|
| 1,553.20 | 1,553.20 |
|----------|----------|



43 Employee Stock Option Scheme (ESOS)

The Company constituted the Vivriti ESOP Trust (the Trust) to administer the Employee Stock Options (ESOP) scheme and allotted 1,000,000 (31 March 2022: Nil) equity shares to Trust. The Trust has granted 1,293,800 (31 March 2022: 681,000) options under the Employee Stock Option Scheme to employees spread over a vesting period of 2 to 5 years. The details of which are as follows:

| Plan | Grant date | Number of options | Exercise price in Rs. | Vesting period | Vesting condition |
|-----------------|------------|-------------------|-----------------------|----------------|--------------------|
| ESOP - Scheme 1 | 29-Jun-18 | 444,100 | 10.00 | 5 Years | Time based vesting |
| | 19-Jul-19 | 207,100 | 47.48 | 5 Years | Time based vesting |
| ESOP - Scheme 2 | 19-Jul-19 | 166,900 | 47.48 | 5 Years | Time based vesting |
| | 18-Nov-19 | 330,850 | 71.67 | 5 Years | Time based vesting |
| ESOP - Scheme 3 | 15-Dec-19 | 35,000 | 71.67 | 4 Years | Time based vesting |
| | 30-Jun-20 | 540,500 | 173.66 | 4 Years | Time based vesting |
| ESOP - Scheme 4 | 30-Sep-20 | 64,000 | 173.66 | 4 Years | Time based vesting |
| | 31-Dec-20 | 9,500 | 173.66 | 4 Years | Time based vesting |
| | 31-Mar-21 | 147,500 | 173.66 | 4 Years | Time based vesting |
| | 30-Jun-21 | 205,000 | 173.66 | 4 Years | Time based vesting |
| | 31-Dec-21 | 361,125 | 173.66 | 4 Years | Time based vesting |
| ESOP - Scheme 5 | 1-Jul-22 | 661,050* | 815.00 | 4 Years | Time based vesting |
| | 31-Dec-22 | 356,400 | 950.00 | 4 Years | Time based vesting |
| | 16-Jan-23 | 260,000 | 950.00 | 4 Years | Time based vesting |

* Scheme approved by the shareholders at their meeting held on 22 September 2022 with relevant effective grant date.

43.1 Reconciliation of outstanding options

The details of options granted under the above schemes are as follows.

| Particulars | As at 31 March 2023 | | As at 31 March 2022 | |
|-------------------------------------------------|--------------------------------------------|-------------------|--------------------------------------------|-------------------|
| | Weighted average exercise price per option | Number of options | Weighted average exercise price per option | Number of options |
| Outstanding at beginning of year | 107.48 | 3,471,515 | 85.97 | 3,983,750 |
| Forfeited during the year | 154.64 | (528,150) | 109.80 | (558,000) |
| Exercised during the year | 55.04 | (448,140) | 48.17 | (635,235) |
| Granted during the year | 880.41 | 1,293,800 | 173.66 | 681,000 |
| Outstanding as at end of year | 370.44 | 3,789,025 | 107.48 | 3,471,515 |
| Vested and exercisable as at end of year | 107.48 | 947,256 | 82.73 | 651,915 |

43.2 Fair value methodology

The fair value of the options is estimated on the date of the grant using the Black-Scholes option pricing model, with the following assumptions:

| | As at 31 March 2023 | As at 31 March 2022 |
|--------------------------------------------------------|---------------------|---------------------|
| Share price on Grant date (In Rs.) | 10.00 - 950.00 | 10.00 - 356.89 |
| Exercise price (In Rs.) | 10.00 - 950.00 | 10.00 - 173.66 |
| Fair value of options at grant date | 2.40 - 362.12 | 2.40 - 230.80 |
| Expected dividends* | Nil | Nil |
| Option term | 5 Years | 5 Years |
| Risk free interest rate | 4.09% - 8.32% | 4.09% - 8.32% |
| Expected volatility** | 14.70% - 33.04% | 14.70% - 33.04% |
| Weighted average remaining contractual life (in years) | 2.16 | 3.10 |

* Company has not paid any dividend till date.

** Company is a unlisted entity and having no listed peer companies, so volatility of BSE Finance Index for the historical period as per the time to maturity in each vesting has been considered.



44 Leases

The disclosures as required under Ind AS 116 are as follows;

(i) Measurement of Lease Liabilities

| Particulars | As at | |
|-------------------|---------------|---------------|
| | 31 March 2023 | 31 March 2022 |
| Lease Liabilities | 3,078.20 | 997.48 |

The Company has considered weighted average rate of borrowings for discounting.

The Company has entered into leasing arrangements for premises. ROU has been included after the line 'Property, Plant and Equipment' and Lease liability has been included under 'Other Financial Liabilities' in the Balance Sheet.

(ii) Amounts recognised in the Balance sheet

| Particulars | As at | |
|-----------------------------------------|-----------------|---------------|
| | 31 March 2023 | 31 March 2022 |
| a) Right-of-use assets (net) | 2,893.48 | 969.06 |
| b) Lease liabilities | | |
| Current | 488.42 | 156.76 |
| Non-current | 2,589.78 | 840.72 |
| Total Lease liabilities | 3,078.20 | 997.48 |
| c) Additions to the Right-of-use assets | 2,510.66 | 1,974.51 |

(iii) Amounts recognised in the Statement of Profit and Loss

| Particulars | As at | |
|------------------------------------------------|---------------|---------------|
| | 31 March 2023 | 31 March 2022 |
| a) Depreciation charge for right-of-use assets | 424.82 | 409.81 |
| b) Interest expense (included in finance cost) | 214.58 | 175.67 |
| c) Expense relating to short-term leases | 212.30 | 2.51 |

(iv) Cash Flows

| Particulars | As at | |
|----------------------------------|---------------|---------------|
| | 31 March 2023 | 31 March 2022 |
| The total cash outflow of leases | 575.99 | 434.20 |

(v) Maturity analysis of undiscounted lease liabilities

| Particulars | As at | |
|---------------------------------------------------|---------------|---------------|
| | 31 March 2023 | 31 March 2022 |
| Not later than one year | 674.88 | 253.83 |
| Later than one year and not later than five years | 2,894.59 | 1,017.35 |
| Later than five years | 49.61 | - |



45 Financial Instruments

A Fair value measurement

Valuation principles

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions i.e, exit price. This is regardless of whether that price is directly observable or estimated using a valuation technique.

Financial instruments by category

The carrying value and fair value of financial instruments measured at fair value as of 31 March 2023 were as follows:

| Particulars | Carrying amount | | Fair value | | | Total |
|----------------------------------|-----------------|-----------|------------|-----------|-----------|-----------|
| | FVTPL | FVOCI | Level 1 | Level 2 | Level 3 | |
| Financial assets: | | | | | | |
| Investments | | | | | | |
| - Pass-through certificates | - | 32,936.58 | - | - | 32,936.58 | 32,936.58 |
| - Non convertible debentures | - | 40,730.34 | - | - | 40,730.34 | 40,730.34 |
| - Alternative Investment Funds | 38,541.39 | - | - | 38,541.39 | - | 38,541.39 |
| - Market Linked debentures | 15,740.98 | - | - | - | 15,740.98 | 15,740.98 |
| - Mutual Funds | 7,167.58 | - | 7,167.58 | - | - | 7,167.58 |
| Derivative financial instruments | - | 384.32 | - | - | 384.32 | 384.32 |
| Financial liabilities: | | | | | | |
| Derivative financial instruments | - | - | - | - | - | - |

The carrying value and fair value of financial instruments measured at fair value as of 31 March 2022 were as follows:

| Particulars | Carrying amount | | Fair value | | | Total |
|----------------------------------|-----------------|-----------|------------|---------|-----------|-----------|
| | FVTPL | FVOCI | Level 1 | Level 2 | Level 3 | |
| Financial assets: | | | | | | |
| Investments | | | | | | |
| - Pass-through certificates | - | 29,841.50 | - | - | 29,841.50 | 29,841.50 |
| - Non convertible debentures | - | 22,496.10 | - | - | 22,496.10 | 22,496.10 |
| - Alternative Investment Funds | 17,484.64 | - | - | - | 17,484.64 | 17,484.64 |
| - Market Linked debentures | 20,155.04 | - | - | - | 20,155.04 | 20,155.04 |
| - Mutual Funds | 3,010.85 | - | 3,010.85 | - | - | 3,010.85 |
| Derivative financial instruments | - | - | - | - | - | - |
| Financial liabilities: | | | | | | |
| Derivative financial instruments | - | 382.00 | - | - | 382.00 | 382.00 |

Reconciliation of fair value measurement is as follows

| Particulars | Year ended | Year ended |
|-------------------------------------------|-----------------|---------------|
| | 31 March 2023 | 31 March 2022 |
| <i>Financial assets measured at FVOCI</i> | | |
| Balance at the beginning of the year | 242.58 | 135.47 |
| Total gains/(losses) measured through OCI | (723.34) | 107.11 |
| Balance at the end of the year | (480.76) | 242.58 |
| <i>Financial assets measured at FVTPL</i> | | |
| Fair value adjustment (unrealised) | 934.11 | 303.44 |

Sensitivity analysis - Increase/ decrease of 100 basis points

| Particulars | As at 31 March 2023 | | As at 31 March 2022 | |
|----------------------------------|---------------------|----------|---------------------|----------|
| | Increase | Decrease | Increase | Decrease |
| Financial assets: | | | | |
| Investments | | | | |
| - Pass through securities | (197.17) | 200.93 | (161.10) | 158.18 |
| - Non convertible debentures | (673.89) | 697.90 | (514.99) | 494.00 |
| - Alternative Investment Funds | 385.41 | (385.41) | 174.85 | (174.85) |
| - Market linked debentures | 157.41 | (157.41) | 201.55 | (201.55) |
| - Mutual funds | 71.68 | (71.68) | 30.11 | (30.11) |
| Derivative financial instruments | 3.84 | (3.84) | - | - |
| Financial liabilities: | | | | |
| Derivative financial instruments | - | - | 3.82 | (3.82) |



A Fair value measurement (continued)

The carrying value and fair value of other financial instruments by categories as of 31 March 2023 were as follows:

| Particulars | Carrying Value | | | | Total |
|-----------------------------------------------------------------------------|----------------|---------|---------|---------|-------|
| | Amortised cost | Level 1 | Level 2 | Level 3 | |
| Financial assets not measured at fair value: | | | | | |
| Cash and cash equivalents | 29,573.90 | - | - | - | - |
| Bank balances other than cash and cash equivalents | 26,496.00 | - | - | - | - |
| Trade receivables | 1,417.13 | - | - | - | - |
| Loans | 453,295.43 | - | - | - | - |
| Investments | 3,974.40 | - | - | - | - |
| Other financial assets | 3,496.81 | - | - | - | - |
| Financial liabilities not measured at fair value: | | | | | |
| Trade payables | | | | | |
| -total outstanding dues of micro and small enterprises | 14.80 | - | - | - | - |
| -total outstanding dues of creditors other than micro and small enterprises | 2,145.94 | - | - | - | - |
| Debt securities | 151,887.19 | - | - | - | - |
| Borrowings (Other than debt securities) | 350,698.27 | - | - | - | - |
| Other financial liabilities | 8,158.10 | - | - | - | - |

The carrying value and fair value of financial instruments by categories as of 31 March 2022 were as follows:

| Particulars | Carrying Value | | | | Total |
|-----------------------------------------------------------------------------|----------------|---------|---------|---------|-------|
| | Amortised cost | Level 1 | Level 2 | Level 3 | |
| Financial assets not measured at fair value: | | | | | |
| Cash and cash equivalents | 47,357.92 | - | - | - | - |
| Bank balances other than cash and cash equivalents | 31,894.68 | - | - | - | - |
| Trade receivables | 741.18 | - | - | - | - |
| Loans | 296,048.09 | - | - | - | - |
| Other financial assets | 1,821.22 | - | - | - | - |
| Investments | - | - | - | - | - |
| Financial liabilities not measured at fair value: | | | | | |
| Derivative financial instruments | | | | | |
| Trade payables | | | | | |
| -total outstanding dues of micro and small enterprises | | | | | |
| -total outstanding dues of creditors other than micro and small enterprises | 1,110.25 | - | - | - | - |
| Debt securities | 107,051.35 | - | - | - | - |
| Borrowings (Other than debt securities) | 247,962.03 | - | - | - | - |
| Other financial liabilities | 2,632.83 | - | - | - | - |

Note:

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments, traded bonds and mutual funds that have quoted price. The fair value of all equity instruments (including bonds) which are traded in the stock exchanges is valued using the closing price as at the reporting period. The mutual funds are valued using the closing NAV.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, traded bonds, 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.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities, contingent consideration and indemnification asset included in level 3.

The carrying amounts of trade receivables, trade payables, capital creditors and cash and cash equivalents are considered to be the same as their fair values, due to their short-term nature.

B Measurement of fair values

Valuation methodologies of financial instruments not measured at fair value

Below are the methodologies and assumptions used to determine fair values for the above financial instruments which are not recorded and measured at fair value in the financial statements. These fair values were calculated for disclosure purposes only.

Short-term financial assets and liabilities

For financial assets and financial liabilities that have a short-term maturity (less than twelve months), the carrying amounts, which are net of impairment, are a reasonable approximation of their fair value. Such instruments include: cash and cash equivalents, balances other than cash and cash equivalents, trade receivables, other financial assets, trade payables and other financial liabilities without a specific maturity.

Borrowings

The debt securities, borrowings and subordinated liabilities are primarily variable rate instruments. Accordingly, the fair value has been assumed to be equal to the carrying amount.

Loans

The Loans are primarily variable rate instruments. Accordingly, the fair value has been assumed to be equal to the carrying amount.



Transfers between levels I and II

There has been no transfer in between level I and level II. The fair value of a financial instrument on initial recognition is normally the transaction price (fair value of the consideration given or received). Subsequent to initial recognition, the Group determines the fair value of financial instruments that are quoted in active markets using the quoted bid prices (financial assets held) or quoted ask prices (financial liabilities held) and using valuation techniques for other instruments. Valuation techniques include discounted cash flow method, market comparable method, recent transactions happened in the Group and other valuation models.

The Group measures financial instruments, such as investments (other than equity investments in Subsidiaries, etc.) at fair value.

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

46 Capital management

The Group maintains an actively managed capital base to cover risks inherent in the business and is meeting the capital adequacy requirements of the local banking supervisor, Reserve Bank of India (RBI) of India. The adequacy of the Group's capital is monitored using, among other measures, the regulations issued by RBI. The Group has complied in full with all its externally imposed capital requirements over the reported period.

The primary objectives of the Group's capital management policy is to ensure that the Group complies with externally imposed capital requirements and maintains strong credit ratings and healthy capital ratios in order to support its business and to maximise shareholder value.

The Group monitors capital using debt to equity ratio.

| Particulars | As at | |
|--------------------------|---------------|---------------|
| | 31 March 2023 | 31 March 2022 |
| Total Debt* | 477,243.05 | 331,429.12 |
| Total equity | 280,359.82 | 268,689.44 |
| Debt equity ratio | 1.70 | 1.23 |

* Debt-equity ratio is (Debt Securities+Borrowings (Other than debt securities) - Bank overdrafts - Unamortized issues expenses) / net worth i.e. Equity share capital + Other equity + Convertible preference share capital

In order to achieve this overall objective, the Group's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest bearing loans and borrowings that define capital structure requirements. Breaches in financial covenants would permit the bank to immediately call loans and borrowings.

The Group 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 Group may adjust the amount of dividend payment to shareholders, return capital to shareholders or issue capital securities. No changes have been made to the objectives, policies and processes from the previous years. However, they are under constant review by the Board.

46.1 Financial risk management objectives and policies

The Group has operations in India. Whilst risk is inherent in the Group's activities, it is managed through an integrated risk management framework, including ongoing identification, measurement and monitoring, subject to risk limits and other controls. This process of risk management is critical to the Group's continuing profitability and each individual within the Group is accountable for the risk exposures relating to his or her responsibilities. The Group is exposed to credit risk, liquidity risk and market risk. It is also subject to various operating and business risks.

46.1.1 Risk Management structure

The Group's board of directors and risk management committee has overall responsibility for the establishment and oversight of the Group's risk management framework. The board of directors and risk management committee along with the top management are responsible for developing and monitoring the Group's risk management policies.

The Group's risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities. The Group, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Group's risk management committee oversees how management monitors compliance with the Group's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Group.

The Group's Treasury is responsible for managing its assets and liabilities and the overall financial structure. It is also primarily responsible for the funding and liquidity risks of the Group.

The Group's policy is that risk management processes throughout the Group are audited annually by the Internal Auditors, who examine both the adequacy of the procedures and the Group's compliance with the procedures. Internal Audit discusses the results of all assessments with management, and reports its findings and recommendations to the Supervisory Board and Audit Committee.

The Group has put in place a robust risk management framework to promote a proactive approach in reporting, evaluating and resolving risks associated with the business. Given the nature of the business, the Group is engaged in, the risk framework recognizes that there is uncertainty in creating and sustaining value as well as in identifying opportunities. Risk management is therefore made an integral part of the Group's effective management practice.



46.1.2 Risk Measurement and reporting systems

The Group's risks are measured using a method that reflects both the expected loss likely to arise in normal circumstances and unexpected losses, which are an estimate of the ultimate actual loss based on statistical models. The models make use of probabilities derived from historical experience, adjusted to reflect the economic environment. The Group also runs worst-case scenarios that would arise in the event that extreme events which are unlikely to occur do, in fact, occur.

Monitoring and controlling risks is primarily performed based on limits established by the Group. These limits reflect the business strategy and market environment of the Group as well as the level of risk that the Group is willing to accept, with additional emphasis on selected industries. In addition, the Group's policy is to measure and monitor the overall risk-bearing capacity in relation to the aggregate risk exposure across all risk types and activities.

Information compiled from all the businesses is examined and processed in order to analyse, control and identify risks on a timely basis. This information is presented and explained to the Board of Directors, the Risk Committee, and the head of each business division. The report includes aggregate credit exposure, credit metric forecasts, hold limit exceptions, VaR, liquidity ratios and risk profile changes. On a monthly basis, detailed reporting of industry, customer and geographic risks takes place. Senior management assesses the appropriateness of the allowance for credit losses on a monthly basis. The Supervisory Board receives a comprehensive risk report once a quarter which is designed to provide all the necessary information to assess and conclude on the risks of the Group.

At all levels of the Group's operations, specifically tailored risk reports are prepared and distributed in order to ensure that all business divisions have access to extensive, necessary and up-to-date information.

It is the Group's policy that a monthly briefing is given to the Board of Directors and all other relevant members of the Group on the utilisation of market limits, analysis of VaR, proprietary investments and liquidity, plus any other risk developments.

Stress testing is a fundamental pillar of the Group's risk management toolkit, to simulate various economic stress scenarios to help the Group set and monitor risk appetite and to ensure that the Group maintains a conservative risk profile. The outcome of tests is embedded into the individual credit, liquidity and funding risk profiles through limits and mitigation contingency plans and includes both financial and regulatory measures.

It is the Group's policy to ensure that a robust risk awareness is embedded in its organisational risk culture. Employees are expected to take ownership and be accountable for the risks the Group is exposed to that they decide to take on. The Group's continuous training and development emphasises that employees are made aware of the Group's risk appetite and they are supported in their roles and responsibilities to monitor and keep their exposure to risk within the Group's risk appetite limits. Compliance breaches and internal audit findings are important elements of employees' annual ratings and remuneration reviews.

46.2 Credit Risk

Credit risk is the risk that the Group will incur a loss because its customers or counterparties fail to discharge their contractual obligations. The Group manages and controls credit risk by setting limits on the amount of risk it is willing to accept for individual counterparties and for geographical and industry concentrations, and by monitoring exposures in relation to such limits.

Credit risk is monitored by the credit risk department of the Group's independent Risk Controlling Unit. It is their responsibility to review and manage credit risk, including environmental and social risk for all types of counterparties. Credit risk consists of line credit risk managers who are responsible for their business lines and manage specific portfolios and experts who support both the line credit risk manager, as well as the business with tools like credit risk systems, policies, models and reporting.

The Group has established a credit quality review process to provide early identification of possible changes in the creditworthiness of counterparties, including regular collateral revisions. Counterparty limits are established by the use of a credit risk classification system, which assigns each counterparty a risk rating. Risk ratings are subject to regular revision. The credit quality review process aims to allow the Group to assess the potential loss as a result of the risks to which it is exposed and take corrective actions.

46.2.1 Impairment assessment

The references below show where the Group's impairment assessment and measurement approach is set out in this report. It should be read in conjunction with the Summary of significant accounting policies.

Grouping

As per Ind AS 109, the Group is required to group the portfolio based on the shared risk characteristics. The Group has assessed the risk and its impact on the various portfolios and has divided the portfolio into following groups namely Loans, investments in pass through securities, investment in non-convertible debentures, colending and partial guarantees towards pooled bond & loan issuances.

Expected Credit Loss ("ECL")

ECL on financial assets is an unbiased probability weighted amount based out of possible outcomes after considering risk of credit loss even if probability is low. ECL is calculated based on the following components: a. Marginal probability of default ("MPD") b. Loss given default ("LGD") c. Exposure at default ("EAD") d. Discount factor ("D")

Expected Credit Losses are measured via a combination of Monte Carlo Simulations across three major cohorts of exposure and the losses across these three cohorts are then added and loss distribution is used to arrive at Expected Credit Loss (ECL)

- 12 month expected credit losses (basis defaults in Monte Carlo simulation) across the financial instruments on Stage I assets
- Lifetime expected credit losses (basis defaults in Monte Carlo simulation) across the financial instruments which have either become NPA (Stage III) or have displayed significant increase in credit risk (Stage II assets)
- Partial Guarantee product losses wherein a partial guarantee is extended to a pool of issuers- in this case; the entire EAD of all the issuances is considered to arrive at expected credit losses.

a) **Marginal probability of default:** PD is defined as the probability of whether borrowers will default on their obligations in the future. PD is derived from the external rating of the borrower by following steps:

- 1) To arrive at the PD, the annual default study published by rating agencies is relied upon. The default numbers published against each rating category in different studies are then aggregated to arrive at internal PD matrix for each rating category
- 2) The PD numbers published are on an annual scale and since the exposure of the instruments are on monthly basis, the monthly PD is then interpolated on a monthly basis by fitting the data points from annual PD curve using cubic splines.
- 3) Finally, the Through the Cycle (TTC) PDs are converted to Point in Time (PIT) PDs using forward looking variables (GDP etc) using combinations of correlation of underlying sectors asset quality and Pluto Tasche model.
- 4) The PDs derived from the methodology described above, are the cumulative PDs, stating that the borrower can default in any of the given years, however to compute the loss for any given year, these cumulative PDs have to be converted to 12 month marginal PDs. Marginal PDs is probability that the obligor will default in a given year, conditional on it having survived till the end of the previous year.



46.2.1 Impairment assessment (continued)

b) Loss Given Default (LGD): LGD is an estimate of the loss from a transaction given that a default occurs. Under Ind AS 109, lifetime LGD's are defined as a collection of LGD's estimates applicable to different future periods. Various approaches are available to compute the LGD.

The formula for the computation is as below:

The Group has considered an LGD of 65% on unsecured exposures and 50% on secured exposures as recommended by the Foundation Internal Ratings Based (FIRB) approach under Basel II guidelines issued by RBI.

c) Exposure at Default (EAD): As per Ind AS 109, EAD is estimation of the extent to which the financial entity may be exposed to counterparty in the event of default and at the time of counterparty's default. The Group has modelled EAD based on the contractual and behavioural cash flows till the lifetime of the loans considering the expected prepayments.

The Group has considered outstanding expected future cash flows (including interest cashflows), SLCE for all the loans at DPD bucket level for each of the risk segments, which was used for computation of ECL. Moreover, the EAD comprised of principal component, accrued interest and also the future interest for the outstanding exposure. So discounting was done for computation of expected credit loss.

EAD is taken as the gross exposure under a facility upon default of an obligor. The amortized principal and the interest accrued is considered as EAD for the purpose of ECL computation

The advances have been bifurcated into following three stages:

Stage I – Advances with low credit risk and where there is no significant increase in credit risk. Hence, the advances up to 0 to 29 days are classified as Stage I.

Stage II – Advances with significant increase in credit risk. Hence the advances from 30 to 89 days are classified as Stage II.

Stage III – Advances that have defaulted / Credit impaired advances. Hence the advances with 90 days past due or Restructured Advances are classified as Stage III. Another loan of the same borrower whether in Stage I or Stage II is also considered as Stage III loan.

Note:- Days past due has been computed after considering the RBI Circular dated March 27, 2020, for the aforesaid classification into Stage I, Stage II and Stage III Loans.

The Group had provided moratorium on the payment of all principal amounts and/or interest, as applicable, falling due between March 1, 2020 and August 31, 2020 to all eligible borrowers. The Group has recognised for interest on interest for the moratorium cases.

d) Discounting Factor: As per Ind AS 109, ECL is computed by estimating the timing of the expected credit shortfalls associated with the defaults and discounting them using effective interest rate which is obtained from the underlying yield (inclusive of processing fee) for each instrument.

Additionally, the model also uses correlation matrix for deriving correlation in events of stress between different borrowers in same segment.

Correlation Matrix: This provides correlation between different entities/sectors which are present in the structure. When defaults are simulated on the portfolio, these entities in same or different sectors default together to the extent of strength of correlation. The correlation between two entities is derived as follows:

- Inherently, the entire NBFC sector carries a bit of correlation in terms of liquidity risk- in event of stress, we see the liquidity vanishing from NBFC sector very quickly
- There is slight overlap between entities operating in the same sector- for example event like GST and demonetization did impact all small business loans establishments, although to a varying extent
- For microfinance sector, since the loans are more homogenous, geopolitical, and social issues do tend to dominate majority of stress events and hence geographically exclusivity will help
- Occupation profiles of the underlying borrowers served by entities

ECL computation: Conditional ECL at DPD pool level was computed with the following method: Conditional ECL for year (yt) = EAD (yt) * conditional PD (yt) * LGD (yt) * discount factor (yt)

The calculation is based on provision matrix which considers actual historical data adjusted appropriately for the future expectations and probabilities. Proportion of expected credit loss provided for across the stage is summarised below:

| Particulars | Provisions | As at | |
|----------------------------------------------------|---------------------|-----------------|-----------------|
| | | 31 March 2023 | 31 March 2022 |
| Stage 1 | 12 month provision | 2,826.49 | 1,749.30 |
| Stage 2 | Life time provision | 208.03 | 876.52 |
| Stage 3 | Life time provision | 1,350.41 | 842.11 |
| Amount of expected credit loss provided for | | 4,384.93 | 3,467.93 |

The loss rates are based on actual credit loss experience over past years. These loss rates are then adjusted appropriately to reflect differences between current and historical economic conditions and the Group's view of economic conditions over the expected lives of the loan receivables. Movement in provision of expected credit loss has been provided in below note.



46.2.1 Impairment assessment (continued)

Analysis of changes in the gross carrying amount of loans:

| Particulars | As at 31 March 2023 | | | | As at 31 March 2022 | | | |
|----------------------------------|---------------------|-----------------|-----------------|-------------------|---------------------|-----------------|-----------------|-------------------|
| | Stage 1 | Stage 2 | Stage 3 | Total | Stage 1 | Stage 2 | Stage 3 | Total |
| As at the beginning of the year | 296,298.25 | 1,569.55 | 1,091.69 | 298,959.49 | 163,211.25 | - | 592.52 | 163,803.77 |
| New assets originated * | 730,432.40 | - | - | 730,432.40 | 435,440.73 | - | - | 435,440.73 |
| Asset derecognised or repaid | (569,880.24) | (783.24) | (1,732.06) | (572,395.54) | (300,273.85) | - | (11.16) | (300,285.01) |
| Transfer from stage 1 | - | 3,631.43 | - | 3,631.43 | - | 1,569.55 | 510.33 | 2,079.88 |
| Transfer from stage 2 | (3,631.43) | - | 2,444.34 | (1,187.09) | (1,569.55) | - | - | (1,569.55) |
| Transfer from stage 3 | - | (2,444.34) | - | (2,444.34) | (510.33) | - | - | (510.33) |
| Write offs | - | - | - | - | - | - | - | - |
| As at the end of the year | 453,218.97 | 1,973.40 | 1,803.97 | 456,996.34 | 296,298.25 | 1,569.55 | 1,091.69 | 298,959.49 |

* New assets originated are those assets which have originated during the year.

As at the balance sheet date, the parties are repaying the principal amounts, as stipulated, and are also regular in payment of interest, except for the following:

| Extent of delay | As at 31 March 2023 | | | As at 31 March 2022 | | |
|-------------------|---------------------------------|--------------------|-------------------|---------------------------------|--------------------|-------------------|
| | Number of customers / borrowers | Amount (INR Lakhs) | Due Date | Number of customers / borrowers | Amount (INR Lakhs) | Due Date |
| Up to 30 days | 8 | 2,995.42 | Various due dates | 8 | 366.72 | Various due dates |
| 31 - 89 days | 4 | 48.38 | Various due dates | 6 | 1,569.55 | Various due dates |
| More than 90 days | 11 | 1,803.97 | Various due dates | 9 | 1,091.69 | Various due dates |

Analysis of changes in the ECL allowance

| Particulars | As at 31 March 2023 | | | | As at 31 March 2022 | | | |
|----------------------------------|---------------------|---------------|-----------------|-----------------|---------------------|---------------|---------------|-----------------|
| | Stage 1 | Stage 2 | Stage 3 | Total | Stage 1 | Stage 2 | Stage 3 | Total |
| As at the beginning of the year | 1,749.30 | 876.52 | 842.11 | 3,467.93 | 1,418.46 | - | 855.02 | 2,273.48 |
| Additions | 1,085.07 | 200.11 | 150.58 | 1,435.76 | 409.08 | 870.33 | 255.01 | 1,534.42 |
| Reversals | - | (500.21) | (18.55) | (518.76) | (72.05) | - | - | (72.05) |
| Transfer from stage 1 | - | 7.88 | - | 7.88 | - | - | - | - |
| Transfer from stage 2 | (7.88) | - | 376.27 | 368.39 | (6.19) | - | - | (6.19) |
| Transfer from stage 3 | - | (376.27) | - | (376.27) | - | 6.19 | - | 6.19 |
| Write offs | - | - | - | - | - | - | (267.92) | (267.92) |
| As at the end of the year | 2,826.49 | 208.03 | 1,350.41 | 4,384.93 | 1,749.30 | 876.52 | 842.11 | 3,467.93 |

Collateral and other credit enhancements

The amount and type of collateral required depends on an assessment of the credit risk of the counterparty. Guidelines are in place covering the acceptability and valuation of each type of collateral. The main types of collateral obtained are, vehicles, loan portfolios and mortgaged properties based on the nature of loans. Management monitors the market value of collateral and will request additional collateral in accordance with the underlying agreement.

Exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure is the total of the carrying amount of the aforesaid balances.

Investments

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The exposure to credit risk for investments is to other non-banking finance companies and financial institutions.

The risk committee has established a credit policy under which each new investee pool is analysed individually for creditworthiness before the Group's standard payment and delivery terms and conditions are offered. The Group's review includes external ratings, if they are available, financial statements, credit agency information, industry information etc. For investments the collateral is the underlying loan pool purchased from the financial institutions.

An impairment analysis is performed at each reporting date based on the facts and circumstances existing on that date to identify expected losses on account of time value of money and credit risk. For the purposes of this analysis, the investments are categorised into groups based on days past due. Each group is then assessed for impairment using the Expected Credit Loss (ECL) model as per the provisions of Ind AS 109 - financial instruments. Further, the risk management committee periodically assesses the credit rating information.

Cash and cash equivalent and Bank deposits

Credit risk on cash and cash equivalent and bank deposits is limited as the Group generally invests in term deposits with banks

46.3 Market Risk

Market Risk is the possibility of loss arising from changes in the value of a financial instrument as a result of changes in market variables such as interest rates, exchange rates and other asset prices. The Group's exposure to market risk is a function of asset liability management activities. The Group is exposed to interest rate risk and liquidity risk.

The Group continuously monitors these risks and manages them through appropriate risk limits. The Asset Liability Management Committee (ALCO) reviews market-related trends and risks and adopts various strategies related to assets and liabilities, in line with the Group's risk management framework. ALCO activities are in turn monitored and reviewed by a board sub-committee.



46.4 Operational Risk

Operational risk is the risk of loss resulting from inadequate or failed internal processes, people or systems, or from external events.

The operational risks of the Group are managed through comprehensive internal control systems and procedures and key backup processes. In order to further strengthen the control framework and effectiveness, the Group has established risk control self assessment at branches to identify process lapses by way of exception reporting. This enables the management to evaluate key areas of operational risks and the process to adequately mitigate them on an ongoing basis.

The Group also undertakes Risk based audits on a regular basis across all business units / functions. While examining the effectiveness of control framework through self-assessment, the risk-based audit would assure effective implementation of self-certification and internal financial controls adherence, thereby, reducing enterprise exposure.

The Group has put in place a robust Disaster Recovery (DR) plan, which is periodically tested. Business Continuity Plan (BCP) is further put in place to ensure seamless continuity of operations including services to customers, when confronted with adverse events such as natural disasters, technological failures, human errors, terrorism, etc. Periodic testing is carried out to address gaps in the framework, if any. DR and BCP audits are conducted on a periodical basis to provide assurance regarding the effectiveness of the Group's readiness.

46.5 Liquidity Risk

Liquidity risk is defined as the risk that the Group will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. Liquidity risk arises because of the possibility that the Group might be unable to meet its payment obligations when they fall due as a result of mismatches in the timing of the cash flows under both normal and stress circumstances. Such scenarios could occur when funding needed for illiquid asset positions is not available to the Group on acceptable terms. To limit this risk, management has arranged for diversified funding sources and adopted a policy of availing funding in line with the tenor and repayment pattern of its receivables and monitors future cash flows and liquidity on a daily basis. The Group has developed internal control processes and contingency plans for managing liquidity risk. This incorporates an assessment of expected cash flows and the availability of unencumbered receivables which could be used to secure funding by way of assignment if required. The Group also has lines of credit that it can access to meet liquidity needs.

Refer Note No 47 for the summary of maturity profile of undiscounted cashflows of the Group's financial assets and financial liabilities as at reporting period.

46.6 Interest Risk

Interest rate risk arises from the possibility that changes in interest rates will affect future cash flows or the fair values of financial instruments. The core business of the Group is providing loans to Institutional Finance. The Group borrows through various financial instruments to finance its core lending activity. These activities expose the Group to interest rate risk.

Interest rate risk is measured through earnings at risk from an earnings perspective and through duration of equity from an economic value perspective. Further, exposure to fluctuations in interest rates is also measured by way of gap analysis, providing a static view of the maturity and re-pricing characteristic of Balance sheet positions. An interest rate sensitivity gap report is prepared by classifying all rate sensitive assets and rate sensitive liabilities into various time period categories according to contracted/behavioural maturities or anticipated re-pricing date. The difference in the amount of rate sensitive assets and rate sensitive liabilities maturing or being re-priced in any time period category, gives an indication of the extent of exposure to the risk of potential changes in the margins on new or re-priced assets and liabilities. The interest rate risk is monitored through above measures on a quarterly basis. Substantially all loans reprice frequently, with interest rates reflecting current market pricing.

The following table demonstrates the sensitivity to a reasonably possible change in interest rates (all other variables being considered as constant) of the Group's statement of profit and loss and equity.

46.7 Foreign currency risk

Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. Foreign currency risk for the Group arises majorly on account of foreign currency borrowings. The Group manages this foreign currency risk by entering into cross currency interest rate swaps. When a derivative is entered into for the purpose of being as hedge, the Group negotiates the terms of those derivatives to match with the terms of the hedge exposure. The Group's policy is to fully hedge its foreign currency borrowings at the time of drawdown and remain so till repayment.

The Group holds derivative financial instruments such as cross currency interest rate swap to mitigate risk of changes in exchange rate in foreign currency and floating interest rate. The counterparty for these contracts is generally a bank. These derivative financial instruments are valued based on quoted prices for similar assets and liabilities in active markets or inputs that are directly or indirectly observable in market place.



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. Derivatives have been classified to mature and/or be repaid within 12 months, regardless of the actual contractual maturities of the products. With regard to loans and advances to customers, the Company uses the same basis of expected repayment behaviour as used for estimating the EIR.

| Particulars | As at 31 March 2023 | | | As at 31 March 2022 | | |
|-----------------------------------------------------------------------------|---------------------|-------------------|-------------------|---------------------|-------------------|-------------------|
| | Within 12 Months | After 12 Months | Total | Within 12 Months | After 12 Months | Total |
| Assets | | | | | | |
| Cash and cash equivalents | 29,573.90 | - | 29,573.90 | 47,357.92 | - | 47,357.92 |
| Bank balances other than cash and cash equivalents | 19,671.49 | 6,824.51 | 26,496.00 | 29,492.68 | 2,412.00 | 31,904.68 |
| Derivative financial instruments | 384.32 | - | 384.32 | - | - | - |
| Receivables | 1,417.13 | - | 1,417.13 | 742.05 | - | 742.05 |
| Loans | 282,841.39 | 170,454.04 | 453,295.43 | 208,878.91 | 87,197.03 | 296,075.94 |
| Investments | 65,591.67 | 249,280.89 | 314,872.57 | 242,535.57 | 52,332.83 | 294,868.40 |
| Other financial assets | 2,936.23 | 560.58 | 3,496.81 | 796.20 | 369.56 | 1,165.76 |
| Current tax assets (net) | - | 3,499.35 | 3,499.35 | 91.88 | 1,859.81 | 1,951.69 |
| Deferred tax assets (net) | - | 1,329.80 | 1,329.80 | - | 355.36 | 355.36 |
| Investment Property | - | 932.84 | 932.84 | - | 948.61 | 948.61 |
| Property, plant and equipment | - | 2,575.01 | 2,575.01 | - | 777.81 | 777.81 |
| Capital work-in-progress | 400.08 | - | 400.08 | - | - | - |
| Right of use asset | - | 2,893.48 | 2,893.48 | - | 43.08 | 43.08 |
| Intangible assets under development | - | 564.65 | 564.65 | - | 969.06 | 969.06 |
| Other intangible assets | - | 267.95 | 267.95 | - | 317.99 | 317.99 |
| Other non-financial assets | 3,650.11 | 92.10 | 3,742.21 | 2,252.70 | 27.67 | 2,280.37 |
| Total Assets | 406,466.33 | 439,275.21 | 845,741.53 | 532,147.91 | 147,610.81 | 679,758.72 |
| Liabilities | | | | | | |
| Derivative financial instruments | - | - | - | - | 382.00 | 382.00 |
| Trade payables | - | - | - | - | - | - |
| -total outstanding dues of micro and small enterprises | 14.80 | - | 14.80 | - | - | - |
| -total outstanding dues of creditors other than micro and small enterprises | 2,145.94 | - | 2,145.94 | 2,505.81 | - | 2,505.81 |
| Debt securities | 67,307.91 | 84,579.28 | 151,887.19 | 63,392.47 | 44,348.56 | 107,741.03 |
| Borrowings (Other than debt securities) | 206,223.05 | 144,475.22 | 350,698.27 | 133,607.22 | 114,354.81 | 247,962.03 |
| Other financial liabilities | 4,927.19 | 3,230.91 | 8,158.10 | 1,120.45 | 522.99 | 1,643.44 |
| Deferred tax liabilities (net) | - | 45,957.00 | 45,957.00 | - | 45,424.37 | 45,424.37 |
| Provisions | 361.23 | 146.76 | 507.99 | 198.52 | 54.45 | 252.97 |
| Other non-financial liabilities | 376.92 | - | 376.92 | 465.66 | - | 465.66 |
| Total Liabilities | 281,357.04 | 278,389.17 | 559,746.21 | 201,290.13 | 205,087.18 | 406,377.31 |
| Total equity | | | 285,995.33 | | | 273,381.41 |

47A Change in Liabilities arising from financing activities

| Particulars | As at 1 April 2022 | Cash flows | Exchange difference | Others* | As at 31 March 2023 |
|-----------------------------------------|--------------------|------------|---------------------|----------|---------------------|
| Debt Securities | 107,741.03 | 38,679.75 | - | 5,466.41 | 151,887.19 |
| Borrowings (other than debt securities) | 247,962.03 | 100,722.18 | 781.00 | 1,233.06 | 350,698.27 |

| Particulars | As at 1 April 2021 | Cash flows | Exchange difference | Others* | As at 31 March 2022 |
|-----------------------------------------|--------------------|------------|---------------------|----------|---------------------|
| Debt Securities | 40,219.33 | 64,329.88 | - | 3,191.82 | 107,741.03 |
| Borrowings (other than debt securities) | 98,446.05 | 148,483.95 | 71.78 | 960.25 | 247,962.03 |



48 Impact of hedging activities

a) Disclosure of effects of hedge accounting on financial position:

| As at 31 March 2023 | | | | | | | | |
|------------------------------------|---------------|-------------|---------------------------------------|-------------|---------------|---------------------------------------------|-------------------------------------------------------------------------------------|-----------------------------------------|
| Type of hedge risks | Nominal Value | | Carrying amount of hedging instrument | | Maturity Date | Changes in fair value of hedging instrument | Change in the value of hedged item as the basis for recognising hedge effectiveness | Line item in Balance Sheet |
| | Assets | Liabilities | Assets | Liabilities | | | | |
| Cash flow hedge | | | | | | | | |
| Cross currency interest rate swaps | - | 8,293.85 | 384.32 | - | 30-Nov-26 | 766.32 | 754.62 | Borrowings (other than debt securities) |

| As at 31 March 2022 | | | | | | | | |
|------------------------------------|---------------|-------------|---------------------------------------|-------------|---------------|---------------------------------------------|-------------------------------------------------------------------------------------|-----------------------------------------|
| Type of hedge risks | Nominal Value | | Carrying amount of hedging instrument | | Maturity Date | Changes in fair value of hedging instrument | Change in the value of hedged item as the basis for recognising hedge effectiveness | Line item in Balance Sheet |
| | Assets | Liabilities | Assets | Liabilities | | | | |
| Cash flow hedge | | | | | | | | |
| Cross currency interest rate swaps | - | 7,639.68 | - | 382.00 | 30-Nov-26 | (382.00) | 57.23 | Borrowings (other than debt securities) |

b) Disclosure of effects of hedge accounting on financial performance:

| For the year ended 31 March 2023 | | | | |
|------------------------------------|------------------------------------------------------------------------------------|------------------------------------------------------------------|----------------------------------------------------------------------------------|------------------------------------------------------------------------------------|
| Type of hedge | Change in value of the hedging instrument recognised in other comprehensive income | Hedge ineffectiveness recognised in statement of profit and loss | Amount reclassified from cash flow hedge reserve to statement of profit and loss | Line item affected in statement of profit and loss because of the reclassification |
| Cash flow hedge | | | | |
| Cross currency interest rate swaps | (11.70) | - | - | Not applicable |

| For the year ended 31 March 2022 | | | | |
|------------------------------------|------------------------------------------------------------------------------------|------------------------------------------------------------------|----------------------------------------------------------------------------------|------------------------------------------------------------------------------------|
| Type of hedge | Change in value of the hedging instrument recognised in other comprehensive income | Hedge ineffectiveness recognised in statement of profit and loss | Amount reclassified from cash flow hedge reserve to statement of profit and loss | Line item affected in statement of profit and loss because of the reclassification |
| Cash flow hedge | | | | |
| Cross currency interest rate swaps | (324.77) | - | - | Not applicable |

49 Additional Regulatory Information

- The Group does not have any Benami property, where any proceeding has been initiated or pending against the Group for holding any Benami property.
- The Group does not have any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.
- The Group does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- The Group has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- The Group has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group (Ultimate Beneficiaries) or (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- 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 (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- The Group does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year 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)
- The Group has not been declared as wilful defaulters by any bank or financial institution or government or any other government authority.
- The Group 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.
- The Group has not entered into any scheme of arrangement as per sections 230 to 237 of the Companies Act, 2013.



Vivriti Capital Private Limited

Notes to the Consolidated Financial Statements for the year ended 31 March 2023

(All amounts are in Rupees lakhs, unless stated otherwise)

50 Subsequent events

There are no subsequent events that have occurred after the reporting period till the date of approval of these consolidated financial statements.

As per our report of even date attached

for **BSR & Co. LLP**

Chartered Accountants

Firm's Registration No. 101248W/W-100022



S Sethuraman

Partner

Membership No: 203491

**For and on behalf of the Board of Directors of
Vivriti Capital Private Limited**



Vineet Sukumar

Managing Director

DIN 06848801



Gaurav Kumar

Director

DIN 07767248



B Srinivasaraghavan

Chief Financial Officer



Amritha Paitenkar

Company Secretary

Membership No: A49121

Place: Chennai

Date: 4 May 2023

Place: Chennai

Date: 4 May 2023