

BOARD'S REPORT

To,
The Members,
Svatantra Holdings Private Limited

The Board of Directors of the Company takes pleasure in presenting the Sixth Board's Report of the Company together with the Audited Financial Statements for the Financial Year ended 31st March 2024.

1. FINANCIAL HIGHLIGHTS:

The summary of the Financial Results of the Company for the Financial Year ended 31st March 2024 is as follows:

Particulars	Standalone		(Amount in Rs. Lakhs) Consolidated	
	31 st March 2024	31 st March 2023	31 st March 2024	31 st March 2023
Income				
Revenue from Operations	6.70	5.49	24,075.48	17,606.90
Other Income	301.81	180.00	280.03	181.66
Total Income	308.51	185.49	24,355.51	17,788.56
Less: Total Expenditure	12.67	9.90	21,551.79	15,455.55
Profit / (Loss) Before Tax	295.84	175.59	2,803.72	2,333.01
Less: Current Tax	-	-	739.89	664.20
Earlier year tax adjustments	-	-	(34.67)	-
Less: Deferred tax expenses / (credit)	72.69	46.41	163.70	213.67
Profit/(Loss) after tax	223.15	129.18	2,262.20	1,882.48

2. PERFORMANCE REVIEW OF THE BUSINESS OF THE COMPANY:

Standalone Financials: For the Financial Year ended on 31st March 2024, the Company has Net profit of Rs. 223.15 Lakhs (Previous year Net Profit Rs. 129.18 Lakhs).

Consolidated Financials: For the Financial Year ended on 31st March 2024, the Company has consolidated Net Profit of Rs. 2,262.20 Lakhs (Previous year consolidated Net Profit Rs. 1,882.48 Lakhs).

3. DIVIDEND:

Considering the financial position of the Company, your directors do not propose any dividend for the period under review.

4. TRANSFER TO RESERVES:

No amount was transferred and/or required to be transferred to the Reserves during the period under review.

5. STATE OF COMPANY'S AFFAIRS:

During the year under review, the Company subscribed for 1,09,28,962 Equity Shares of Rs. 10/- each fully paid up at the premium of Rs. 35.75 per share, amounting to Rs. 50,00,00,011.50 of its wholly owned subsidiary company Svatantra Micro Housing Finance Corporation Limited.

Further, the Company had entered into Share Subscription and Purchase Agreement ("**SSPA**") and Shareholders Agreement ("**SHA**") dated 4th March 2024 with Violicina Limited (one of the entities of Advent International), Multiples Private Equity Fund III, Multiples Private Equity Fund IV and Multiples Private Equity Gift Fund IV (collectively referred to as the "**Investors**") for investment in Svatantra Microfin Private Limited ("**SMPL**") in the following manner, subject to RBI and Competition Commission of India ("**CCI**") approval:

- (i) secondary acquisition of 5% compulsorily convertible non-cumulative preference shares ("**CCPS**") of SMPL by the Investors from the existing shareholders of SMPL for an aggregate amount of ~INR 1100 Crores; and
- (ii) primary infusion by the Investors pursuant to subscription of equity shares of SMPL for an aggregate amount of ~INR 830 Crores.

The CCI has vide its letter dated 21st May 2024 provided its approval for the aforesaid investment in SMPL. SMPL has made necessary application for approval from the RBI on 20th March 2024 and the same is awaited.

6. CHANGE IN NATURE OF BUSINESS:

There was no change in the nature of business during the year under review.

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

There are no material changes and commitments affecting the financial position of the company which have occurred between the end of the financial year to which the financial statement relates and the date of this report.

8. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE:

There are no significant material orders passed by the regulators/courts/tribunals which would impact the going concern status of the Company and its future operations.

9. DETAILS OF SUBSIDIARY/JOINT VENTURES / ASSOCIATE COMPANY:

The details of subsidiary company is as follows:

Sr. No.	Name of Company	Type	Date of becoming subsidiary
1	Svatantra Micro Housing Finance Corporation Limited Regd. Office: Office no 1,2,3,4, Ground floor, Pushpak CHSL, Malaviya Road, Vile Parle (East) Mumbai – 400057	Subsidiary	15.09.2018

The Company does not have any joint ventures or Associate Company as on financial year ended 31st March 2024 and date of this report.

There are no Companies which have become or ceased to be its Subsidiaries, Joint Ventures or Associate Companies during the year under review.

10. SHARE CAPITAL:

The Authorized Share Capital of the Company as on 31st March 2024 stood at Rs. 1500,00,00,000/- (Rupees One Thousand Five Hundred Crores Only) divided into 20,00,00,000 (Twenty Crores) Equity Shares of Rs. 10/- (Rupees Ten only) each and 13,00,00,000 (Thirteen Crores) Preference Shares of Rs. 100/- (Rupees One Hundred only) each.

During the year under review, the Company has made the following allotments:

Sr. No.	Security	Maturity Period	Date of allotment	No. of securities allotted	Issue Price per security (Rs.)	Amount (Rs.)
1	6% Compulsorily Convertible Non-Cumulative Preference Shares ("CCPS")	10 Years	30.12.2023	50,00,000	100	50,00,00,000
Total				50,00,000	100	50,00,00,000

As on 31st March 2024, the paid-up capital of the Company stood at Rs. 12,14,10,00,000/- (Rupees One Thousand Two Hundred Fourteen Crores and Ten Lakhs Only) divided into 1,00,000 (One Lakh) Equity Shares of Rs. 10/- (Rupees Ten only) each and 12,14,00,000 (Twelve Crores and Fourteen Lakhs) Compulsorily Convertible Non-Cumulative Preference Shares ("CCPS") of Rs. 100/- (Rupees One Hundred only) each.

11. CONSOLIDATED FINANCIAL STATEMENTS:

In accordance with the Companies Act, 2013 ("the Act") and Indian Accounting Standard applicable on Consolidated Financial Statements, the audited consolidated financial statement is presented in addition to the standalone audited financial statements of the Company.

12. PUBLIC DEPOSITS:

During the period under review, the company has not accepted any deposit from the public as covered under Section 73 of the Companies Act, 2013 read with the Companies (Acceptance of Deposit) Rules, 2014.

13. DISCLOSURE REGARDING COST RECORD:

The Company is not required to maintain cost records as specified by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013.

14. SECRETARIAL AUDIT:

The requirement for appointment of Secretarial Auditor and conducting Secretarial Audit under Section 204(1) of the Companies Act, 2013 read with Rule 9 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is not applicable to the Company.

15. APPOINTMENT OF INDEPENDENT DIRECTOR:

The requirement for appointment of Independent Director under Section 149 of Companies Act, 2013 read with relevant Rules are not applicable to the Company.

16. COMPLIANCE OF APPLICABLE LAWS AND SECRETARIAL STANDARDS:

The Board of Directors hereby declare that the Company is in compliance of the provisions of all applicable laws and mandatory Secretarial Standards issued by Institute of Company Secretaries of India (ICSI).

17. STATUTORY AUDITORS:

M/s. P Y S & Co. LLP, Chartered Accountants, (Firm Registration No. 012388S/S200048) were appointed as Statutory Auditor of the Company in the Third Annual General Meeting ("AGM") of the Company held on 6th November 2021 to hold office for a period of five years from the conclusion of Third AGM until the conclusion of the Eighth AGM of the Company to be held in the year 2026. However, M/s. P Y S & Co. LLP, Chartered Accountants, resigned from the office of Statutory Auditors w.e.f. May 30, 2024.

Accordingly, to fill the casual vacancy caused by the resignation of M/s. P Y S & Co. LLP, Chartered Accountants (Firm Registration No. 012388S/S200048), M/s. JMT & Associates, Chartered Accountants (Firm Registration No. 104167W) were appointed as Statutory Auditors of the Company, who shall hold the office as Statutory Auditors of the Company until the conclusion of the Sixth AGM of the Company at such remuneration plus applicable taxes, and out of pocket expenses, as may be mutually agreed in consultation with the Statutory Auditors.

Further, the Board of Directors at their meeting held on 26th August 2024 approved appointment of M/s. JMT & Associates, Chartered Accountants (Firm Registration No. 104167W), as Statutory Auditors of the Company, to hold office for the period of five consecutive years from the conclusion of 6th (Sixth) AGM until the conclusion of the 11th (Eleventh) AGM of the Company to be held in the year 2029, subject to the approval of the shareholders in the ensuing AGM. They have provided their consent and confirmed their eligibility under Section 141 of the Companies Act, 2013 to carry out the Statutory Audit of the Company.

18. AUDITOR'S REPORT:

M/s. JMT & Associates, Chartered Accountants (Firm Registration No. 104167W) Statutory Auditors for the Company who conducted the audit for the period commencing from 01st April 2023 to 31st March 2024 have submitted their report. The Notes to the Accounts forming part of Financial Statements are self-explanatory and do not call for any further comments.

There are no qualifications or adverse remarks in the Auditor's Report which require any clarification/explanation.

19. WEB ADDRESS OF ANNUAL RETURN:

As the Company does not have any website, the particulars as prescribed under Section 134(3)(a) read with Section 92 (3) of the Companies Act, 2013 are not applicable to the Company.

20. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:

In view of the nature of activities which are being carried on by the Company, the particulars as prescribed under Section 134(3)(m) of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014 regarding Conservation of energy, Technology absorption, and research and development have not been furnished. The Company, however, uses information technology in its operations.

During the year under review, the foreign exchange inflow and outflow was NIL.

21. DIRECTORS AND KEY MANAGERIAL PERSONNEL:

a. Composition of Board of Directors:

As on 31st March 2024, the Board of the Company is duly constituted as per the Companies Act, 2013, with the following as the Members:

Mr. Anil Chirania	-	Director
Mr. Shriram Jagetiya	-	Director

Both the Directors of the Company has diversified experience and specialized knowledge in various areas relevant to the Company.

b. Changes in the Composition of Board of Directors:

During the year under review, there is no change in the composition of Board of Director of the Company.

c. Key Managerial Personnel:

During the year under review, Mr. Rohit Sahu ceased to be the Company Secretary of the Company pursuant to his resignation w.e.f. October 13, 2023.

Accordingly, to fill such casual vacancy in the office of Company Secretary, the Board of Directors at its meeting held on October 13, 2023, appointed Mr. Akshay Rane as Company Secretary of the Company with effect from October 13, 2023.

Further, Mr. Akshay Rane, ceased to be the Company Secretary of the Company, pursuant to his resignation with effect from March 08, 2024.

22. NUMBER OF MEETINGS OF THE BOARD OF DIRECTORS:

During the period commencing from 1st April 2023 to 31st March 2024, 10 (Ten) Meetings of the Board of Directors of the Company were held. The attendance of the Board of Directors in these Meetings was as follows:

Sr. No.	No. of the Board Meeting	Date of the Board Meeting	No. of Directors Present
1.	1/2023-24	21.04.2023	2
2.	2/2023-24	09.06.2023	2
3.	3/2023-24	31.08.2023	2
4.	4/2023-24	13.10.2023	2
5.	5/2023-24	16.11.2023	2
6.	6/2023-24	22.11.2023	2
7.	7/2023-24	20.12.2023	2
8.	8/2023-24	20.12.2023	2
9.	9/2023-24	30.12.2023	2
10.	10/2023-24	04.03.2024	2

Name of Directors	No. of Board Meetings during the period commencing from 01.04.2023 to 31.03.2024		
	Held	Eligible to attend	Attended
Mr. Anil Chirania	10	10	10
Mr. Shriram Jagetiya	10	10	10

23. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:

During the year under review, the Company subscribed for 1,09,28,962 Equity Shares of Rs. 10/- each fully paid up at the premium of Rs. 35.75 per share, amounting to Rs. 50,00,00,011.50 of its wholly owned subsidiary company Svatanttra Micro Housing Finance Corporation Limited.

However, being an Investment Company, Section 186 of the Companies Act, 2013 is not applicable to the Company.

24. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES:

All the related party transactions that were entered into during the financial year were on arm's length basis and were in the ordinary course of the business. There are no materially significant related party transactions made by the Company with Promoters, Key Managerial Personnel or other related parties which may have potential conflict with the interest of the Company at large.

25. CORPORATE SOCIAL RESPONSIBILITY (CSR):

As on 31st March 2021, the net worth of the Company crossed the threshold limit as provided in Section 135(1) of the Companies Act, 2013 which mandates the Company to constitute the CSR Committee. However, in terms of Section 135(9) of the Company Act, 2013, as the amount to be spent on CSR did not exceed Rs. 50 Lakhs during the financial year the requirement of constitution of CSR Committee was not applicable and the Board of Directors of the Company can discharge the functions of CSR Committee. Since the average net profit, calculated in accordance with the provisions of Section 198, for three immediately preceding financial years is negative the Company was not required to spend any amount on CSR during the Financial Year 2023-24.

As per the requirement of Section 135 of the Companies Act, 2013 read with relevant rules, disclosures to include an annual report on CSR activities containing the particulars specified in the Rules are not attached hereto as the same is not applicable to the Company.

26. STATEMENT CONTAINING SALIENT FEATURES OF FINANCIAL STATEMENTS OF SUBSIDIARY, ASSOCIATE COMPANIES AND JOINT VENTURES:

Pursuant to Sub-section (3) of Section 129 of the Act, the statement containing the salient features of the financial statement of Company's subsidiary or subsidiaries, associate company or companies and joint ventures is given as **Annexure-A**.

Further, brief about the business of the Subsidiary is given hereunder –

Svatantra Micro Housing Finance Corporation Limited

Svatantra Micro Housing Finance Corporation Limited, which is a subsidiary of the Company is a Housing Finance Company registered with National Housing Bank (NHB) that provides housing finance to lower income households in urban India.

The financial statement of Svatantra Micro Housing Finance Corporation Limited for financial year ended 31st March 2024 have been prepared in accordance with Indian Accounting Standards as notified under Section 133 of the Companies Act, 2013 (the Act) read with Companies (Indian Accounting Standard) Rules, 2015 and other relevant provisions of the Act.

As on 31st March 2024, the total income of Svatantra Micro Housing Finance Corporation Limited was Rs. 24,363.25 Lakhs (Previous Year - Rs. 17,804.54 Lakhs) and the Net Profit after tax was Rs. 2,280.13 Lakhs (Previous Year - Rs. 1,901 Lakhs).

27. DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to Sub-Section (5) of Section 134 of the Companies Act, 2013 and to the best of their knowledge and belief and according to the information and explanations obtained/ received from the operating management, your Directors make the following statement and confirm that:

- (a) in the preparation of the annual accounts for the period under review, the applicable accounting standards had been followed along with proper explanation relating to material departures, if any;
- (b) the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company as at the period ended on 31st March 2024 and of the Profit 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 the Companies Act, 2013 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';
- (e) 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.

28. DETAILS IN RESPECT OF FRAUDS REPORTED BY AUDITORS UNDER SECTION 143(12):

There are no frauds detected by the Auditors which needs to be reported under Section 143(12) of the Companies Act, 2013.

29. RISK MANAGEMENT:

The Company has duly adopted the Risk Management Policy as per the requirement of the Companies Act, 2013. Further, adequate care has been taken in its implementation by identifying various element of risk which may cause serious threat to the existence of the Company and also the strategy to mitigate such risk(s).

30. ADEQUACY OF INTERNAL FINANCIAL CONTROLS:

For the period under review, the provisions of Section 143(3)(i) of the Companies Act, 2013 regarding adequacy of internal financial controls are not applicable to the Company.

31. DISCLOSURE UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT, 2013:

The provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 is not applicable to the Company during the period under review.

32. PARTICULARS OF EMPLOYEES:

The information regarding employee remuneration as required pursuant to Rule 5(2) and Rule 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 was not applicable during the period under review.

33. OTHER DISCLOSURES:

- a. Your Company has not issued any shares with differential rights or sweat equity shares.
- b. There is no revision in the financial statements both standalone and consolidated.
- c. The Company has not made any application and there are no proceedings pending under the Insolvency and Bankruptcy Code, 2016 during the year under review.
- d. the details of difference between amount of the valuation done at the time of one-time settlement and the valuation done while taking loan from the Banks or financial institutions along with the reasons thereof, is not Applicable.

34. APPRECIATION:

Your Directors take this opportunity to express their deep and sincere gratitude to the Banks, Financial Institutions, Investors, business associates and Employees for their continued assistance, support, confidence and patronage as well as to the Government of India and Regulatory Authorities for their co-operation, unstinted support and guidance during the period and look forward to their continued support in future.

**FOR AND ON BEHALF OF THE BOARD OF DIRECTORS OF
SVATANTRA HOLDINGS PRIVATE LIMITED**



**ANIL CHIRANIA
DIRECTOR
DIN: 01082719**



**SHRIRAM JAGETIYA
DIRECTOR
DIN: 01638250**



Date: 26th August 2024

Place: Mumbai

Form 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)

Svatantra Holdings Private Limited

Part "A": Subsidiaries

(Amount in Rs. Lakhs)

Name of the Subsidiary	Svatantra Micro Housing Finance Corporation Limited (Erstwhile known as Micro Housing Finance Corporation Limited)
Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Not Applicable
Reporting currency and Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries	Not Applicable
Share capital	7,472.70
Reserves & surplus	28,801.25
Total Assets	2,12,745.13
Total Liabilities	1,76,471.18
Investments	Nil
Turnover	24,083.22
Profit before taxation	2,824.07
Provision for taxation	543.94
Profit after taxation	2,280.13
Proposed Dividend	NIL
% of shareholding	100

Names of subsidiaries which are yet to commence operations – Not Applicable

Name of subsidiaries which have been liquidated or sold during the year – Not Applicable

Part "B": Associates and Joint Ventures

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

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS OF SVATANTRA HOLDINGS PRIVATE LIMITED



**ANIL CHIRANIA
DIRECTOR
DIN: 01082719**



**SHRIRAM JAGETIYA
DIRECTOR
DIN: 01638250**



**Date: 26th August 2024
Place: Mumbai**



JMT & associates

CHARTERED ACCOUNTANTS

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Opp. Andheri Rly. Stn., Andheri (East), Mumbai - 400 069
Tel : 81085 22577 • Email : jmtca301@gmail.com
Tel : 7045452475 • Email : office.amarbarfna@gmail.com

INDEPENDENT AUDITORS' REPORT

**TO MEMBERS OF
SVATANTRA HOLDINGS PRIVATE LIMITED**

Report on the Audit of Standalone Financial Statements

Opinion

We have audited the financial statements of **SVATANTRA HOLDINGS PRIVATE LIMITED** (hereinafter referred to as "the Company"), which comprise the Standalone Balance Sheet as at March 31, 2024, and the Standalone Statement of Profit and Loss including Other Comprehensive Income, the Standalone Cash Flow Statement and the Standalone Statement of Changes in Equity for the year then ended, and notes to the Standalone Financial Statements, including a summary of material accounting policies and other explanatory information (collectively referred to as 'Standalone Financial Statements').

In our opinion and to the best of our information and according to the explanations given to us, the Financial Statements give the information required by the Companies Act, 2013 (hereinafter referred to as "the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015, and amended and other accounting principles generally accepted in India, of the state of affairs (financial position) of the Company as at March 31, 2024, and its loss including other comprehensive loss, the 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 Standards are further described in the Auditor's Responsibilities for the Audit of Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key Audit Matters are those matters that in our professional judgment were of most significance in our audit of the Standalone Financial Statements for the year ended March 31, 2024. 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. We have determined the matters described below to be the Key Audit Matters to be communicated in our report:

(Cont..2)



Sr. No.	Key Audit Matter	Our Response
1	<p>Measurement of Investments in Principal Audit Procedures accordance with Ind AS 109 "Financial Instruments"</p> <p>On initial recognition, Investments are recognized at fair value, in case of the Investments which are recognised at fair value through profit and loss (FVTPL), its transaction cost is recognised in the statement of profit and loss. In other cases, the transaction costs are attributed to the acquisition value of the Investments.</p> <p>The Company's investments are subsequently classified into following categories based the objective of its business model to manage the cash flows and options available in the standard:</p> <ul style="list-style-type: none"> • Investments in Mutual fund units at fair value through profit or loss (FVTPL) • Equity instruments measured at fair value through other comprehensive income FVTOCI. • Compulsorily non-cumulative convertible preference shares measured at fair value through other comprehensive income FVTOCI. <p>Since valuation of investments at fair value involves critical assumptions, significant risk in valuation, the valuation of investments as per Ind AS 109 is determined to be a key audit matter in our audit of the standalone financial statements.</p> <p>Refer note 2.4, 4 and 22 to the standalone financial statements.</p>	<p>Obtained an understanding of the determination of the measurement of investments and tested the reasonableness of the significant judgements are applied by the management</p> <ul style="list-style-type: none"> • Evaluated the design of internal controls relating to the measurement and also tested the operating effectiveness of the aforesaid controls; • Obtained valuation certificate of independent valuer in respect of fair value of investments; • Verified that the Company has used valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs; • Assessed the appropriateness of the disclosure in the standalone financial statements in accordance with the applicable financial reporting framework.



Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements and our auditor's report thereon.

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

In connection with our audit of the Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Financial Statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report the fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to preparation of these Financial Statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with provisions of the Act for safeguarding 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 accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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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 risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate appropriateness of the accounting policies used and reasonableness of accounting estimates and related disclosures made by management.
- Conclude on appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements including disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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

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

(Cont..5)



From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current year and are therefore the key audit matters. We describe these matters in our auditors' 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 Matters

The comparative financial information of the Company for the year ended March 31, 2023 prepared in accordance with Ind AS included in these Standalone Financial Statements have been audited by the predecessor auditor who had audited the financial statements for the relevant period. The report of the predecessor auditor on the comparative financial information dated August 31, 2023 expressed an unqualified opinion.

Our report on the Standalone Financial Statements is not modified in respect of this matter.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143 (11) of the Act, we give in "Annexure A" - a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by section 143(3) of the Act, 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 appears from our examination of those books;
 - c) The Balance Sheet, the Statement of Profit and Loss including other comprehensive income, the Statement of Changes in Equity and the Cash Flow Statement dealt with by this report are in agreement with the books of account;
 - d) In our opinion the Financial Statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
 - e) On the basis of written representations received from the directors as on March 31, 2024, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024, from being appointed as a director in terms of Section 164 (2) of the Act;
 - f) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by provisions of Section 197 read with Schedule V of the Act;



(Cont..6)

- g) As the Company fulfils the conditions of paragraph 9A of the notification No. GSR 464(E) dated 5 June 2015 as amended, reporting under Section 143(3)(i) of the Act with respect to the adequacy of internal financial controls over financial reporting of the Company and operating effectiveness of such controls is not applicable for the year;
- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2021, in our opinion and to the best of our information and according to the explanations given to us, we report that:
- i) The Company does not have any pending litigations which would impact its financial position other than those mentioned in the notes to the accounts;
 - ii) The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses;
 - iii) There were no amounts which were required to be transferred to the Investors Education and Protection Fund by the Company;
 - iv) (a) As per the information and explanation given to us by the management, 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 or entity, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - (b) As per the information and explanation given to us by the management, no funds have been received by the company from any person or entity, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
 - (c) On the basis of above representations, nothing has come to our notice that has caused us to believe that the above representations contained any material mis-statement.
- v) The Company has not declared or paid any dividend during the year.



(Cont..7)

vi) Based on our examination, which included test checks, and other generally accepted audit procedures performed by us, we report that the company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility. However, the same was operational for part of the year for all relevant transactions recorded in the software. Further, during the course of our audit, we did not come across any instance of audit trail feature being tampered with.

As provision to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 1, 2023, reporting under Rule 11 (g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements of record retention is not applicable for the financial year ended March 31, 2024.

Place : Mumbai
Dated : 26th August 2024

For and on behalf of
J M T & ASSOCIATES
Chartered Accountants
Firm Regn No. 104167W

Amar Bafna

(Amar Bafna)
Partner
Membership No. 048639
UDIN : 22048639 BKCC RX 8022



SVATANTRA HOLDINGS PRIVATE LIMITED
ANNEXURE-A TO INDEPENDENT AUDITOR'S REPORT

The Annexure referred to in paragraph 1 under the 'Report on Other Legal and Regulatory Requirements' our report to the members of SVATANTRA HOLDINGS PRIVATE LIMITED, ('the Company') for the year ended on March 31, 2024. We report that:

- i. In respect of its Property, Plant & Equipment:
 - (a) According to the information and explanations given to us, there are no Property, Plant and Equipment and Intangible Assets during the year. Hence, paragraphs 3 (i) (a) to 3 (i) (d) of the Order are not applicable to the Company;
 - (b) Further, according to the information and explanations given to us and based on management representations, there are no proceedings initiated or are pending against the Company as at March 31, 2024 for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder. Accordingly, the provisions of paragraph 3 (i)(e) of the Order are not applicable to the Company.
- ii. In respect of its inventories:
 - (a) As per the information and explanation given to us by the management, the Company does not hold any inventories and hence provisions of Clause 3(ii)(a) of the Order are not applicable to the Company;
 - (b) As per the information and explanation given to us by the management, the Company has not availed any working capital facility from any banks or financial institutions on the basis of security of current assets and hence provisions of Clause 3(ii)(b) of the Order are not applicable to the Company.
- iii. According to the information and explanations given to us and on the basis of our examination of the records of the Company, it has not provided any security or granted any secured loans or secured or unsecured advances in the nature of loans to companies, firms, limited liability partnerships or any other parties during the year. The Company has made investments in wholly owned subsidiary, other corporate and mutual fund, and provided guarantee in relation to loan taken by its wholly owned subsidiary in respect of which the requisite information is given below. The Company has not made investments in firms and limited liability partnerships.
 - (a) According to information and explanations given to us, the Company has not provided any security or granted any secured or unsecured loans or advances in the nature of loans to companies, firms, limited liability partnerships or any other parties during the year. The Company has provided guarantee in relation to loan taken by its wholly owned subsidiary (Refer note 19 (B) and 20 to the standalone financial statements).
 - (b) In our opinion, the investments made and guarantee provided in relation to loan taken by its wholly owned subsidiary are, prima facie, not prejudicial to the Company's interest.
 - (c) During the year, the Company has not granted any secured or unsecured loans or advances in the nature of loans and accordingly, reporting under paragraphs 3(iii)(c) and 3(iii)(d) of the Order is applicable to the Company.

(Cont..2)



- (d) During the year, no loan or advance has been renewed or extended or fresh loans granted to settle the overdue of existing loans given to the same parties and accordingly, reporting under paragraph 3(iii)(e) of the Order is not applicable to the Company.
- (e) During the year, 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 and accordingly, reporting under paragraph 3(iii)(f) of the Order is not applicable to the Company.
- iv. According to information and explanations given to us and on the basis of our examination of the records of the Company, the Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of loans granted, investments made, guarantees, and securities provided, as applicable.
- v. In our opinion and according to the information and explanations given to us, the Company has not accepted deposits or amounts which are deemed to be deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the Rules framed thereunder to the extent notified.
- vi. According to the information and explanations given to us, the Company does not require maintaining cost records as prescribed by the Central Government under sub-section (1) of Section 148 of the Act.
- vii. (a) According to the records of the Company, the Company is generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income-tax, GST, sales tax, wealth tax, duty of customs, duty of excise, value added tax or cess and other statutory dues applicable to it;
- Further, according to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, GST, sales tax, wealth tax, duty of customs, duty of excise, value added tax or cess and other statutory dues were outstanding, as at March 31, 2024, for a period of more than six months from the date they became payable;
- (b) According to the information and explanations given to us, there are no dues of income tax, GST, sales tax or service tax or duty of customs or duty of excise or value added tax or cess which have not been deposited on account of any dispute.
- viii. According to the information and explanations given to us, there are no transactions that are not recorded in the books of accounts and have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.
- ix. In our opinion and according to information and explanations given to us, the Company does not have any loans or borrowings from banks, financial institutions, government and has not issued any debentures during the year. Hence, reporting under paragraphs 3 (ix) (a) to 3 (ix) (f) of the Order are not applicable to the Company



(Cont...3)

- x. (a) Based on our audit procedures and according to the information and explanations given to us by the management, the Company has not raised any money by way of initial public offer or further public offer (including debt instruments) and hence provisions of Clause 3(x)(a) of the Order are not applicable to the Company;
- (b) The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under audit and hence provisions of Clause 3(x)(b) of the Order are not applicable to the Company
- xi. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company noticed or reported during the year, nor have we been informed of any such case by the management. Clause 3(xi)(a) to (c) of the Order is, therefore, not applicable to the Company for the year under audit.
- xii. The Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to the Company and hence provisions of Clause 3(xii) (a) to (c) of the Order are not applicable to the Company.
- xiii. The Company has entered into the transaction with the related parties in compliance with the provisions of the Section 188 of the Act. The details of such related party transactions have been disclosed in the financial statements as required under Ind AS 24, Related Party Disclosures specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- xiv. According to the information and explanations given to us, in our opinion and based on our examination, the Company does not have an internal audit system and is not required to have an internal audit system as per the provisions of the Companies Act 2013. Accordingly, reporting under paragraph 3(xiv) of the Order is not applicable to the Company.
- xv. The Company has not entered into any non-cash transactions with its directors or the persons connected with him and hence provisions of Clause 3(xv) of the Order are not applicable to the Company.
- xvi. (a) In our opinion, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under paragraphs 3(xvi)(a) and 3(xvi)(b) of the Order is not applicable to the Company.
- (b) The company is a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India;
- (c) According to the information and explanations given to us by the management, the Group has one CIC which is not required to be registered with the Reserve Bank of India.

(Cont...4)



- xvii. The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- xviii. There has been no resignation of the statutory auditors during the year resulting in any casual vacancies, and hence provisions of Clause 3(xviii) of the Order are not applicable to the Company.
- xix. According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.
- xx. In respect of Corporate Social Responsibility (CSR), there are no unspent amounts towards Corporate Social Responsibility (CSR) requiring a transfer to a Fund specified in Schedule VII to the Companies Act in compliance with second proviso to sub-section (5) of Section 135 of the said Act. Accordingly, reporting under paragraph 3(xx)(a) and (b) of the Order is not applicable for the year to the Company.
- xxi. According to the information and explanations given to us, there were no qualifications or adverse remarks by the respective auditors in the Companies (Auditor's Report) Order (CARO) reports of the companies included in the consolidated financial statements.

Place : Mumbai
Dated : 26th August 2024

For and on behalf of
J M T & ASSOCIATES
Chartered Accountants
Firm Regn No. 104167W



(Amar Bafna)
Partner
Membership No. 048639

UDIN: 22048639BKCCRX 8022



Svatantra Holdings Private Limited
CIN: U67200MH2018PTC309327
Standalone Balance sheet as at 31 March 2024

₹ in Lakhs

Particulars	Notes	As at 31 March 2024	As at 31 March 2023
ASSETS			
(1) Financial assets			
(a) Cash and cash equivalents	3	2.00	2.07
(b) Investments	4	1,45,837.25	1,90,226.33
Total financial assets		1,45,839.25	1,90,228.40
(2) Non-financial assets			
(a) Current tax assets (net)	5	1.65	-
Total non-financial assets		1.65	-
TOTAL ASSETS		1,45,840.90	1,90,228.40
LIABILITIES AND EQUITY			
(A) LIABILITIES			
(1) Financial Liabilities			
(a) Trade payables	7		
(i) Total outstanding dues of micro enterprises and small enterprises		-	-
(ii) Total outstanding dues of creditors other than micro and small enterprises		2.70	3.24
(b) Other financial liabilities	8	2,347.56	1,348.30
Total financial liabilities		2,350.26	1,351.54
(2) Non-financial Liabilities			
(a) Deferred tax liabilities (net)	6	5,751.80	18,448.55
(b) Other non-financial liabilities	9	56.15	1.12
Total non financial liabilities		5,807.95	18,449.67
TOTAL LIABILITIES		8,158.21	19,801.21
(B) EQUITY			
(a) Equity share capital	10	10.00	10.00
(b) Instruments entirely equity in nature	10	1,21,400.00	1,16,400.00
(c) Other equity	11	16,272.69	54,017.19
TOTAL EQUITY		1,37,682.69	1,70,427.19
TOTAL LIABILITIES AND EQUITY		1,45,840.90	1,90,228.40

Material of Significant accounting policies


2

The accompanying notes are an integral part of standalone financial statements

As per our report of even date attached


For JMT & Associates
Chartered Accountants
Firm's Registration No. 104167W

For Svatantra Holdings Private Limited


Amar Bafna
Partner
Membership No: 048639




Anil Chirania
Director
DIN: 01082719


Shriram Jagetiya
Director
DIN: 01638250

Place: Mumbai

Date: 26 AUG 2024



Svatantra Holdings Private Limited
CIN: U67200MH2018PTC309327
Standalone Statement of profit and loss for the year ended 31 March 2024

₹ in Lakhs

Particulars	Notes	For the year ended 31 March 2024	For the year ended 31 March 2023
Revenue from operations			
Net gain on fair value changes	12	6.70	5.49
Total Revenue from operations		6.70	5.49
Other income	13	301.81	180.00
Total income		308.51	185.49
Expenses			
Others expenses	14	12.67	9.90
Total expenses		12.67	9.90
Profit before tax		295.84	175.59
Tax expense:			
- Current tax		-	-
- Deferred tax		72.69	46.41
		72.69	46.41
Profit for the year		223.15	129.18
Other Comprehensive Income			
(i) Items that will not be reclassified to profit or loss			
- Gain / (loss) on equity instrument designated at FVOCI		(50,736.84)	70,194.75
- Income tax relating to items that will not be reclassified to profit or loss		12,769.45	(17,666.61)
(ii) Items that will be reclassified to profit or loss			
Other comprehensive income, net of income tax		(37,967.39)	52,528.14
Total Comprehensive Income for the period/year		(37,744.24)	52,657.32
Earnings per equity share			
Basic earnings per share (₹)		0.0190	0.0131
Diluted earnings per share (₹)		0.0190	0.0131
Nominal value		10.00	10.00

Material of Significant accounting policies


2

The accompanying notes are an integral part of standalone financial statements

As per our report of even date attached

For JMT & Associates
Chartered Accountants
Firm's Registration No. 104167W

For Svatantra Holdings Private Limited


Amar Bafna
Partner
Membership No: 048639



Place: Mumbai
Date: 26 AUG 2024



Anil Chirania
Director
DIN: 01082719



Shriram Jagetiya
Director
DIN: 01638250



Svatantra Holdings Private Limited
CIN: U67200MH2018PTC309327
Standalone Statement of Cash Flows for the year ended 31 March 2024

₹ in Lakhs

Particulars		For the year ended 31 March 2024	For the year ended 31 March 2023
A. CASH FLOW FROM OPERATING ACTIVITIES			
Profit before Tax		295.84	175.59
Adjustments for:			
Net gain on financial instruments at fair value through profit or loss		(6.70)	(5.49)
Commission income on financial guarantee		(301.81)	(180.00)
Operating loss before working capital changes		(12.67)	(9.90)
Adjustments for:			
Increase / (Decrease) in trade payables		(0.53)	1.08
(Increase) / Decrease in other non financial assets		(1.65)	-
Increase / (Decrease) in other non-financial liabilities		55.03	(0.07)
Cash generated from / (used in) operations		40.18	(8.89)
Income tax paid (net of refund)		-	-
Net cash generated from / (used in) operating activities	(A)	40.18	(8.89)
B. CASH FLOW FROM INVESTING ACTIVITIES			
Purchase of investment in subsidiary - Equity Shares		(5,000.00)	(7,500.00)
Purchase of investment in other Company - Preference Shares		-	(15,000.00)
Sale/(Purchase) of investments in mutual fund units		(40.00)	9.50
Net cash generated from / (used in) investing activities	(B)	(5,040.00)	(22,490.50)
C. CASH FLOW FROM FINANCING ACTIVITIES			
Proceeds from issuance of Compulsorily convertible preference shares		5,000.00	22,500.00
Share issue expenses		(0.25)	(1.13)
Net cash (used in) / generated from financing activities	(C)	4,999.75	22,498.87
Net increase/ (decrease) in cash and cash equivalents	(A+B+C)	(0.07)	(0.52)
Cash and cash equivalent at beginning of year		2.07	2.59
Cash and cash equivalent at end of year		2.00	2.07
Net increase/(decrease) as disclosed above		(0.07)	(0.52)
Cash and cash equivalents of closing balance comprise of:			
Cash on hand		0.02	0.02
Balances with banks accounts		1.98	2.05
		2.00	2.07

Material of Significant accounting policies

2

The accompanying notes are an integral part of standalone financial statements

Note:

The above Statement of Cash Flows is prepared under the indirect method as set out in Ind AS 7 "Statement of Cash Flows".

As per our report of even date attached

For JMT & Associates
Chartered Accountants
Firm's Registration No. 104167W

For Svatantra Holdings Private Limited

Amar Bafna
Amar Bafna
Partner
Membership No: 048639



Anil Chirania
Anil Chirania
Director
DIN: 01082719

Shriram Jagetiya
Shriram Jagetiya
Director
DIN: 01638250

Place: *Mumbai*
Date: *26 AUG 2024*



Svatantra Holdings Private Limited
CIN: U67200MH2018PTC309327
Standalone Statement of changes in equity as at As at 31 March 2024

A. Share capital

Particulars	No of shares	₹ in Lakhs
		Amount
Balance at 01 April 2022	1,00,000	10.00
Changes in equity share capital due to prior period errors	-	-
Restated balance at the beginning of the current reporting year	-	-
Issued during the year	-	-
Balance at 31 March 2023	1,00,000	10.00
Changes in equity share capital due to prior period errors	-	-
Restated balance at the beginning of the current reporting period	-	-
Issued during the period	-	-
Balance at 31 March 2024	1,00,000	10.00

B. Instruments entirely equity in nature

Particulars	No of shares	₹ in Lakhs
		Amount
Balance as at 01 April 2022	9,39,00,000	93,900.00
Issued during the year	2,25,00,000	22,500.00
Balance at 31 March 2023	11,64,00,000	1,16,400.00
Issued during the period	50,00,000	5,000.00
Balance at 31 March 2024	12,14,00,000	1,21,400.00

C. Other equity

Particulars	₹ in Lakhs		Total
	Reserves and surplus	Items of other comprehensive income	
	Retained earnings	Equity Instrument through other comprehensive income	
Balance at the closing of the reporting period i.e. 01 April 2022	2,780.70	(1,419.70)	1,361.00
Profit for the year	129.18	-	129.18
Other comprehensive income for the year (net of tax)	-	52,528.14	52,528.14
Stamp duty on issue of 6% Compulsorily convertible non cumulative preference shares	(1.13)	-	(1.13)
Balance at the closing of the reporting period i.e. 31 March 2023	2,908.75	51,108.44	54,017.19
Profit for the period	223.15	-	223.15
Other comprehensive income for the year (net of tax)	-	(37,967.39)	(37,967.39)
Stamp duty on issue of 6% Compulsorily convertible non cumulative preference shares	(0.25)	-	(0.25)
Balance at the closing of the reporting period i.e. 31 March 2024	3,131.64	13,141.05	16,272.69

Summary of material accounting policies

2

The accompanying notes are an integral part of standalone financial statements

As per our report of even date attached

For JMT & Associates
Chartered Accountants
Firm's Registration No. 104167W

For Svatantra Holdings Private Limited

Amar Bafna
Partner
Membership No: 048639



Anil Chirania
Director
DIN: 01082719

Shriram Jagetiya
Director
DIN: 01638250

Place:

Mumbai

Date:

26 AUG 2024



1 CORPORATE INFORMATION

Svatantra Holdings Private Limited ("the Company") was incorporated on 11 May 2018 under the Companies Act, 2013 and registered with Registrar of Companies, Mumbai, Maharashtra and its registered office situated at 213, Second Floor, TV Industrial Estate, 52, SK Ahire Marg, Worli, Mumbai - 400 030.

The Company is a Core Investment Company in terms of Core Investment Companies (Reserve Bank) Directions, 2016, issued by the Reserve Bank of India (RBI) on August 25, 2016. Further, the Board of Directors of the Company have passed a resolution on 21 May 2018 confirming that the Company shall not access public funds at any point of time without obtaining registration with RBI.

2 MATERIAL ACCOUNTING POLICIES

2.1 Basis of preparation of financial statements:

These standalone financial statements have been prepared in accordance with Indian Accounting Standards ("Ind AS") notified under section 133 of the Companies Act 2013 ("the Act"), read with the Companies (Indian Accounting Standards) Rules, 2015 as amended.

The financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair values, and on the basis of accounting principle of a going concern in accordance with generally accepted accounting principles (GAAP). Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

The financial statements have been presented in accordance with Schedule III-Division III General Instructions for Preparation of financial statements of a Non-Banking Financial Company (NBFC) that is required to comply with Ind AS.

Functional and presentation currency:

The financial statements are presented in Indian Rupees, rounded off to the nearest lakhs and decimal thereof which is the functional currency of the Company and the currency of the primary economic environment in which the Company operates.

2.2 Use of judgment and estimates:

The preparation of the Company's financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenue, expenses, assets, liabilities and the accompanying disclosures along with contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require material adjustments to the carrying amount of assets or liabilities affected in future periods. The Company continually evaluates these estimates and assumptions based on the most recently available information.

Revisions to accounting estimates are recognized prospectively in the Statement of Profit and Loss in the period in which the estimates are revised and in any future periods affected and, if material, the effects of such changes are disclosed in the notes to financial statement.

2.3 Measurement of Fair value

The Company measures financial instruments, such as investments (other than equity investments in Subsidiaries,) at fair values at each Balance Sheet date.

Certain accounting policies and disclosures require the measurement of fair values, for both financial and non- financial assets and liabilities.

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 in the principal or, in its absence, the most advantageous market to which the company has access at that date. The fair value of a liability also reflects its non-performance risk.

The best estimate of the fair value of a financial instrument on initial recognition is normally the transaction price – i.e. the fair value of the consideration given or received. If the Company determines that the fair value on initial recognition differs from the transaction price and the fair value is evidenced neither by a quoted price in an active market for an identical asset or liability nor based on a valuation technique that uses only data from observable markets, then the financial instrument is initially measured at fair value, adjusted to defer the difference between the fair value on initial recognition and the transaction price.

While measuring the fair value of an asset or liability, the Company uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation technique as follows:



Level 1: are quoted prices (unadjusted) in active markets for identical assets and / or liabilities that the entity can access at the measurement date.

Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly. If the asset or liability has a specified (contractual) term.

Level 3: inputs for the assets or liability that are not based on observable market data (unobservable inputs).

When quoted price in active market for an instrument is available, the Company measures the fair value of the instrument using that price. A market is regarded as active if transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

If there are no quoted prices in an active market, then the Company uses a valuation technique that maximize the use of relevant observable inputs and minimise the use of unobservable inputs. The chosen valuation technique incorporates all of the factors that market participants would take into account in pricing a transaction.

The Company regularly reviews significant unobservable inputs and valuation adjustments. If the third party information, such as broker quotes or pricing services, is used to measure fair values, then the Company assesses the evidence obtained from the third parties to support the conclusion that these valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which the valuations should be classified.

2.4 Financial assets

Initial recognition and measurement

All financial assets are recognised initially at fair value plus transaction costs that are attributable to the acquisition of the financial asset.

Subsequent measurement

Subsequent measurement is determined with reference to the classification of the respective financial assets. Based on the business model for managing the financial assets and the contractual cash flow characteristics of the financial asset, the Company classifies financial assets as subsequently measured at amortised cost, fair value through other comprehensive income or fair value through profit and loss.

Financial Asset Other than Equity instrument at amortised cost

A 'Financial Asset' is measured at the amortised cost if both the following conditions are met:

The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the Statement of Profit and Loss.

Financial Asset at Fair value through Other Comprehensive Income (FVOCI)

Financial Asset is measured at the fair value through Other Comprehensive Income if both the following conditions are met:

The asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and contractual terms of the asset give rise on specified dates to cash flows that are SPPI on the principal amount outstanding.

After initial measurement, these assets are subsequently measured at fair value. Interest income under effective interest method, foreign exchange gains and losses and impairment losses are recognised in the Statement of Profit and Loss. Other net gains and losses are recognised in other comprehensive Income.

Financial Asset at Fair value through Profit or Loss (FVTPL)

Fair Value through Profit or Loss is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorisation at amortised cost or as FVOCI, is classified as FVTPL.

After initial measurement, any fair value changes including any interest income, foreign exchange gain and losses, impairment losses and other net gains and losses are recognised in the Statement of Profit and Loss.



Equity investments

All equity investments within the scope of Ind-AS 109 are measured at fair value. Such equity instruments which are held for trading are classified as FVTPL. For all other such equity instruments, the Company decides to classify the same either as FVOCI or FVTPL. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

For equity instruments classified as FVOCI, all fair value changes on the instrument, excluding dividends, are recognized in Other Comprehensive Income (OCI). Dividends on such equity instruments are recognised in the Statement of Profit or Loss.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

De-recognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Company's Balance Sheet) when the rights to receive cash flows from the asset have expired or the Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either:

- The Company has transferred substantially all the risks and rewards of the asset, or
- The Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

On de-recognition, any gains or losses on all debt instruments (other than debt instruments measured at FVOCI) and equity instruments (measured at FVTPL) are recognised in the Statement of Profit and Loss. Gains and losses in respect of debt instruments measured at FVOCI and that are accumulated in OCI are reclassified to profit or loss on de-recognition. Gains or losses on equity instruments measured at FVOCI that are recognised and accumulated in OCI are not reclassified to profit or loss on de-recognition.

2.5 Financial Liabilities

Initial recognition and measurement

Financial liabilities are initially recognised when the company becomes a party to the contractual provisions of the instrument.

Financial liability is initially measured at fair value plus, for an item not at fair value through profit and loss, transaction costs that are directly attributable to its acquisition or issue.

Subsequent measurement

Subsequent measurement is determined with reference to the classification of the respective financial liabilities.

Financial Liabilities at Fair Value through Profit or Loss (FVTPL)

Financial liability is classified as at Fair Value through Profit or Loss (FVTPL) if it is classified as held-for-trading or is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and changes therein, including any interest expense, are recognised in Statement of Profit and Loss.

Financial Liabilities at amortised cost

After initial recognition, financial liabilities other than those which are classified as FVTPL are subsequently measured at amortised cost using the effective interest rate ("EIR") method.

Amortised cost is calculated by taking into account any discount or premium and fees or costs that are an integral part of the EIR. The amortisation done using the EIR method is included as finance costs in the Statement of Profit and Loss.

De-recognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss. However, if the lender is directly or indirectly acting as shareholder or member of the promoter group then any loss or gain is recognised directly in to equity.

Financial Guarantee Obligations:

The fair value of financial guarantees is determined as the present value of the difference in net cash flows between the contractual payments under the debt instrument and the payments that would be required without the guarantee, or the estimated amount that would be payable to a third party for assuming the obligations. The Company's guarantees in relation to loans of subsidiary are provided for no compensation, the fair values as on the date of transition are accounted for as contributions and recognised as part of the cost of the equity investment.



Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

Initial recognition gain or loss (Day 1 gain or loss)

In case a financial instrument for which transaction price differs from fair value and fair value is evidenced through quoted price in active market (i.e., level 1) or based on valuation technique that uses data from observable market inputs, the Company shall recognise the difference between the fair value at initial recognition and transaction price as gain or loss.

With respect to financial instruments, the Company on case to case basis understand the reason for any difference between the fair value at initial recognition and transaction price. This could be capital contribution or deemed contribution or deemed distribution or consideration for goods and services depending upon circumstances. In all other cases, at the measurement required by paragraph 5.1.1 Ind AS 109, adjusted to defer the difference between the fair value at initial recognition and the transaction price. After initial recognition, the entity shall recognise that deferred difference as a gain or loss only to the extent that it arises from a change in a factor (including time) that market participants would take into account when pricing the asset or liability.

2.6 Finance charges:

Finance Charges are recognised as an expense in the period in which they are incurred.

2.7 Revenue recognition:

Profit or loss on sale of investments is recognised on the date of sale of mutual fund units and is determined as the difference between the sale price and the carrying value of the investments.

Net gain on fair value changes

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

Similarly, any realised gain or loss on sale of financial instruments measured at FVTL and debt instruments measured at Fair value through Other Comprehensive Income ("FVOCI") is recognised in net gain/loss on fair value changes.

However, net gain / loss on derecognition of financial instruments classified as amortised is presented separately under the respective head in the Statement of Profit and Loss.

2.8 Taxation:

Tax expense comprises of current and deferred tax.

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the provisions of the Income Tax Act, 1961.

The deferred tax for timing differences between the book profits and tax profits for the year is accounted for using the tax rates and laws that have been enacted or substantively enacted as of the balance sheet date. Deferred tax assets arising from timing differences are recognized to the extent there is a reasonable certainty / virtual certainty that these would be realized in future and are reviewed for the appropriateness of their respective carrying values at each balance sheet date.

In case of unabsorbed depreciation or carried forward losses under taxation laws, deferred tax assets are recognized only if there is a virtual certainty of realization of such assets and are reviewed for the appropriateness of their respective carrying values at each balance sheet date.

2.9 Provisions, contingent liabilities and assets:

The Company creates a provision when there is a present obligation as result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

Contingent assets are neither recognized nor disclosed in the financial statements.



2.10 Cash and Cash Equivalents

The Cash flow statement is prepared under the "indirect method" and presents the cash flows by operating, investing and financing activities of the Company.

Cash and Cash Equivalents for the purpose of cash flow statement comprise cash on hand and cash at bank including fixed deposits with original maturity period of three months or less and short term highly liquid investments with an original maturity of three months or less.

2.11 Earnings Per Share:

The basic earnings per share ("EPS") is computed by dividing the net profit / (loss) after tax for the year attributable to the equity shareholders by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted earnings per share, net profit / (loss) after tax for the year attributable to the equity shareholders and the weighted average number of equity shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

2.12 Transactions in foreign currencies:

Foreign currency transactions are recorded at the exchange rates prevailing on the date of such transactions. Monetary assets and liabilities denominated in foreign currencies are translated at the rates of exchange prevailing at the date of the balance sheet. Gains and losses arising on account of differences in foreign exchange rates on settlement and translation of monetary assets and liabilities are recognised in the statement of profit and loss. Non-monetary foreign currency items are carried at historical cost.

2.13 Recent accounting pronouncements

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



4 Investments

Particulars	As at 31 March 2024					Total	
	Amortised cost	At Fair Value			Subtotal		Others (At Cost)
		Through other comprehensive income	Through profit or loss	Designated at fair value through profit or loss			
(I) Units of Mutual Fund 35,736.039 Units of Aditya Birla Sunlife Liquid Fund - Growth - Direct	-	-	139.26	-	139.26	-	
(II) Equity Instruments - Unquoted - In subsidiary 74,727,043* Equity shares of Svatantra Micro Housing Finance Corporation Limited of ₹ 10 each fully paid up	-	-	-	-	-	53,916.77	
- in other company 40,000,000 Equity shares of Svatantra Microfin Private Limited of ₹ 10 each fully paid up	-	27,273.00	-	-	27,273.00	-	
(III) Preference Instruments - Unquoted - in other company 6,56,00,000 5% Compulsory Convertible Non-Cumulative Preference Shares of ₹ 100 each fully paid up of Svatantra Microfin Private Limited #	-	64,508.22	-	-	64,508.22	-	
Total - Gross (A)	-	91,781.22	139.26	-	91,920.48	53,916.77	
(a) Investments outside India	-	-	-	-	-	-	
(b) Investments in India	-	91,781.22	139.26	-	91,920.48	53,916.77	
Total - Gross (B)	-	91,781.22	139.26	-	91,920.48	53,916.77	
Total of (A) to tally with (B)	-	-	-	-	-	-	
Less: Impairment loss allowance (C)	-	-	-	-	-	-	
Total - Net (D = (A) - (C))	-	91,781.22	139.26	-	91,920.48	53,916.77	

*Including 6 equity shares held by others as nominee of the Company.

Pursuant to the Consent letter dated 16 Nov 2023, the aforesaid conversion term are revised as follows: CCPS shall be compulsorily convertible into equity shares of the issuer company any time at the option of the CCPS holder in the ratio of 9:13 i.e. 9 CCPS of ₹ 100 each fully paid-up shall be convertible into 13 Equity Shares of ₹ 10 each fully paid up. If the CCPS Holder does not exercise the option to convert the CCPS in to equity shares before the expiry of 10 (Ten) years from the date of allotment of CCPS, then the CCPS shall be convertible into equity shares of the Company on the expiry of 10 (Ten) years from the date of allotment of CCPS. All other terms and conditions of CCPS shall remain in full force and effect.



4 Investments

₹ in Lakhs

Particulars	As at 31 March 2023				Subtotal	Others (At Cost)	Total
	Amortised cost	Through other comprehensive income	At Fair Value Through profit or loss	Designated at fair value through profit or loss			
(I) Units of Mutual Fund 25,482,843 Units of Aditya Birla Sunlife Liquid Fund - Growth - Direct	-	-	92.56	-	92.56	-	92.56
(II) Equity Instruments - Unquoted - in subsidiary 63,798,081* Equity shares of Svatantra Micro Housing Finance Corporation Limited of ₹ 10 each fully paid up	-	-	-	-	-	47,615.71	47,615.71
- in other company 40,000,000 Equity shares of Svatantra Microfin Private Limited of ₹ 10 each fully paid up	-	10,300.00	-	-	10,300.00	-	10,300.00
(III) Preference Instruments - Unquoted - in other company 6,55,00,000 5% Compulsory Convertible Non-Cumulative Preference Shares of ₹ 100 each fully paid up of Svatantra Microfin Private Limited #	-	1,32,218.06	-	-	1,32,218.06	-	1,32,218.06
Total – Gross (A)	-	1,42,518.06	92.56	-	1,42,610.62	47,615.71	1,90,226.33
(a) Investments outside India	-	-	-	-	-	-	-
(b) Investments in India	-	1,42,518.06	92.56	-	1,42,610.62	47,615.71	1,90,226.33
Total – Gross (B)	-	1,42,518.06	92.56	-	1,42,610.62	47,615.71	1,90,226.33
Total of (A) to tally with (B)	-	-	-	-	-	-	-
Less: Impairment loss allowance (C)	-	-	-	-	-	-	-
Total – Net (D = (A) - (C))	-	1,42,518.06	92.56	-	1,42,610.62	47,615.71	1,90,226.33

*Including 6 equity shares held by others as nominee of the Company.

During the year, the Company has invested in 15,000,000 5% Compulsory convertible non-cumulative preference shares of ₹ 100 each ('CCPS') for cash at par aggregating to ₹ 15,000.00 Lakhs in two tranches as detailed below. The CCPS shall carry a fixed rate of dividend of 5% on the capital paid up thereon calculated on a proportionate basis from the date of allotment. The CCPS shall be compulsorily convertible into fixed number of equity shares at mutually agreed price.

Allotment details	Allotment date	No. of shares	₹ in Lakhs	
			Amount	Amount
1,00,00,000 CCPS of ₹ 100 each	30-Dec-22	1,00,00,000	10,000.00	
50,00,000 CCPS of ₹ 100 each	31-Mar-23	50,00,000	5,000.00	



3 Cash and cash equivalents

₹ in Lakhs

Particulars	As at 31 March 2024	As at 31 March 2023
Cash on hand	0.02	0.02
Balances with banks - In current account	1.98	2.05
Total	2.00	2.07

5 Current tax assets (net)

₹ in Lakhs

Particulars	As at 31 March 2024	As at 31 March 2023
Advance income tax	1.65	-
Total	1.65	-

6 Deferred tax assets/ (liabilities) (net)

₹ in Lakhs

Particulars	As at 31 March 2024	As at 31 March 2023
Deferred tax assets:		
On the account of		
Fair value gain / (loss) on investments		
Expenses allowable on section 35D		-
Less: Deferred tax liabilities:		
Fair value gain / (loss) on investments	(5,609.27)	(18,381.97)
Redeemable preference shares		
Financial guarantee commission	(142.53)	(66.58)
Total	(5,751.80)	(18,448.55)

7 Trade payables

₹ in Lakhs

Particulars	As at 31 March 2024	As at 31 March 2023
Total outstanding dues of micro enterprises and small enterprises		
Total outstanding dues of creditors other than micro and small enterprises	2.70	3.24
Total	2.70	3.24

Trade Payables - Ageing Schedule (FY 2023-2024)

₹ in Lakhs

Particulars	Outstanding for following periods from the due date of payment				Total
	Less than 1 Year	1-2 years	2-3 years	More Than 3 Years	
(i) MSME	-	-	-	-	-
(ii) Others	-	-	-	-	-
(iii) Disputed dues -MSME	-	-	-	-	-
(iv) Disputed dues -Others	-	-	-	-	-
(v) Unbilled					2.70
Total	-	-	-	-	2.70

Trade Payables - Ageing Schedule (FY 2022-2023)

₹ in Lakhs

Particulars	Outstanding for following periods from the due date of payment				Total
	Less than 1 Year	1-2 years	2-3 years	More Than 3 Years	
(i) MSME	-	-	-	-	-
(ii) Others	-	-	-	-	-
(iii) Disputed dues -MSME	-	-	-	-	-
(iv) Disputed dues -Others	-	-	-	-	-
(v) Unbilled					3.24
Total	-	-	-	-	3.24



Following disclosures as required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006 has been made to the extent information available with the Company :

₹ in Lakhs

Particulars	As at 31 March 2024	As at 31 March 2023
(i) Principal amount remaining unpaid to any supplier as at the end of the accounting year	-	-
(ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	-	-
(iii) The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprise Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year.	-	-
(iv) 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 year) but without adding the interest specified under Micro, Small and Medium Enterprise Development Act, 2006.	-	-
(v) The amount of interest accrued and remaining unpaid at the end of each accounting year; and	-	-
(vi) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the Micro, Small and Medium Enterprise Development Act, 2006	-	-

8 Other financial liabilities

₹ in Lakhs

Particulars	As at 31 March 2024	As at 31 March 2023
Unearned financial guarantee commission	2,347.56	1,348.30
Total	2,347.56	1,348.30

9 Other non-financial liabilities

₹ in Lakhs

Particulars	As at 31 March 2024	As at 31 March 2023
Statutory liabilities	0.81	1.12
GST Payable (Net)	55.34	-
Total	56.15	1.12



10 Share capital

(a) (i) Equity share capital

₹ in Lakhs

Particulars	As at 31 March 2024		As at 31 March 2023	
	No. of shares	₹ in Lakhs	No. of shares	₹ in Lakhs
Authorised :				
Equity shares of ₹ 10 each	20,00,00,000	20,000.00	20,00,00,000	20,000.00
Preference share capital of ₹ 100 each	13,00,00,000	1,30,000.00	13,00,00,000	1,30,000.00
		1,50,000.00		1,50,000.00
Issued, subscribed and fully Paid-Up				
Equity shares of ₹ 10 each, fully paid up	1,00,000	10.00	1,00,000	10.00
Total issued, subscribed and fully paid up equity share capital		10.00		10.00

(ii) Rights preferences and restrictions attached to equity shares

The Company has only one class of equity shares having a par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(iii) Reconciliation of number and amount of shares outstanding:

Particulars	As at 31 March 2024		As at 31 March 2023	
	Number	₹ in Lakhs	Number	₹ in Lakhs
Equity shares				
Shares outstanding at the beginning of the year	1,00,000	10.00	1,00,000	10.00
Shares issued during the year	-	-	-	-
Shares outstanding at the end of the year	1,00,000	10.00	1,00,000	10.00

(iv) Shares in the Company held by each shareholders holding more than 5 percent shares:

Name of shareholder	As at 31 March 2024		As at 31 March 2023	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Ananyashree Birla	90,000	90%	90,000	90%

(v) Disclosure of shareholding of promoters as at 31 March 2024 is as follows

Name of the Promoters	As at 31 March 2024		As at 31 March 2023		% change
	Nos.	% Holding	Nos.	% Holding	
Ananyashree Birla	90,000	90.00%	90,000	90.00%	-
Anil Chirania	5,000	5.00%	5,000	5.00%	-
Shriram Jagetiya	5,000	5.00%	5,000	5.00%	-

(vi) Shares issued for consideration other than cash

The Company has not issued/ allotted any shares pursuant to contracts without payment being received in cash, nor issued any bonus shares nor there has been buy back of shares since incorporation i.e. 11 May 2018.

(b) (i) Instruments entirely equity in nature

Particulars	As at 31 March 2024		As at 31 March 2023	
	No. of shares	₹ in Lakhs	No. of shares	₹ in Lakhs
6 % Compulsory convertible non cumulative preference shares (CCPS) of ₹ 100 each fully paid up	12,14,00,000	1,21,400.00	11,64,00,000	1,16,400.00



(ii) Rights preferences and restrictions attached to preference shares

The CCPS shall carry a fixed rate of dividend of 6% on the capital paid up thereon calculated on a proportionate basis from the date of allotment. The payment of dividend on CCPS will be on non-cumulative basis. The CCPS shall be compulsorily convertible into equity shares of the Company after the expiry of 10 years from the date of allotment of CCPS in the ratio of 10:1 i.e. 1 CCPS of ₹ 100 each fully paid up shall be convertible into 10 Equity shares of ₹ 10 each fully paid up. The CCPS will carry preferential rights vis-a-vis Equity Shares of the Company with respect to payment of dividend or repayment of capital during winding up. The CCPS holders shall not be entitled to participate in the surplus funds of the Company. The CCPS holders shall be non-participating in the surplus assets and profits on winding up which may remain after the entire capital has been repaid. The CCPS holders shall carry voting rights as per the provisions of Memorandum and Articles of the Company. All other terms, conditions and rights of the preference shareholders shall be subject to the provisions of the Memorandum and Article of Association of the Company and the Companies Act, 2013.

(iii) Reconciliation of number and amount of shares outstanding:

Particulars	As at 31 March 2024		As at 31 March 2023	
	Number	₹ in Lakhs	Number	₹ in Lakhs
Shares outstanding at the beginning of the year	11,64,00,000	1,16,400.00	9,39,00,000	93,900.00
Shares issued during the year	50,00,000	5,000.00	2,25,00,000	22,500.00
Shares outstanding at the end of the year	12,14,00,000	1,21,400.00	11,64,00,000	1,16,400.00

Allotment details	Allotment date	₹ in Lakhs
10,000,000 CCPS of ₹ 100 each	28-Sep-18	10,000.00
22,500,000 CCPS of ₹ 100 each	28-Sep-18	22,500.00
4,00,000 CCPS of ₹ 100 each	12-Dec-18	400.00
5,000,000 CCPS of ₹ 100 each	03-Sep-19	5,000.00
2,500,000 CCPS of ₹ 100 each	31-Dec-19	2,500.00
3,500,000 CCPS of ₹ 100 each	06-Feb-20	3,500.00
4,000,000 CCPS of ₹ 100 each	30-Mar-20	4,000.00
6,500,000 CCPS of ₹100 each	30-Sep-20	6,500.00
12,500,000 CCPS of ₹ 100 each	30-Mar-21	12,500.00
7,500,000 CCPS of ₹ 100 each	30-Sep-21	7,500.00
10,000,000 CCPS of ₹ 100 each	31-Dec-21	10,000.00
9,500,000 CCPS of ₹ 100 each	29-Mar-22	9,500.00
2,500,000 CCPS of ₹ 100 each	07-Oct-22	2,500.00
12,500,000 CCPS of ₹ 100 each	29-Dec-22	12,500.00
7,500,000 CCPS of ₹ 100 each	31-Mar-23	7,500.00
5,000,000 CCPS of ₹ 100 each	30-Dec-23	5,000.00
		1,21,400.00

(iv) Shares in the Company held by each shareholders holding more than 5 percent shares:

Name of shareholder	As at 31 March 2024		As at 31 March 2023	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
IGH Holdings Private Limited	12,14,00,000	100.00%	11,64,00,000	100.00%
Total	12,14,00,000	100.00%	11,64,00,000	100.00%

(v) Disclosure of shareholding of promoters :

There is no promoters shareholding in preference share capital as at 31 March 2024 and as at 31 March 2023.

11 Other equity

Particulars	₹ in Lakhs	
	As at 31 March 2024	As at 31 March 2023
(i) Retained earnings		
At the beginning of the year	2,908.75	2,780.70
Profit for the year	223.15	129.18
Stamp duty on issue of 6% Compulsorily convertible non cumulative preference shares	(0.25)	(1.13)
Closing balance of retained earnings (A)	3,131.64	2,908.75
(ii) Other comprehensive income		
Equity Instrument through other comprehensive income		
At the beginning of the period	51,108.44	(1,419.70)
Other comprehensive income for the period	(37,967.39)	52,528.14
Closing balance of other comprehensive income (B)	13,141.05	51,108.44
Total (A+B)	16,272.69	54,017.19



Svatantra Holdings Private Limited

CIN: U67200MH2018PTC309327

Notes to the Standalone financial statements for the year ended 31 March 2024

12 Net gain/ (loss) on fair value changes

₹ in Lakhs

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Net gain/ (loss) on financial instruments at fair value through profit or loss		
- Investments in mutual funds	6.70	5.49
	6.70	5.49
Total net gain/ (loss) on fair value changes		
Fair value changes:		
- Realised	19.67	0.40
- Unrealised	(12.97)	5.09
Total net gain/ (loss) on fair value changes	6.70	5.49

13 Other Income

₹ in Lakhs

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Commission income on financial guarantee	301.81	180.00
Total	301.81	180.00

14 Other expenses

₹ in Lakhs

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Legal and professional charges	9.33	5.61
Payments to Auditors'		
- Audit fees	3.00	3.54
- Taxation matters	-	0.41
- Reimbursement of expenses	0.12	0.13
Miscellaneous expenses	0.22	0.21
Total	12.67	9.90



15 Contingent liabilities and capital commitments not provided for:

- a) The Company has issued Corporate Guarantees to National Housing Bank on behalf of its subsidiary Svatantra Micro Housing Finance Corporation Limited (SMHFC) of ₹ 30,600.00 Lakhs up to 31st March 2024 (Previous Year ₹ 17,600.00 Lakhs).
- b) There are no contracts remaining to be executed on capital account and not provided for as at 31 March 2024.

16 Tax expense

₹ in Lakhs		
Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Current tax		
Current tax for the year	-	-
Total	-	-
Deferred taxes		
Relating to origination and reversal of temporary differences	72.69	46.41
Net deferred tax expense	72.69	46.41
Income tax expense recognised in statement of profit and loss	72.69	46.41

₹ in Lakhs		
Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Profit before income tax expense	295.84	175.59
Statutory income tax rate	25.168%	25.168%
Tax at statutory income tax rate	74.45	44.19
Tax effect of amounts which are not deductible / not taxable in calculating taxable income		
Tax impact on non deductible items / additional deductible	-	0.20
Business loss on which differed tax was not created	(1.76)	2.02
Income tax expense recognised in statement of profit and loss*	72.69	46.41

*There is no current tax as the Company has tax losses.

Further, deferred tax have not recognised on unused business losses on account of lack of reasonable certainty. Details of the same is given as under:

₹ in Lakhs		
Particulars	As at 31 March 2024	As at 31 March 2023
Unused business losses	10.02	7.73
Total	10.02	7.73

17 Basic and diluted earnings per share

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Net Profit/(Loss) after tax attributable to equity holders (₹ in Lakhs)	223.15	129.18
Weighted average number of equity shares outstanding (numbers) - Basic and diluted*	1,17,67,04,918	98,32,09,589
Basic and diluted earnings per share (Nominal Value of share ₹ 10) (₹)	0.0190	0.0131

* Weighted average number of equity shares outstanding as at 31 March 2024 includes compulsorily convertible non cumulative preference shares

18 Segment Reporting:

In accordance with Indian Accounting Standard (Ind AS) 108, the Company operates in a single operating segment i.e. "Investment Activity" within India. Accordingly, no separate disclosure is required. The Board of Directors of the Company are collectively Chief Operating Decision Makers (CODMs) of the Company.



Svatantra Holdings Private Limited
CIN: U67200MH2018PTC309327

Notes to the Standalone financial statements for the year ended 31 March 2024

19 Related Party Transactions:

(A) Relationships:

a) Subsidiary

Svatantra Micro Housing Finance Corporation Limited

b) Key Management Personnel (KMP)

Mr. Anil Chirania, Director

Mr. Shriram Jagetiya, Director

(B) Following transactions were carried out in the ordinary course of business with the parties referred to in (A) above:

Subsidiary Particulars	₹ in Lakhs	
	For the year ended 31 March 2024	For the year ended 31 March 2023
1) Transactions during the year		
a) Investment made in equity shares	5,000.00	7,500.00
b) Financial Guarantee given on behalf of subsidiary to National Housing Bank (NHB)	13,000.00	-
c) Reimbursement of Expenses	55.80	-
2) Carrying value/ outstanding balances		
a) In Equity shares	53,916.77	47,615.71
b) Financial Guarantee given on behalf of subsidiary to National Housing Bank (NHB)	30,600.00	17,600.00
c) Receivable from Subsidiary	55.80	-

- 20 The Company was incorporated as a Private Limited Company on May 11, 2018 under the provisions of the Companies Act, 2013 ("Act"). The Company has become a Core Investment Company in terms of Core Investment Companies (Reserve Bank) Directions, 2016, issued by the Reserve Bank of India (RBI) on August 25, 2016 (as amended). Thus, particulars of loans and investments under the provisions of Section 186 of the Act are not applicable to the Company.

Additional information as required under Section 186 (4) of the Companies Act, 2013 during the year:

Particulars	₹ in Lakhs	
	For the year ended 31 March 2024	For the year ended 31 March 2023
Financial Guarantee given on behalf of subsidiary to National Housing Bank (NHB)	30,600.00	17,600.00
Maximum outstanding	30,600.00	17,600.00



Svatantra Holdings Private Limited

CIN: U67200MH2018PTC309327

Notes to the Standalone financial statements for the year ended 31 March 2024

21 Additional Regulatory Information under MCA Notification dated March 24, 2021

- i) The Company does not have any borrowings from banks and financial institutions
- ii) No proceedings have been initiated or pending against the Company for holding any benami property under The Prohibition of Benami Property Transactions Act, 1988 and the rules made thereunder.
- iii) The Company has not taken any borrowings from banks or financial institutions on the basis of security of current assets. Hence, the submission of quarterly returns or statements of current assets with bank or financial institution is not required.
- iv) The Company has not been declared as a Wilful Defaulter by any Bank or Financial Institution or other
- v) The Company does not have any transactions with the companies struck off under Section 248 of the Companies Act, 2013 or Section 560 of the Companies Act, 1956.
- vi) There is no charge or satisfaction of charge which is yet to be registered with Registrar of Companies beyond the statutory period.
- vii) Compliance with number of layers of companies: 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.
- viii) Analytical Ratio: Refer Note No : 22 of Notes to Financial Statement
- ix) No Scheme of Arrangement concerning the Company has been approved by any Competent Authority
- x) **Utilization of Borrowed funds and share premium:**
 - A) No funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding (whether recorded in writing or otherwise) that the Intermediary shall –
 - i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") ; or
 - ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
 - B) No funds (which are material either individually or in the aggregate) has been received by the Company from any person or entity, including foreign entity ("Funding Party"), with the understanding (whether recorded in writing or otherwise) that the Company shall –
 - i) directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or;
 - ii) provide any guarantee, security, or the like on behalf of the Ultimate Beneficiaries.
- xi) The Company does not have any transactions not recorded in the books of account 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). Also, there are nil previously unrecorded income and related assets that have been recorded in the books of account during the year.
- xii) The Company has not traded or invested in Crypto Currency or Virtual Currency during the financial year.



22 Analytical Ratio

1. Capital to risk-weighted assets ratio (CRAR)
2. Tier I CRAR
3. Tier II CRAR
4. Liquidity Coverage Ratio

As the Company is an "Unregistered CIC" as per the Core Investment Companies (Reserve Bank) Directions, 2016, the above ratios are not applicable to the Company.

23 Financial Instruments and related disclosures

a) Categories of Financial Instruments

Set out below is a comparison, by class, of the carrying amounts and fair value of the Company's financial instruments:

Particulars	As at				Fair value
	FVTPL	FVTOCI	Amortized cost	Total Carrying Value	
Financial Assets					
Cash and Cash Equivalents	-	-	2.00	2.00	2.00
Investments *	139.26	91,781.22	-	91,920.48	91,920.48
Total	139.26	91,781.22	2.00	91,922.48	91,922.48
Financial Liabilities					
Trade payables	-	-	2.70	2.70	2.70
Other financial liabilities	-	-	2,347.56	2,347.56	2,347.56
Total	-	-	2,350.26	2,350.26	2,350.26

* excludes investments measured at cost (Refer note 4).

Particulars	As at				Fair value
	FVTPL	FVTOCI	Amortized cost	Total Carrying Value	
Financial Assets					
Cash and Cash Equivalents	-	-	2.07	2.07	2.07
Investments *	92.56	1,42,518.06	-	1,42,610.62	1,57,638.79
Total	92.56	1,42,518.06	2.07	1,42,612.69	1,57,640.86
Financial Liabilities					
Trade payables	-	-	3.24	3.24	3.24
Other financial liabilities	-	-	1,348.30	1,348.30	1,348.30
Total	-	-	1,351.54	1,351.54	1,351.54

* excludes investments measured at cost (Refer note 4).



- b) **Fair Value Hierarchy**
 The following table provides the fair value measurement hierarchy of the Company's assets and liabilities. The financial instruments are categorized into three levels based on the inputs used to arrive at fair value measurements as described below:
- Quoted prices in an active market (Level 1):** Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments that have quoted price. The fair value of all equity instruments which are traded in the stock exchanges is valued using the closing price as at the reporting period.
- Valuation techniques with observable inputs (Level 2):** The fair value of financial instruments that are not traded in an active market (for example over-the-counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.
- Valuation techniques with significant unobservable inputs (Level 3):** If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unquoted preference shares and unquoted equity shares (rights) carried at FVTPL and unquoted equity securities carried at FVTOCI included in level 3.

Particulars	Date of valuation	Total	Fair value measurement using			Significant unobservable inputs (Level 3)
			Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	
Financial Instruments measured at fair value:						
Investments at fair value through profit and loss (Note 4)						
Investments in mutual fund	31 March 2024	139.26	139.26	-	-	-
Investments at fair value through OCI (Note 4)						
Investments in unquoted equity shares	31 March 2024	27,273.00	-	-	-	27,273.00
Investments in unquoted Compulsorily Convertible Non-Cumulative preference shares*	31 March 2024	64,508.22	-	-	-	64,508.22

There have been no transfers between Level 1 and Level 3 during the period.

Particulars	₹ in Lakhs	
	As at / For the year ended 31 March 2024	As at / For the year ended 31 March 2023
Opening balance	15,028.17	12,276.32
Add: Deferred during the year	-	15,028.17
Less: recognised during the year	(15,028.17)	(12,276.32)
Closing balance	-	15,028.17

As at 31 March 2024, the Company has deferred gain of ₹ Nil (previous year ₹ 15,028.17 Lakhs) arises on initial measurement of financial assets for which the Level 3 fair value inputs have been used. The Company will recognise aforesaid deferred gain only to the extent that it arises from a change in a factor (including time) that market participants would take into account when pricing the asset or liability.





Particulars	Date of valuation	Total	Fair value measurement using		
			Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Financial Instruments measured at fair value: Investments at fair value through profit and loss (Note 4)	31 March 2023	92.56	92.56	-	-
Investments in mutual fund	31 March 2023	10,300.00	-	-	10,300.00
Investments at fair value through OCI (Note 4)	31 March 2023	1,47,246.23	-	-	1,47,246.23
Investments in unquoted equity shares					
Investments in unquoted Compulsorily Convertible Non-Cumulative preference shares*					

There have been no transfers between Level 1 and Level 3 during the period.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

1) Investment in Equity Instruments of Subsidiary Company are carried at cost.

2) Unquoted equity shares fair values have been arrived as per methods prescribed under Ind AS 113 Fair Value Measurement.

The valuation of unquoted preference shares requires management to make certain assumptions about the model inputs, including forecast of cash flows, discount rate, credit risk and volatility. The probabilities of the various estimates within the range can be reasonably assessed and are used in management's estimate of fair value for these unquoted preference shares and bonds. In case of instruments having option to convert with the Company, the management has assigned probable likelihood of conversion depending on equity stake in the target entity, domain of operation and liquidity. Wherever, the probability is low, valuation has been done based on redemption assumptions.

c) Sensitivity of fair value measurements to changes in unobservable market data

The significant unobservable inputs used in the fair value measurement categorised within Level 3 of the fair value hierarchy together with a quantitative sensitivity analysis as at 31 March 2024 and 31 March 2023 are as shown below:

Description of significant unobservable inputs to valuation:

Particulars	Valuation Technique	Significant unobservable inputs	Range	Sensitivity of the input to fair value
Investments in Unquoted Equity Instruments	DCF method (income approach)	Discount Rate as per Capital Asset Pricing Model	31 March 2024 CAPM Rate 12.40% 31 March 2023 CAPM Rate 27.70%	Fair Value when Interest Rate increases by 1% as on 31 March 2024 - ₹ 2,52,90.00 Lakhs (31 March 2023 - ₹ 9,992.00 Lakhs) Fair Value when Interest Rate decrease by 1% as on 31 March 2024 - ₹ 2,93,60.00 Lakhs (31 March 2023 - ₹ 10,592.00)
Investments in unquoted Compulsorily Convertible Non-Cumulative preference shares	DCF method (income approach)	Discount Rate as per Capital Asset Pricing Model	31 March 2024 CAPM Rate 12.40% 31 March 2023 CAPM Rate 27.70%	Fair Value when Interest Rate increases by 1% as on 31 March 2024 - ₹ 5,98,17.87 Lakhs (31 March 2023- ₹ 1,428,43.13Lakhs) Fair Value when Interest Rate decrease by 1% as on 31 March 2024 - ₹ 6,94,46.92 Lakhs (31 March 2023- ₹ 1,514,20.58 Lakhs)



23 Financial Instruments and related disclosures (continue)

d) Financial risk management objectives and policies

Risk management framework

The 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.

(i) Market risk

Market risk is the risk that changes in market prices such as interest rates, will affect the Company's income or the value of its holdings of financial instruments. Market risk is attributable to all market risk sensitive financial instruments and long term debt. The objective of market risk management is to avoid exposure to interest rate risk.

Interest Rate Risk: Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's does not have any exposure to the risk of changes in market interest rates relates primarily to the Company's debt obligations.

Currency Risk: Currency risk is the risk that the future cash flows of a financial instrument will change because of changes in currency rates. During the period under review, the company did not fact currency risk.

(ii) Liquidity Risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The Company monitors its risk of shortage of funds. The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts, bank loans, optionally convertible bonds and debentures. The Company assessed the concentration of risk with respect to refinancing its debt and concluded it to be moderate. The Company has access to a sufficient variety of sources of funding and debt maturing within 12 months can be rolled over with existing lenders helping it maintain adequate liquidity.

Liquidity risk management (based on commercial terms):

₹ in Lakhs

Particulars	On demand	Less than 3 months	3 to 12 months	> 12 months	Total
As on 31 March 2024					
Financial Liabilities					
Trade payable	-	2.70			2.70
Other financial liabilities	-	75.45	226.36	2,045.75	2,347.56
Total	-	78.15	226.36	2,045.75	2,350.26
As on 31 March 2023					
Financial Liabilities					
Trade payable	-	3.24		-	3.24
Other financial liabilities	-	45.09	135.27	1,167.94	1,348.30
Total	-	48.33	135.27	1,167.94	1,351.54

(iii) Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. Credit risk encompasses of both, the direct risk of default and the risk of deterioration of creditworthiness as well as concentration risks. Pledge obligation risk is the risk that may occur in case of default on part of Pledgee company which may immediately amount to loss of assets of Company. The Company has adopted a policy of only dealing with creditworthy counterparties to mitigating the risk of financial loss from defaults.

(iv) Dividend Income risk

Dividend income risk refers to the risk of changes in the Dividend income due to dip in the performance of the investee companies .



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

₹ in Lakhs			
Particulars	Within 12 months	After 12 months	Total
As on 31 March 2024			
Assets			
Cash and cash equivalents	2.00	-	2.00
Investments	139.26	1,45,697.99	1,45,837.25
Current tax assets (Net)	1.65	-	1.65
Total	142.91	1,45,697.99	1,45,840.90
Liabilities			
Trade payables	2.70	-	2.70
Other financial liabilities	301.81	2,045.75	2,347.56
Other non-financial liabilities	56.15	-	56.15
Total	360.66	2,045.75	2,406.41

₹ in Lakhs			
Particulars	Within 12 months	After 12 months	Total
As on 31 March 2023			
Assets			
Cash and cash equivalents	2.07	-	2.07
Investments	92.56	1,90,133.77	1,90,226.33
Current tax assets (Net)	-	-	-
Total	94.63	1,90,133.77	1,90,228.40
Liabilities			
Trade payables	3.24	-	3.24
Other financial liabilities	180.36	1,167.94	1,348.30
Other non-financial liabilities	1.12	-	1.12
Total	184.72	1,167.94	1,352.66

Capital management

For the purpose of the Company's capital management, capital includes issued equity and preference capital and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to maximise the shareholder value. The Company manages its capital to ensure that it will continue as going concern while maximising the return to stakeholders. The Company manages its capital structure and makes adjustment in light of changes in business condition. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company's policy is to keep optimum gearing ratio. The Company includes within net debt, interest bearing loans and borrowings, trade and other payables, less cash and cash equivalents, excluding discontinued operations.

₹ in Lakhs		
Particulars	As at 31 March 2024	As at 31 March 2023
Trade payables	2.70	3.24
Other financial liabilities	2,347.56	1,348.30
Less: cash and cash equivalents	(2.00)	(2.07)
Net debt (A)	2,348.26	1,349.47
Equity share capital	10.00	10.00
Instruments entirely equity in nature	1,21,400.00	1,16,400.00
Other equity	16,272.69	54,017.19
Total member's capital (B)	1,37,682.69	1,70,427.19
Capital and net debt (C=A+B)	1,40,030.95	1,71,776.66
Gearing ratio (%) (A/C)	1.68	0.79

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 borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call borrowings. There have been no breaches in the financial covenants of any borrowings in the current year.

No changes were made in the objectives, policies or processes for managing capital during the aforesaid financial period.



25 Expenditure towards Corporate Social Responsibility (CSR) activities :

₹ in Lakhs

Particulars	As at 31 March 2024	As at 31 March 2023
Amount required to be spent by the company during the year	NIL	NIL
Amount of expenditure incurred	NIL	NIL
Shortfall at the end of the year	NA	NA
Total of previous years shortfall	NA	NA
Reason for shortfall	NA	NA
Nature of CSR activities	NA	NA
Details of related party transactions in relation to CSR expenditure as per relevant Accounting Standard	NA	NA

The amount to be spent for the year is equivalent to at least 2% of average net profit of the immediately preceding three financial years. Since, the average net profit for the immediately preceding three financial years works out as losses, CSR liability does not arise for the current year.

26 The Company is in process to appoint a Company Secretary as required under Section 203(1) of the Companies Act, 2013 read with Rule 8A of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

27 Prior year figures have been reclassified where necessary to confirm with the current year's presentation.

28 Events after reporting date:

There have been no events after the reporting date that require adjustment/disclosure in these financial statements.

Signatures to Notes 1 to 28

Summary of material accounting policies

The accompanying notes are an integral part of standalone financial statements

As per our report of even date attached

For JMT & Associates
 Chartered Accountants
 Firm's Registration No. 104167W

Amar Bafna
 Partner
 Membership No: 048639

Place: Mumbai

Date: 26 AUG 2024



For Svatantra Holdings Private Limited

Anil Chirania
 Director
 DIN: 01082719

Shriram Jagetiya
 Director
 DIN: 01638250



INDEPENDENT AUDITORS' REPORT

**TO MEMBERS OF
SVATANTRA HOLDINGS PRIVATE LIMITED**

Report on the Audit of Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of **SVATANTRA HOLDINGS PRIVATE LIMITED** ("the Holding Company") and its subsidiary company (together referred to as "the Group"), which comprise the Consolidated Balance Sheet as at March 31, 2024, 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 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 (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2024, the consolidated profit, consolidated total comprehensive income, consolidated changes in equity and its consolidated cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us and other auditors in terms of their reports referred to in "Other Matters" paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the 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.

(Cont..2)



We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the consolidated financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated financial statements. The results of audit procedures performed by us and by other auditors of subsidiary company not audited by us, as reported by them in their audit reports furnished to us by the management, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated financial statements.

Sr. No.	Key Audit Matter	How the matter was addressed in our audit
1	<p>Measurement of Investments in Principal Audit Procedures accordance with Ind AS 109 "Financial Instruments"</p> <p>On initial recognition, Investments are recognized at fair value, in case of Investments which are recognised at fair value through profit and loss (FVTPL), its transaction cost is recognised in the statement of profit and loss. In other cases, the transaction costs are attributed to the acquisition value of the investments.</p> <p>The Group's investments are subsequently classified into following categories based the objective of its business model to manage the cash flows and options available in the standard:</p> <ul style="list-style-type: none"> • Debt instruments at fair value through profit or loss (FVTPL) • Equity instruments measured at fair value through other comprehensive income FVTOCI. • Compulsorily non-cumulative convertible preference shares measured at fair value through other comprehensive income FVTOCI Since valuation of investments at fair value involves critical assumptions, significant risk in valuation, the valuation of investments as per Ind AS 109 is determined to be a key audit matter in our audit of the consolidated financial statements. <p>Refer note 2.f, 6 and 39 to the Consolidated financial statements.</p>	<ul style="list-style-type: none"> • Obtained an understanding of the determination of the measurement of the investments and tested the reasonableness of the significant judgements applied by the management; • Evaluated the design of internal controls relating to the measurement and also tested the operating effectiveness of the aforesaid controls; • Obtained valuation certificate of independent valuer in respect of fair value investments; • Ensured that the Group has used valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs; • Assessed the appropriateness of the disclosure in the Consolidated financial statements in accordance with the applicable financial reporting framework.

(Cont..3)



<p>2</p>	<p>Impairment of loans Recognition and measurement of impairment of loans and advances involve significant management judgement. Under Ind AS 109, Financial Instruments, allowance for loan losses is determined using Expected Credit loss (ECL) estimation model. The estimation of ECL on financial instruments involves significant judgement and estimates.</p> <p>The key areas where we identified greater levels of management judgement and therefore increased levels of audit focus in the Group's estimation of ECL are:</p> <ul style="list-style-type: none"> • Timely identification and classification of the impaired loans, including classification of assets to stage 1, 2, or 3 using criteria in accordance with Ind AS 109 which also include considering the impact of RBI's regulatory circulars. • The segmentation of financial assets when their ECL is assessed on a collective basis. • Inherently judgmental models are used to estimate ECL which involves determining probabilities of default ("PD"), loss given Default ("LGD"), and Exposures at Default ("EAD") based on the default history of loans, subsequent recoveries made and other relevant factors. The PD and the LGD are the key drivers of estimation complexity in the ECL and as a result these are considered as the most significant judgmental aspect of the Group's modelling approach. • Economic scenarios, Ind AS 109 requires - the Group to measure ECL on an unbiased forward-looking basis reflecting a range of future economic conditions. Significant management judgement is applied in determining the economic scenarios used and the probability weights applied to them; and 	<ul style="list-style-type: none"> • Understanding management's processes, systems and controls implemented in relation to impairment allowance process. • Assessing the design and implementation of key internal financial controls over loan impairment process used to calculate the impairment charge. • Testing of review controls over measurement of impairment allowances and disclosures in Ind AS financial statements. • Evaluation of the appropriateness of the impairment principles used by management based on the requirements of Ind AS 109, our business understanding and industry practice. Assessing the appropriateness of management rationale/assumptions estimates used for determination of criteria for Significant Increase in Credit Risk (SICR). • Test of details over of calculation of impairment allowance for assessing the completeness, accuracy and relevance of data. • Model calculations testing through reperformance where possible. • The appropriateness of management's judgments was also independently reconsidered in respect of calculation methodologies, segmentation, economic factors, and the period of historical loss rates used and the valuation of recovery assets. <p>Assessed whether the disclosures on key judgements, assumptions and quantitative data with respect to impairment of loans (including restructuring related disclosures) in the financial statements are appropriate and sufficient.</p>
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(Cont..4)



	<ul style="list-style-type: none"> • Assessment of qualitative factors having an impact on the credit risk. <p>The effect of these matters is that, as part of our risk assessment, we determined that the impairment of loans and advances to customers has a high degree of estimation.</p> <p>The disclosures (including disclosures prescribed by RBI) regarding the Group's application of Ind AS 109 are key to explaining the key judgements and material inputs to the Ind AS 109 ECL results. Refer note 2.m and 40C of the consolidated financial statements.</p>	
3	<p>IT systems and controls</p> <p>The information system is a critical component of Company's operations, enabling efficient processing of transactions, safeguarding of information, and supporting decision-making. The financial accounting and reporting systems of the Group are also fundamentally reliant on IT systems and controls, hence we identified IT systems and Controls over financial reporting as a key audit matter for the Group considering the pervasive nature of IT environment and the scale and complexity of the IT architecture.</p>	<ul style="list-style-type: none"> • Obtained an understanding of the Group's IT related control environment, IT applications and databases relevant for the purpose of our audit of the financial statements. • Also, obtained an understanding of the changes that were made to the IT applications during the audit period. • Our audit procedures included assessment and identification of key IT applications, and further verifying, testing, and reviewing the design and operating effectiveness of the IT system, applications, databases, that are important to financial reporting and various interfaces, configuration and other identified general, application and operational controls based on reports and other financial and non-financial information generated from the system on a test check basis. In this regard also relied on work of the internal auditor • The implications of actual status of functioning of IT system and related controls were assessed considering the materiality levels and the significance of their impact over financial reporting.

Other Information

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in Board's Report including Annexures to Board's Report and Shareholder's Information but does not include the consolidated financial statements and our auditor's report thereon. The other information is expected to be made available to us after the date of this auditors' report.

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

(Cont..5)



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

When we read the Board report including Annexures to Board Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance as required under SA 720 (Revised) 'The Auditor's responsibilities Relating to Other Information'.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance (including other comprehensive income), consolidated changes in equity and consolidated cash flows of the Group in accordance with the Indian Accounting Standards (Ind AS) and other accounting principles generally accepted in India.

The respective Board of Directors of the companies included in the Group is responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring 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 Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group is responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group is responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibilities for 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.

(Cont..6)



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 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 system in place and the operating effectiveness of such controls.
- Evaluate appropriateness of the accounting policies used and reasonableness of accounting estimates and related disclosures made by management.
- Conclude on appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements including disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors.

Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the consolidated financial statements.



(Cont..7)

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 consolidated financial statements of the current year and are therefore the key audit matters. We describe these matters in our auditors' 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 Matters

We did not audit the financial statements of a subsidiary company, whose financial statements reflect total assets of Rs 212745.13 Lakhs as at 31 March 2024, total revenues of Rs. 24,083.22 Lakhs, total net profit after tax of Rs. 2,280.13 Lakhs and total net cash outflows amounting to Rs. 10,305.78 Lakhs for the year ended on that date, as considered in the consolidated financial statements.

These financial statements have been audited by other auditor whose report has been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to amounts and disclosures included in respect of the subsidiary company, and our report in terms of subsections (3) of Section 143 of the Act in so far as it relates to the aforesaid subsidiary company, is based solely on the reports of the other auditor.

Further, the comparative consolidated financial information of the Group for the year ended March 31, 2023 prepared in accordance with Ind AS included in these Consolidated Financial Statements have been audited by the predecessor auditor who had audited the financial statements for the relevant period. The report of the predecessor auditor on the comparative financial information dated August 31, 2023 expressed an unqualified opinion.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the report of the other auditor.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit and on the consideration of reports of the other auditors on separate financial statements of subsidiary company as were audited by other auditors, as noted in the 'Other Matters' paragraph, we report, to the extent applicable, that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements;

(Cont..8)

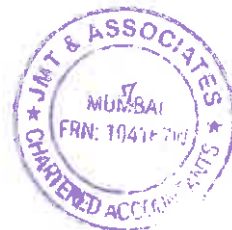


- b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books;
- c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including other comprehensive income, the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flow dealt with by this report are in agreement with the books of account;
- d) In our opinion the Financial Statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
- e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2024 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary company, none of the directors of the Group are disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164(2) of the Act.
- f) With respect to the adequacy of internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate report in "Annexure A" with respect to the subsidiary company which is audited by other auditor whose report has been furnished to us by the Management. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of internal financial controls over financial reporting of the subsidiary company. Further, as the Holding Company fulfils the conditions of paragraph 9A of the notification No. GSR 464(E) dated 5 June 2015 as amended, reporting under Section 143(3)(i) of the Act with respect to the adequacy of internal financial controls over financial reporting of the Holding Company and operating effectiveness of such controls is not applicable for the year to the Holding Company.
- g) With respect to the other matters to be included in Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:
In our opinion and to the best of our information and according to the explanations given to us, the Group has not paid or provided remuneration to its directors during the year.
- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2021, in our opinion and to the best of our information and according to the explanations given to us, we report that:
- i) The Group has disclosed the impact of pending litigations on its consolidated financial position, (Refer note 44 to the consolidated financial statements);
- ii) The Group did not have any material foreseeable losses on long-term contracts including derivative contracts and
- iii) There was no amount, required to be transferred, to the Investor Education and Protection Fund by the Group.

(Cont..9)



- iv) (a) The respective Managements of the Holding Company and subsidiary company, whose financial statements have been audited under the Act, have represented to us and other auditor of the subsidiary company that, to the best of their knowledge and belief, as disclosed in the note 48(e)(i) to the consolidated financial statements, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or its subsidiary company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company or its subsidiary company ("Ultimate Beneficiaries) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (b) The respective Managements of the Holding Company and its company, whose financial statements have been audited under the Act. represented to us and other auditor of subsidiary company that, to the best of their knowledge and belief, as disclosed in the note 48(e)(ii) to the consolidated financial statements, no funds (which are material either individually or in the aggregate) have been received by the Holding Company or its subsidiary company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or its subsidiary 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 Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
- (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances and the reports of the auditors of its subsidiary company, whose financial statements have been audited under the Act, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- v) The Group has not declared or paid any dividend during the year and has not proposed final dividend for the year.
- vi) In respect of Holding Company, based on our examination, which included test checks, and other generally accepted audit procedures performed by us, we report that the company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility. However, the same was operational for part of the year for all relevant transactions recorded in the software. Further, during the course of our audit, we did not come across any instance of audit trail feature being tampered with.



(Cont..10)

In respect of Subsidiary Company, the company has used an integration of an independent and accounting software for maintaining its books of account. The independent software used for recording of transactions in the accounting software has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with.

As provision to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 1, 2023, reporting under Rule 11 (g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements of record retention is not applicable for the financial year ended March 31, 2024.

2. With respect to the matters specified in paragraphs 3(xxi) and 4 of the Companies (Auditor's Report) Order, 2020 (the "Order" / "CARO") issued by the Central Government in terms of Section 143(11) of the Act, to be included in the Auditor's report, according to the information and explanations given to us, and based on the CARO reports issued by us for the Holding Company and CARO reports issued by other auditors in case of its subsidiary company included in the consolidated financial statements of the Holding Company, to which reporting under CARO is applicable, we report that there are no qualifications or adverse remarks in these CARO reports except below:

Sr. No.	Name of the Entity	CIN	Holding Company / Subsidiary / Associates / Joint Venture	Clause number of the CARO report which is qualified or adverse
1	Svatantra Micro Housing Finance Corporation Limited	U67190MH2008PLC182274	Subsidiary Company	Clause 3(vii) (a) & (b) and Clause 3(xi)(a)

Place : Mumbai
Dated : 26th August 2024



For and on behalf of
J M T & ASSOCIATES
Chartered Accountants
Firm Regn No. 104167W

Rafie

(Amar Bafna)
Partner
Membership No. 048639
UDIN : 24048639BKCCR76140

SVATANTRA HOLDINGS PRIVATE LIMITED
ANNEXURE-A TO INDEPENDENT AUDITOR'S REPORT

The Annexure referred to in paragraph 1(f) under the 'Report on Other Legal and Regulatory Requirements' our report to the members of **SVATANTRA HOLDINGS PRIVATE LIMITED** for the year ended on March 31, 2024.

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

Opinion

In conjunction with our audit of the consolidated financial statements of **SVATANTRA HOLDINGS PRIVATE LIMITED**, as of and for the year ended March 31, 2024, we have audited the internal financial controls over financial reporting of the subsidiary company, which is a company incorporated in India.

In our opinion and to the best of our information and according to the explanations given to us and based on consideration of reporting of the other auditors as mentioned in the Other Matters paragraph below, the Subsidiary company, which is the Company incorporated in India, has in all material respects, adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2024, based on the internal control over financial reporting criteria established by the subsidiary company considering the essential components of intimal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding Company and its subsidiary company, which are the companies incorporated in India are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ("the ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to 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.

Auditors' Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the subsidiary company, which is incorporated in India, based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting and the Standards on Auditing, prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.



(Cont...2)

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

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of the subsidiary company, which is the company incorporated in India.

Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent limitations of Internal Financial Controls Over Financial Reporting

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

Other Matters

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and effectiveness of the internal financial controls over financial reporting in so far as it relates to the subsidiary company is based on the corresponding reports of the auditors of such subsidiary company incorporated in India.

Place : Mumbai
Dated : 26th August 2024



For and on behalf of
J M T & ASSOCIATES
Chartered Accountants
Firm Regn No. 104167W


Amar Bafna
(Amar Bafna)
Partner
Membership No. 048639
UDIN : 24048639BKCERY 6140

		(Rs. in lakhs)	
	Note no.	As at 31 March 2024	As at 31 March 2023
Assets			
Financial assets			
Cash and cash equivalents	3	7,095.34	17,401.19
Bank balances other than cash and cash equivalents	4	2,478.92	5,251.33
Loans	5	2,01,257.23	1,51,496.67
Investments	6	91,920.48	1,42,610.62
Other financial assets	7	206.82	213.93
Total financial assets		3,02,958.79	3,16,973.74
Non-financial assets			
Current tax assets (net)	8	95.21	-
Investment property	10	1.49	1.49
Property, plant and equipment	11	304.82	111.67
Goodwill		20,352.93	20,352.93
Other Intangible assets	12	10.14	1.61
Intangible assets under development	13	0.00	10.18
Right of use asset	14	428.68	265.87
Other non-financial assets	15	129.03	133.66
Total non-financial assets		21,322.30	20,877.41
Total assets		3,24,281.09	3,37,851.15
Liabilities and equity			
Liabilities			
Financial liabilities			
Payables			
Trade payables	16	-	-
- Total outstanding dues of micro enterprises and small enterprises		-	-
- Total outstanding dues of creditors other than micro enterprises and small enterprises		17.47	36.79
Other payables	17	-	-
- Total outstanding dues of micro enterprises and small enterprises		-	-
- Total outstanding dues of creditors other than micro enterprises and small enterprises		253.79	143.29
Debt securities	18	5,801.65	10,792.07
Borrowings (other than debt securities)	19	1,66,161.31	1,31,431.03
Subordinated Liabilities	20	3,000.00	3,000.00
Other financial liabilities	21	841.97	622.94
Total financial liabilities		1,76,076.19	1,46,026.12
Non-financial liabilities			
Current tax liabilities (net)	8.1	-	42.06
Deferred tax liabilities (net)	9	4,850.09	17,791.73
Provisions	22	184.95	250.39
Other non-financial liabilities	23	290.87	148.90
Total non-financial liabilities		5,325.91	18,233.08
Total liabilities		1,81,402.10	1,64,259.20
Equity			
Equity share capital	24	10.00	10.00
Instruments entirely equity in nature	24	1,21,400.00	1,16,400.00
Other equity	25	21,468.99	57,181.95
Total equity		1,42,878.99	1,73,591.95
Total liabilities and equity		3,24,281.09	3,37,851.15
Summary of Material accounting policies	2		

The accompanying notes form an integral part of consolidated financial statements

As per our report of even date attached

For JMT & Associates
Chartered Accountants
Firm's Registration No. 104167W


Amar Bafna
Partner
Membership No: 048639


Place: Mumbai

Date: 26 AUG 2024



On behalf of the Board of Directors of
Svatantra Holdings Private Limited


Anil Chirania
Director
DIN: 01082719


Shriram Jagetiya
Director
DIN: 01638250



Consolidated Statement of Profit and Loss for the year ended 31 March 2024

(Rs. in lakhs)

	Note no.	Year ended 31 March 2024	Year ended 31 March 2023
Revenue from operations			
Interest income	26	23,805.39	17,349.44
Fees and commission income	27	93.39	83.77
Net gain on fair value changes	28	176.70	173.69
Total revenue from operations		24,075.48	17,606.90
Other income	29	280.03	181.66
Total income		24,355.51	17,788.56
Expenses			
Finance costs	30	14,372.26	10,749.55
Impairment on financial instruments	31	795.64	677.55
Employee benefits expense	32	4,674.35	2,933.89
Depreciation and amortisation	33	302.06	145.85
Other expenses	34	1,407.48	948.71
Total expenses		21,551.79	15,455.55
Profit /(loss) before tax		2,803.72	2,333.01
Tax expense:			
- Current tax	35	739.89	664.20
- Deferred tax expenses / (credit)	35	(163.70)	(213.67)
- Earlier year tax adjustments		(34.67)	-
		541.52	450.53
Profit /(loss) after tax		2,262.20	1,882.48
Other comprehensive income			
(i) Items that will not be reclassified to profit or loss			
- Remeasurements of the defined benefit plans (cost)		(10.05)	1.50
- Tax effect on Remeasurement gain / (loss) on defined benefit plans (OCI)		2.53	(0.38)
- Gain / (loss) on equity instrument designated at FVOCI		(50,736.84)	70,194.75
- Tax effect on Gain / (loss) on equity instrument designated at FVOCI		12,769.45	(17,666.61)
Other comprehensive income, net of income tax		(37,974.91)	52,529.26
Total comprehensive income		(35,712.71)	54,411.74
Profit /(loss) for the year attributable to			
Owner of the Company		2,262.20	1,882.48
Non controlling interest		-	-
Other comprehensive income for the year attributable to			
Owner of the Company		(37,974.91)	52,529.26
Non controlling interest		-	-



Consolidated Statement of Profit and Loss for the year ended 31 March 2024

(Rs. in lakhs)

	Note no.	Year ended 31 March 2024	Year ended 31 March 2023
Total comprehensive income for the year attributable to			
Owner of the Company		(35,712.71)	54,411.74
Non controlling interest		-	-
Earnings per share	36		
Basic earnings per share (Rs.) (Nominal Value - Rs. 10)		0.19	0.19
Diluted earnings per share (Rs.) (Nominal Value - Rs. 10)		0.19	0.19
Summary of Material accounting policies	2		
The accompanying notes form an integral part of financial statements			

As per our report of even date attached

For JMT & Associates

Chartered Accountants

Firm's Registration No. 104167W

Amar Bafna

Partner

Membership No: 048639



On behalf of the Board of Directors of

Svatantra Holdings Private Limited

Anil Chirania

Director

DIN: 01082719

Shriram Jagetiya

Director

DIN: 01638250

Place: Mumbai

26 AUG 2024

Date:



A. Equity share capital		(Rs. in lakhs)
Particulars	No of shares	Amount
Balance at 01 April 2022	1,00,000	10.00
Changes in equity share capital due to prior period errors Issued during the year	-	-
Balance at 31 March 2023	1,00,000	10.00
Changes in equity share capital due to prior period errors Issued during the year	-	-
Balance at 31 March 2024	1,00,000	10.00

B. Instruments entirely equity in nature


Compulsorily convertible non-cumulative preference shares ("CCPS")		(Rs. in lakhs)
Particulars	No of shares	Amount
Balance at 01 April 2022	9,39,00,000	93,900.00
Addition during the year	2,25,00,000	22,500.00
Balance at 31 March 2023	11,64,00,000	1,16,400.00
Addition during the year	50,00,000	5,000.00
Balance at 31 March 2024	12,14,00,000	1,21,400.00

Other equity

Particulars	Reserves and Surplus			Items of other comprehensive income	Total
	Statutory reserves	Impairment reserve	Retained earnings	Equity Instrument through other comprehensive income	
Balance at 01 April 2022	521.94	597.55	3,071.55	(1,419.70)	2,771.34
Profit for the year	-	-	1,882.48	-	1,882.48
Other comprehensive income for the year (net of tax)	-	-	1.12	52,528.14	52,529.26
Transfer from / to retained earnings	574.73	-	(574.73)	-	-
Stamp duty on issue of 6% Compulsorily convertible non cumulative preference shares	-	-	(1.13)	-	(1.13)
Balance at 31 March 2023	1,096.67	597.55	4,379.28	51,108.44	57,181.94
Profit for the year	-	-	2,262.20	-	2,262.20
Other comprehensive income for the year (net of tax)	-	-	(7.52)	(37,967.39)	(37,974.91)
Transfer from / to retained earnings	626.38	-	(626.38)	-	-
Stamp duty on issue of 6% Compulsorily convertible non cumulative preference shares	-	-	(0.25)	-	(0.25)
Balance at 31 March 2024	1,723.05	597.55	6,007.34	13,141.05	21,468.99

Summary of Material accounting policies 2
The accompanying notes are an integral part of consolidated financial statements
As per our report of even date attached

For JMT & Associates
Chartered Accountants
Firm's Registration No. 104167W


Amar Bafna
Partner
Membership No: 048639

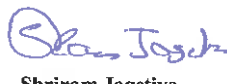


Place: Mumbai

Date: 26 AUG 2024

On behalf of the Board of Directors of
Svatantra Holdings Private Limited


Anil Chirania
Director
DIN: 01082719


Shriram Jagetiya
Director
DIN: 01638250



Svatantra Holdings Private Limited
CIN:U67200MH2018PTC309327
Statement of Cash Flows for the year ended 31 March 2024

(Rs. in lakhs)

	Year ended 31 March 2024	Year ended 31 March 2023
Profit before tax	2,803.72	2,333.01
Cash flow from operating activities		
Adjusted for:		
Financial asset measured at amortised cost		
Finance costs on lease liabilities	39.81	16.69
Transaction costs on borrowings	(37.38)	(41.83)
Realised / unrealised gain on mutual funds	(176.70)	(173.69)
Depreciation and amortisation	302.06	145.85
Gain/ (loss) on termination of lease (net)	(2.25)	0.46
Interest on fixed deposits and inter corporate deposits	(1,044.57)	(675.52)
Impairment on financial instruments	795.64	677.55
Transaction costs on loans	(203.73)	(346.10)
Unwinding interest income	(3.77)	(2.59)
Loss on sale of property, plant and equipment	-	0.02
Operating profit before working capital changes	2,472.83	1,933.85
Changes in working capital		
- (Increase) / decrease in loans	(50,352.47)	(39,345.21)
- (Increase) / decrease in other financial Assets	10.88	(44.76)
- (Increase) / decrease in other non financial Assets	4.63	(8.41)
- Increase / (decrease) in trade payables	91.19	55.20
- (Increase) / decrease in other financial Liabilities	38.62	(27.52)
- (Increase) / decrease in other non financial Liabilities	141.97	35.00
- Increase / (decrease) in provisions	(75.49)	73.82
Cash generated from operating activities	(47,667.84)	(37,328.03)
Income tax paid (net)	(848.45)	(611.25)
Net cash used in operating activities	(48,516.29)	(37,939.28)
Cash flows from investing activities:		
Purchase of property, plant and equipment and intangibles assets	(357.65)	(105.04)
Proceeds from sale of property, plant and equipment	1.77	0.38
Payment for investments in preference shares	-	(15,000.00)
(Purchase) / sale of investments in mutual fund units (net)	130.00	177.70
Interest received on fixed deposits and Inter Corporate deposits	1,219.79	449.43
Maturity /(investments) of /in fixed deposits	2,597.19	1,020.09
Net cash generated from / (used in) investing activities	3,591.10	(13,457.44)
Cash flows from financing activities:		
Proceeds from issuance of Compulsorily convertible preference shares		
Share issue expenses	(0.25)	(1.13)
Proceeds from issue of debentures	(5,000.00)	(1,000.00)
Proceeds from long term borrowings	82,800.00	67,963.00
Repayment of long term borrowings	(48,022.77)	(29,421.99)
Proceeds from subordinated liabilities	-	1,000.00
Proceeds from issue of preference shares capital	5,000.00	22,500.00
Repayment of lease liabilities	(117.83)	(77.42)
Interest paid on lease liabilities	(39.81)	(16.69)
Net cash generated from financing activities	34,619.34	60,945.77
Net increase in cash and cash equivalents	(10,305.85)	9,549.05
Cash and cash equivalents as at the beginning of the year	17,401.19	7,852.14
Closing balance of cash and cash equivalents	7,095.34	17,401.19



Svatantra Holdings Private Limited
CIN:U67200MH2018PTC309327
Statement of Cash Flows for the year ended 31 March 2024

(Rs. in lakhs)

	Year ended 31 March 2024	Year ended 31 March 2023
Components of cash and cash equivalents		
Cash in hand	12.55	2.38
Balances with banks		
- With banks in current accounts	3,080.43	3,005.49
- Deposits with maturity of less than 3 months	4,002.36	14,393.32
Cash and cash equivalents	7,095.34	17,401.19

Changes in liabilities arising from financing activities

	As at 31 March 2024	As at 31 March 2023
Opening balance	1,45,488.10	1,06,842.03
Proceeds from long-term borrowings	77,800.00	67,963.00
Repayment /(addition) in lease liabilities (net)	220.22	163.59
Finance costs on lease liabilities	(39.81)	(16.69)
Repayments of long-term borrowings	(48,022.77)	(29,421.99)
Transaction costs on borrowings	(37.37)	(41.84)
Closing balance	1,75,408.37	1,45,488.10

Summary of Material accounting policies

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The accompanying notes form an integral part of financial statements

As per our report of even date attached


For JMT & Associates
Chartered Accountants
Firm's Registration No. 104167W

On behalf of the Board of Directors of
Svatantra Holdings Private Limited


Amar Bafna
Partner
Membership No: 048639




Anil Chirania
Director
DIN: 01082719


Shriram Jagetiya
Director
DIN: 01638250

Place: Mumbai

Date: 26 AUG 2024



Corporate Information :

Svatantra Holdings Private Limited, the Parent Company (hereinafter referred to as the 'Holding Company') and its subsidiary i.e. Svatantra Micro Housing Finance Corporation Limited (Formerly known as Micro Housing Finance Corporation Limited) collectively referred to as the 'Group'.

The Holding Company was incorporated on 11 May 2018 under the Companies Act, 2013 and registered at Registrar of Companies, Mumbai, Maharashtra and its registered office at 213, Second Floor, TV Industrial Estate, 52, SK Abire Marg, Worli, Mumbai - 400030. The Holding Company is a Core Investment Company in terms of Core Investment Companies (Reserve Bank) Directions, 2016, issued by the Reserve Bank of India (RBI) on August 25, 2016. Further, the Board of Directors of the Company have passed a resolution on 21 May 2018 confirming that the Holding Company shall not access public funds at any point of time without obtaining registration with RBI.

The Holding Company has acquired the 100% fully paid equity shares of Svatantra Micro Housing Finance Corporation Limited (Formerly known as Micro Housing Finance Corporation Limited) on 15 September 2018 which is incorporated with the objective to provide housing finance for financially excluded families, particularly lower income informal sector households. The Subsidiary company was registered with National Housing Bank ("NHB") as housing finance company. However, vide certificate of registration dated 12 February 2020, the Company is also registered with the Reserve Bank of India ("RBI") as a housing finance company.

1 Basis of preparation of consolidated financial statements

These consolidated financial statements have been prepared in accordance with Indian Accounting Standards ("Ind AS") notified under Section 133 of the Companies Act 2013 ("the Act"), read with the Companies (Indian Accounting Standards) Rules, 2015 as amended.

The financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair values, and on the basis of accounting principle of a going concern in accordance with generally accepted accounting principles (GAAP). Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use. The Financial Statements are presented in Lakhs or decimal thereof.

The consolidated financial statements have been presented in accordance with Schedule III-Division III General Instructions for Preparation of financial statements of a Non-Banking Financial Company (NBFC) that is required to comply with Ind AS.

2 Material accounting policies

a. Basis of consolidation

The consolidated financial statements comprise the financial statements of the Holding Company and its subsidiary as at 31 March 2024. Control is achieved 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. Specifically, the Group controls an investee if and only if the Group has:

- (i) Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee).
- (ii) Exposure, or rights, to variable returns from its involvement with the investee, and
- (iii) The ability to use its power over the investee to affect its returns

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:

- a) The contractual arrangement with the other vote holders of the investee
- b) The ability to use its power over the investee to affect its returns
- c) The Group's voting rights and potential voting rights
- d) 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

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

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 consolidated financial statements have been prepared on the following basis:

- (a) Combine like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiary. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognized in the consolidated financial statements at the acquisition date.
- (b) Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary.
- (c) Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the group (profits or losses resulting from intragroup transactions that are recognized in assets, such as inventory and fixed assets, are eliminated in full) except as stated in point no (d). Intragroup losses may indicate an impairment that requires recognition in the consolidated financial statements. Ind AS12 Income Taxes applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions.
- (d) Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.



(e) Changes in ownership interests

The Group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the Group. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognised within equity.

When the Group ceases to consolidate or equity account for an investment because of a loss of control, joint control or significant influence, any retained interest in the entity is remeasured to its fair value with the change in carrying amount recognised in Consolidated Profit and Loss. This fair value becomes the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to Consolidated Statement of Profit and Loss.

If the ownership interest in a joint venture or an associate is reduced but joint control or significant influence is retained, only a proportionate share of the amounts previously recognised in other comprehensive income are reclassified to profit or loss where appropriate.

(f) The excess of cost to the Parent Company of its investment in the subsidiary over the Parent Company's portion of equity of the subsidiary is recognised in the Consolidated Financial Statements as Goodwill. This Goodwill is tested for impairment at the end of the financial year. The excess of Parent Company's portion of equity over the cost of investment as at the date of its investment is treated as Capital Reserve.

(g) The financial statements of the subsidiary used in consolidation are drawn up to the same reporting date as that of the Parent Company.

(h) Following companies are consolidated:

Name of the Company	Relationship	% of ownership either directly or indirectly	Date of becoming subsidiary	Country of incorporation
Svatantra Micro Housing Finance Corporation Limited (Formerly known as Micro Housing Finance Corporation Limited)	Subsidiary	100.00%	15 September 2018	India

b. Business Combinations

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred measured at acquisition date fair value and the amount of any non-controlling interests in the acquiree. For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their acquisition date fair values. For this purpose, the liabilities assumed include contingent liabilities representing present obligation and they are measured at their acquisition fair values irrespective of the fact that outflow of resources embodying economic benefits is not probable.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in OCI and accumulated in equity as capital reserve. However, if there is no clear evidence of bargain purchase, the entity recognises the gain directly in equity as capital reserve, without routing the same through OCI.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

A cash generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit.

Any impairment loss for goodwill is recognised in profit or loss. An impairment loss recognised for goodwill is not reversed in subsequent periods. Where goodwill has been allocated to a cash-generating unit and part of the operation within that unit is disposed of, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill disposed in these circumstances is measured based on the relative values of the disposed operation and the portion of the cash-generating unit retained.

c. Functional and presentation currency

These financial statements are presented in Indian Rupees ('INR' or 'Rs.') which is also the Group's functional currency. All amounts are rounded-off to the nearest lakhs and decimals thereof, unless otherwise indicated.



d. Measurement of fair values

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

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

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

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

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

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

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2- Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

Level 3 -Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The Group's Management determines the policies and procedures for both recurring fair value measurement, such as derivative instruments and unquoted financial assets measured at fair value, and for non-recurring measurement, such as assets held for distribution in discontinued operations.

At each reporting date, the Management analyses the movements in the values of assets and liabilities which are required to be remeasured or re-assessed as per the Group's accounting policies. For this analysis, the Management verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

The Management also compares the change in the fair value of each asset and liability with relevant external sources to determine whether the change is reasonable.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

e. Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured.

Interest Income

Interest income is recorded using the effective interest rate (EIR) method for all financial instruments measured at amortised cost. The EIR is the rate that exactly discounts estimated future cash receipts through the expected life of the financial instruments 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 loan.

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.

Penal Charges and Penal Interest

Penal Charges and Penal Interest are accrued and due on receipt basis.

Net gain on Fair value changes:

Any differences between the fair values of financial assets classified as fair value through the profit or loss held by Group on the balance sheet date is recognised as an unrealised gain / loss. In cases there is a net gain in the aggregate, the same is recognised in "Net gains on fair value changes" under revenue from operations and if there is a net loss the same is disclosed under "Expenses" in the Statement of Profit and Loss.

Similarly, any realised gain or loss on sale of financial instruments measured at FVTL and debt instruments measured at Fair value through Other Comprehensive Income ("FVOCI") is recognised in net gain/loss on fair value changes.

However, net gain / loss on derecognition of financial instruments classified as amortised is presented separately under the respective head in the Statement of Profit and Loss.

Profit or loss on sale of investments is recognised on the date of sale of mutual fund units and is determined as the difference between the sale price and the carrying value of the investments.



Fees and commission

Service fees and facilitation charges are recognised on satisfactory completion of service delivery.

f. Financial instruments

A Financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Initial recognition and measurement

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the financial instrument and are measured initially at fair value adjusted for transaction costs. Subsequent measurement of financial assets and financial liabilities is described below.

Non-derivative financial assets

Subsequent measurement

i. Financial assets carried at amortised cost

A Financial asset is measured at the amortised cost if both the following conditions are met:

The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in interest income in the Statement of Profit and Loss.

ii. Investments in equity instruments

Investments in equity instruments which are held for trading are classified at fair value through profit or loss (FVTPL). For all other equity instruments, the Group makes an irrevocable choice upon initial recognition, on an instrument by instrument basis, to classify the same either at fair value through other comprehensive income (FVOCI) or fair value through profit or loss (FVTPL). Amounts presented in other comprehensive income are not subsequently transferred to Statement of Profit and Loss. However, the Group transfers the cumulative gain or loss within equity.

Dividends on such investments are recognised in Statement of Profit and Loss unless the dividend clearly represents a recovery of part of the cost of the investment.

iii. Investments in mutual funds

Investments in mutual funds are measured at fair value through profit and loss (FVTPL).

De-recognition of financial assets

Financial assets (or where applicable, a part of financial asset or part of a group of similar financial assets) are derecognised (i.e. removed from the Group's balance sheet) when the contractual rights to receive the cash flows from the financial asset have expired, or when the financial asset and substantially all the risks and rewards are transferred. Further, if the Group has not retained control, it shall also de-recognise the financial asset and recognise separately as assets or liabilities any rights and obligations created or retained in the transfer.

Non-derivative financial liabilities

Subsequent measurement

Subsequent to initial recognition, all non-derivative financial liabilities are measured at amortised cost using the effective interest method.

De-recognition of financial liabilities

A financial liability is de-recognised when the obligation under the liability is discharged or cancelled or expired. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss. However, if the lender is directly or indirectly acting as shareholder or member of the promoter group then any loss or gain is recognised directly in to equity.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

Initial recognition gain or loss (Day 1 gain or loss)

In case a financial instrument for which transaction price differs from fair value and fair value is evidenced through quoted price in active market (i.e., level 1) or based on valuation technique that uses data from observable market inputs, the Company shall recognise the difference between the fair value at initial recognition and transaction price as gain or loss.

With respect to financial instruments, the Company on case to case basis understand the reason for any difference between the fair value at initial recognition and transaction price. This could be capital contribution or deemed contribution or deemed distribution or consideration for goods and services depending upon circumstances. In all other cases, at the measurement required by paragraph 5.1.1 Ind AS 109, adjusted to defer the difference between the fair value at initial recognition and the transaction price. After initial recognition, the entity shall recognise that deferred difference as a gain or loss only to the extent that it arises from a change in a factor (including time) that market participants would take into account when pricing the asset or liability.



g. Foreign currency

Transactions in foreign currency are recorded at exchange rate prevailing on the date of transaction. Foreign currency denominated monetary assets and liabilities are translated at the exchange rate prevailing on the balance sheet date and exchange gain or loss arising on settlement and restatement are recognised in the Statement of Profit and Loss.

h. Property, plant and equipment (PPE)

Recognition and initial measurement

Property, plant and equipment are stated at their cost of acquisition. The cost comprises purchase price, borrowing cost if capitalisation criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discount and rebates are deducted in arriving at the purchase price.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repair and maintenance costs are recognised in Statement of Profit and Loss.

Depreciation and amortisation

Property, plant and equipment are subsequently measured at cost less accumulated depreciation and impairment losses. Depreciation on property, plant and equipment is provided on the written down method over the useful life of the assets, as prescribed under Part 'C' of Schedule II of the Companies Act, 2013.

Asset Class	Useful life
Office equipment	5 years
Computer equipment	3 years
Furniture and fixture	10 years

Depreciation is calculated on pro rata basis from the date on which the asset is ready for use or till the date the asset is sold or disposed. The residual values, useful lives and method of depreciation are reviewed at the end of each financial year. PPE costing up to Rs. 5,000 individually are depreciated fully in the year in which they are purchased.

De-recognition

An item of property, plant and equipment and any significant part initially recognised is de-recognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is recognised in the Statement of Profit and Loss, when the asset is de-recognised.

Capital work-in-progress

Capital work-in-progress are carried at cost, comprising direct cost and related incidental expenses acquire property, plant and equipment. Assets which are not ready to intended use are also shown under capital work-in-progress.

Intangible assets

Recognition and initial measurement

Intangible assets are stated at their cost of acquisition. The cost comprises purchase price including any import duties and other taxes (other than those subsequently recoverable from taxation authorities), borrowing cost if capitalisation criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use.

Computer software - 3 years

Amortisation

Intangible assets are amortised over a their estimated useful lives. The estimated useful life (amortisation period) of the intangible assets is arrived basis the expected pattern of consumption of economic benefits and is reviewed at the end of each financial year and the amortisation period is revised to reflect the changed pattern, if any. The estimated useful lives of intangible assets are as follows:

Computer Software - 3 years

i. Income taxes

Income tax expense comprises current tax expenses and net change in the deferred tax assets or liabilities during the year. Current and deferred taxes are recognised in the Statement of Profit and Loss, except when they relate to item that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity, respectively.

Current tax

Provision for current tax is recognized based on the estimated tax liability computed after taking credit for allowances and exemptions in accordance with the Income Tax Act, 1961. Advance taxes and provision for current income tax are presented in the balance sheet after offsetting the advance tax paid and income tax provision arising in the same jurisdiction and where the relevant tax paying units intends to settle the asset and liability on a net basis.

Deferred tax

Deferred tax is recognised in respect of temporary differences between carrying amount of assets and liabilities for financial reporting purposes and corresponding amount used for taxation purposes. Deferred tax assets are recognised on unused tax loss, unused tax credits and deductible temporary differences to the extent it is probable that the future taxable profits will be available against which they can be used. This is assessed based on the Group's forecast of future operating results, adjusted for significant non-taxable income and expenses and specific limits on the use of any unused tax loss. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at 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 only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously. Deferred tax relating to items recognised outside statement of profit and loss is recognised outside Statement of Profit and Loss (either in other comprehensive income or in equity).



j. Employee Benefits

Short-term employee benefits:

Short term employee benefit obligations are measured on an undiscounted basis and are expensed as a related service provided. A liability is recognised for the amount expected to be paid under short term cash bonus or profit sharing plans if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Contribution to provident fund and other funds :

In accordance with Indian Law, eligible employees receive benefits from Provident Fund , Employee State Insurance Contribution (ESIC) and Labour welfare fund which is defined contribution plan. In case of Provident fund, both the employee and employer make monthly contributions to the plan, which is administrated by the Government authorities, each equal to the specific percentage of employee's basic salary. The Group has no further obligation under the plan beyond its monthly contributions. Obligation for contributions to the plan is recognised as an employee benefit expense in the Statement of Profit and Loss when incurred.

Gratuity:

Gratuity is a post employment benefit and is in the nature of a defined benefit plan. The liability recognised in the balance sheet in respect of gratuity is the present value of the defined benefit / obligation at the balance sheet date less the fair value of plan assets, together with adjustments for unrecognised actuarial gains or losses and past service costs. The defined benefits / obligations are calculated at the balance sheet date by an independent actuary using the projected unit credit method.

Actuarial gains and losses arising on the measurement of defined benefit obligation is charged/ credited to other comprehensive income

Compensated Absences:

The employees of the Group are entitled to leave as per the leave policy of the Group. The liabilities towards compensated absences to employees are accrued on the basis of valuations, as at the Balance Sheet date, carried out by an independent actuary using Projected Unit Credit Method. Actuarial gains and losses comprise experience adjustments and the effects of changes in actuarial assumptions and are recognised immediately in the Statement of Profit and Loss.

k. Borrowing costs:

Borrowing cost of financial liabilities is recognised using the Effective Interest Rate (EIR) method

l. Impairment of non-financial assets

At each reporting date, the Group assesses whether there is any indication that an asset may be impaired. If any such indication exists, the Group estimates the recoverable amount of the asset. Recoverable amount is higher of an asset's net selling price and its value in use. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognised in the Statement of Profit and Loss. If at the reporting date, there is an indication that if a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount.



m. Impairment of financial assets

Loan assets

In accordance with Ind AS 109, the Group applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the financial assets that are debt instruments, and are measured at amortised cost.

For recognition of impairment loss on other financial assets and risk exposure, the Group determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is calculated to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, the Group reverts to recognising impairment loss allowance based on 12-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

The measurement of ECL is calculated using three main components: (i) probability of default (PD) (ii) loss given default (LGD) and (iii) the exposure at default (EAD). The 12 month ECL is calculated by multiplying the 12 month PD, LGD and the EAD. The 12 month and lifetime PDs represent the PD occurring over the next 12 months and the remaining maturity of the instrument respectively. The EAD represents the expected balance at default, taking into account the repayment of principal and interest from the balance sheet date to the default event together with any expected drawdowns of committed facilities. The LGD represents expected losses on the EAD given the event of default, taking into account, among other attributes, the mitigating effect of collateral value at the time it is expected to be realised and the time value of money.

The Group applies a three-stage approach to measure ECL on financial assets accounted for at amortised cost and FVTOCI. Assets migrate through the following three stages based on the change in credit quality since initial recognition.

i) Stage 1: 12-months ECL - For exposures where there has not been a significant increase in credit risk since initial recognition and that are not credit impaired upon origination, the portion of the lifetime ECL associated with the probability of default events occurring within the next 12 months is recognised. Exposures with days past due (DPD) less than or equal to 29 days are classified as stage 1. The Group has identified zero bucket and bucket with DPD less than or equal to 29 days as two separate buckets.

ii) Stage 2: Lifetime ECL – not credit impaired - For credit exposures where there has been a significant increase in credit risk since initial recognition but that are not credit impaired, a lifetime ECL is recognised. Exposures with DPD equal to 30 days but less than or equal to 89 days are classified as stage 2. At each reporting date, the Group assesses whether there has been a significant increase in credit risk for financial asset since initial recognition by comparing the risk of default occurring over the expected life between the reporting date and the date of initial recognition. The Group has identified cases with DPD equal to or more than 30 days and less than or equal to 59 days and cases with DPD equal to or more than 60 days and less than or equal to 89 days as two separate buckets.

iii) Stage 3: Lifetime ECL – credit impaired - Financial asset is assessed as credit impaired when one or more events that have a detrimental impact on the estimated future cash flows of that asset have occurred. For financial asset that have become credit impaired, a lifetime ECL is recognised on principal outstanding as at period end. Exposures with DPD equal to or more than 90 days are classified as stage 3.

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets. For debt securities at FVOCI, the loss allowance is recognised in OCI and carrying amount of the financial asset is not reduced in the balance sheet.

The Group does not have any purchased or originated credit-impaired (POCI) financial assets, i.e., financial assets which are credit impaired on purchase/ origination.

It has been the Group's policy to regularly review its models in the context of actual loss experience and adjust when necessary. Refer note 37 (C) for detailed note.

Trade receivables

In respect of trade receivables, the Group applies the simplified approach of Ind AS 109, which requires measurement of loss allowance at an amount equal to lifetime expected credit losses. Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of trade receivables.

Write-offs

Financial assets are written off either partially or in their entirety to the extent that there is no realistic prospect of recovery. Any subsequent recoveries are credited to the Statement of Profit and Loss.

n. Cash and cash equivalents

Cash and cash equivalents comprise cash on hand (including imprest), demand deposits and short-term highly liquid investments that are readily convertible into known amount of cash and which are subject to an insignificant risk of changes in value. The Group has netted off the balance of bank overdraft with cash and cash equivalents for cash Flow Statement.

o. Provisions, Contingent liabilities and Contingent assets:

Provisions are recognised only when there is a present obligation, as a result of past events, and when a reliable estimate of the amount of obligation can be made at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates. Provisions are discounted to their present values, where the time value of money is material.

Contingent liability is disclosed for:

Possible obligations which will be confirmed only by future events not wholly within the control of the Group or

Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

Contingent assets are neither recognised nor disclosed except when realisation of income is virtually certain, related asset is disclosed.

p. Reimbursement of processing fee and other charges

As per the guidelines of new government schemes under Pradhan Mantri Awas Yojana (PMAY), no processing fee is allowed to be charged to the eligible customers. However, the Group is entitled to get a reimbursement from the customers for the expenses incurred in connection with origination of the loans. Such reimbursement receivable forms part of "Non-housing loans", included under Loans and advances in the Balance Sheet.

The expenses presented in the Statement of Profit and Loss such as Salaries and wages, Insurance, Franking charges, etc. are stated net of such recoveries from customers.



q. Earnings per share

The basic earnings per equity share is computed by dividing the net profit attributable to the equity shareholders for the year by the weighted average number of equity shares outstanding during the reporting period. The number of shares used in computing diluted earnings per share comprises the weighted average number of shares considered for deriving basic earnings per share and also the weighted average number of equity shares, which may be issued on the conversion of all dilutive potential shares, unless the results would be anti dilutive.

r. Segment Reporting

Identification of Segments

Operating Segments are identified based on monitoring of operating results by the chief operating decision maker (CODM) separately for the purpose of making decision about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss, and is measured consistently with profit or loss of the Group.

Operating Segment is identified based on the nature of products and services, the different risks and returns, and the internal business reporting system.

Segment Policies

The Group prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the Group as a whole.

Further, inter-segment revenue have been accounted for based on the transaction price agreed to between segments, which is primarily market based.

Unallocated Corporate Items include general corporate income and expenses, which are not attributable to segments.

s. Leases

As a lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

i. Right of use assets

The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

The right-of-use assets are also subject to impairment. Refer note 2 (l) of accounting policy for impairment of non-financial assets.

ii. Lease liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

The Group's lease liabilities are included in other financial liabilities

iii. Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of laptops, lease-lines and office furniture and equipment that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

As a lessor

Leases in which the Group does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

t. Recent accounting pronouncements

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



3 Cash and cash equivalents

Particulars	(Rs. in lakhs)	
	As at 31 March 2024	As at 31 March 2023
Cash on hand	12.55	2.38
Balances with banks - in current accounts*	3,080.43	3,005.49
Deposits with maturity of less than 3 months**	4,002.36	14,393.32
Total	7,095.34	17,401.19
* Includes amounts received towards NHB subsidy pending transfer to customers	2.46	2.46
** Includes debt service and reserve account maintained with State Bank of India	-	3,364.28

4 Bank balances other than cash and cash equivalents

Particulars	(Rs. in lakhs)	
	As at 31 March 2024	As at 31 March 2023
Other Bank Balances		
- In escrow account*		
Deposits with maturity of more than 3 months but less than 12 months*	2,478.92	5,251.33
Total	2,478.92	5,251.33
* Bank deposit held as securities:		
- against borrowings	189.73	169.35
-against bank guarantee	2,289.19	2,294.31
-debt service and reserve account maintained with State Bank of India.	-	658.21
	2,478.92	3,121.87

5 Loans

Particulars	(Rs. in lakhs)	
	As at 31 March 2024	As at 31 March 2023
At amortised cost		
(i) Term loans		
(a) Housing loans	1,71,716.48	1,34,965.24
(b) Non housing loans	31,085.77	17,590.89
(c) Loan to employees	53.91	36.79
Total (i) - Gross	2,02,856.16	1,52,592.92
Less: Impairment loss allowance	(1,598.93)	(1,096.25)
Total (i) - Net	2,01,257.23	1,51,496.67
(ii) Secured/unsecured		
(a) Secured by tangible assets	2,02,802.25	1,52,556.13
(b) Unsecured	53.91	36.79
Total (ii) - Gross	2,02,856.16	1,52,592.92
Less: Impairment loss allowance	(1,598.93)	(1,096.25)
Total (ii) - Net	2,01,257.23	1,51,496.67
(iii) Loans in India		
(a) Public sector	-	-
(b) Others	2,02,856.16	1,52,592.92
Total (iii) - Gross	2,02,856.16	1,52,592.92
Less: Impairment loss allowance	(1,598.93)	(1,096.25)
Total (iii) - Net	2,01,257.23	1,51,496.67
(iv) Loans outside India		
(a) Loan outside India	-	-
Total (iv)	-	-

Loans or advances in the nature of loans are granted to the promoters, directors, KMP's, and the related parties, either severally or jointly with any other persons.

Particulars	(Rs. in lakhs)			
	As at 31 March 2024	% to the total loans and advances in the nature of loans	As at 31 March 2023	% to the total loans and advances in the nature of loans
Promoters	Nil	Nil	Nil	Nil
Directors	Nil	Nil	Nil	Nil
KMP's	Nil	Nil	Nil	Nil
Related parties	Nil	Nil	Nil	Nil



7 Other financial assets

Particulars	(Rs. in lakhs)	
	As at 31 March 2024	As at 31 March 2023
At amortised cost		
Security deposits	87.07	63.11
Staff advances	13.60	4.81
Receivable from government authority*	42.40	42.70
Others receivables	63.75	103.31
Total	206.82	213.93

* Represents receivable from municipal authority on account of loans defaulted by the customers under BSUP scheme.

8 Current tax assets (net)

Particulars	(Rs. in lakhs)	
	As at 31 March 2024	As at 31 March 2023
Advance tax*	95.21	-
Total	95.21	-

* Net of provision for tax as at 31st March 2024 Rs. 739.89 lakhs (As at 31st March 2023 Rs "Nil")

8.1 Current tax liability (net)

Particulars	(Rs. in lakhs)	
	As at 31 March 2024	As at 31 March 2023
Provision for tax*	-	42.06
Total	-	42.06

* Net of Advance tax of Rs. 514 Lakhs as on 31 March 2023

9 Deferred Tax Assets/ Liabilities (net)

Particulars	(Rs. in lakhs)	
	As at 31 March 2024	As at 31 March 2023
Deferred Tax assets		
Provision for impairment of assets	362.47	258.23
Provision for employee benefits	45.01	61.58
Timing difference on PPE	39.00	21.77
Unearned processing fee	7.42	-
Share issue expenses	7.39	4.66
Transaction cost on loans	401.73	343.18
Lease liabilities	4.21	-
Total deferred Tax assets	867.23	689.42
Deferred Tax liabilities		
Fair value gain / (loss) on investments	(5,609.27)	(18,381.97)
Financial guarantee commission	-	-
Modification (restructuring) gain on financial assets	(4.16)	(4.16)
Amortisation of borrowing costs	(103.89)	(94.49)
Unearned processing fee	-	(0.31)
Lease liabilities	-	(0.22)
Total deferred Tax liabilities	(5,717.32)	(18,481.15)
Net deferred Tax assets/(liabilities)	(4,850.09)	(17,791.73)



15 Other non-financial assets

Particulars	(Rs. in lakhs)	
	As at 31 March 2024	As at 31 March 2023
Prepaid expenses	80.31	132.10
Unamortised borrowing cost	48.72	-
Other assets	-	1.56
Total	129.03	133.66

16 Trade payables

Particulars	(Rs. in lakhs)	
	As at 31 March 2024	As at 31 March 2023
Total outstanding dues of micro enterprises and small enterprises	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	17.47	36.79
Total	17.47	36.79

Ageing of Trade Payables as per below schedule for balances outstanding as at 31 March 2024

(Rs. in lakhs)

Particulars	(Rs. in lakhs)				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	-	-	-	-	-
(ii) Others	14.77	-	-	-	14.77
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-
(v) Unbilled	-	-	-	-	2.70
Total	14.77	-	-	-	17.47

Ageing of Trade Payables as per below schedule for balances outstanding as at 31 March 2023

(Rs. in lakhs)

Particulars	(Rs. in lakhs)				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	-	-	-	-	-
(ii) Others	33.55	-	-	-	33.55
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-
(v) Unbilled	-	-	-	-	3.24
Total	33.55	-	-	-	36.79

17 Other payables

Particulars	(Rs. in lakhs)	
	As at 31 March 2024	As at 31 March 2023
Total outstanding dues of micro enterprises and small enterprises	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	253.79	143.29
Total	253.79	143.29

18 Debt securities

Particulars	(Rs. in lakhs)	
	As at 31 March 2024	As at 31 March 2023
Secured		
At amortised cost		
Redeemable non-convertible debentures	5,301.64	9,292.07
Unsecured		
At amortised cost		
Redeemable non-convertible debentures	500.01	1,500.00
Total	5,801.65	10,792.07
Debt securities in India	5,801.65	10,792.07
Debt securities outside India	-	-
Total	5,801.65	10,792.07



Terms of debentures	(Rs. in lakhs)	
	As at 31 March 2024	As at 31 March 2023
9.45% secured, rated, unlisted, 265,000 redeemable non convertible debentures of Rs. 1,000 at par on 18 November 2024	2,650.00	2,650.00
10.60% secured, rated, unlisted, 266,000 redeemable non convertible debentures of Rs. 1,000 at par on 18 November 2024	2,660.00	2,660.00
9.65%, secured, rated, unlisted, senior, fully paid up, taxable, 400 redeemable non-convertible debentures of Rs.1,000,000 at par on 21 April 2023*	-	4,000.00
8.51%, unsecured, rated, unlisted, fully paid up, taxable, 300 redeemable non-convertible debentures of Rs.1,000,000 at par on 22 September 2024	500.01	1,500.00
Total Debt securities	5,810.01	10,810.00
Adjustments of unamortised processing fee	(8.36)	(17.93)
Total adjusted Debt securities	5,801.65	10,792.07

*The above non-convertible debentures ("NCD") were issued on private placement basis and secured by way of a first ranking exclusive and continuing charge over the standard book debts / loan receivables of the Group. The payment of interest half yearly and Principal payable at maturity.

The payment of interest half yearly and Principle payable at maturity

Rate of interest	Maturity	(Rs. in lakhs)	
		As at 31 March 2024 Secured	As at 31 March 2023 Secured
Secured			
8.51% - 10.60%	Within 1-5 years	5,310.00	4,000.00
8.51% - 10.60%	More than 5 years	-	5,310.00
Total Debt securities		5,310.00	9,310.00
Unsecured			
8.51% - 10.60%	Within 1-5 years	500.01	1,000.00
8.51% - 10.60%	More than 5 years	-	500.00
Total Debt securities		5,810.01	10,810.00
Adjustments of unamortised processing fee based on EIR		(8.36)	(17.93)
Total adjusted Debt securities		5,801.65	10,792.07

19 Borrowings (other than debt securities)

Particulars	(Rs. in lakhs)	
	As at 31 March 2024	As at 31 March 2023
At amortised cost		
Secured		
Term loans		
- from banks	1,33,016.59	1,09,488.70
- from National Housing Bank (NHB)	23,682.32	17,343.60
- from Financial Institution (FI)	9,462.40	4,598.73
Total	1,66,161.31	1,31,431.03
Borrowings in India	1,66,161.31	1,31,431.03
Borrowings outside India	-	-
Total	1,66,161.31	1,31,431.03

Notes:

(i) Term loans are secured by first exclusive charge through hypothecation of book debts/ receivables (housing loans) of the Group both present and future and assignment of mortgage on the dwelling units financed from such term loans.

(ii) The Group has not defaulted in the repayment of debt securities and borrowings (other than debt securities) and interest thereon for the year ended 31 March 2024 and 31 March 2023.

(iii) The repayment of the borrowing is done in monthly, quarterly, half - yearly and annual instalment as per the sanctioned terms.



Rate of interest	Category	Maturity	(Rs. in lakhs)	
			As at 31 March 2024	As at 31 March 2023
			Secured/ unsecured	Secured/ unsecured
7%-9%	Banks	Within 1 year	322.82	237.56
9%-10%	Banks		3,244.21	-
10%-11%	Banks		745.74	12.45
12%-13%	Banks		-	416.66
9%-10%	FI		-	1,111.11
2%-10%	NHB		274.95	91.25
7%-9%	Banks	Within 1-5 years	40,436.77	23,986.97
9%-10%	Banks		41,182.16	34,237.20
10%-11%	Banks		9,258.91	10,789.61
11%-12%	Banks		4,029.62	5,862.29
7%-11%	FI		4,912.85	2,995.30
2%-10%	NHB		3,281.59	7,563.94
8%-9%	Banks	More than 5 years	7,500.00	27,307.85
9%-10%	Banks		26,641.66	6,987.92
7%-11%	FI		4,589.29	500.00
2%-10%	NHB		20,145.19	9,688.41
Total borrowings (excluding loans repayable on demand)			1,66,565.76	1,31,788.52
Adjustments of unamortised processing fee based on EIR			(404.45)	(357.49)
Total adjusted borrowings (excluding loans repayable on demand)			1,66,161.31	1,31,431.03

20 Subordinated Liabilities

Particulars	(Rs. in lakhs)	
	As at 31 March 2024	As at 31 March 2023
Unsecured		
At Amortised Cost		
Redeemable non-convertible debentures	3,000.00	3,000.00
Total	3,000.00	3,000.00

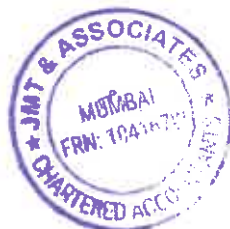
Particulars	(Rs. in lakhs)	
	As at 31 March 2024	As at 31 March 2023
Debt securities in India	3,000.00	3,000.00
Debt securities outside India	-	-
	3,000.00	3,000.00

Rate of interest	Maturity	(Rs. in lakhs)	
		As at 31 March 2024	As at 31 March 2023
9.50% subordinated, unsecured, rated, unlisted, fully paid up, taxable, 200 redeemable non-convertible debentures of Rs.1,000,000 at par on 05 January 2028	Within 1-5 years	2,000.00	2,000.00
9.50% subordinated, unsecured, rated, unlisted, fully paid up, taxable, 1000 redeemable non-convertible debentures of Rs.1,000,00 at par on 15 June 2028	Within 1-5 years	1,000.00	1,000.00

21 Other financial liabilities

Particulars	(Rs. in lakhs)	
	As at 31 March 2024	As at 31 March 2023
Interest accrued but not due on borrowings	181.41	82.43
Interest accrued but not due on debt securities	195.04	256.65
Interest accrued but not due on subordinate liabilities	16.36	16.40
Subsidy received from NHB pending transfer to customer *	2.46	2.46
Lease liabilities	445.41	265.00
Employee benefits payable	1.29	-
Total	841.97	622.94

* Pertain to credit linked subsidy and interest subvention scheme subsidy received from NHB, pending credit in respective applicant account.



22 Provisions

Particulars	(Rs. in lakhs)	
	As at 31 March 2024	As at 31 March 2023
Unfunded		
Provision for employee benefits - Gratuity (also refer note 41)	94.30	196.94
Provision for employee benefits - Leave encashment.	84.53	47.73
Provision for employee benefits -Provision on Loan commitment	6.12	5.72
Total	184.95	250.39

23 Other non-financial liabilities

Particulars	(Rs. in lakhs)	
	As at 31 March 2024	As at 31 March 2023
Statutory dues	130.61	101.48
Advances from customers	145.34	29.96
Unspent CSR	14.92	17.46
Total	290.87	148.90

* Net of Advance tax of Rs. 514 Lakhs as on 31 March 2023

24 Share capital

(a) Equity share capital

(i) Details of authorised, issued, subscribed and paid up share capital

Particulars	As at 31 March 2024		As at 31 March 2023	
	No. of shares	Amount	No. of shares	Amount
Authorised share capital				
Equity shares of Rs 10 each	20,00,00,000	20,000.00	20,00,00,000	20,000.00
Preference share capital of Rs. 100 each	13,00,00,000	1,30,000.00	13,00,00,000	1,30,000.00
Issued, subscribed and paid up		1,50,000.00		1,50,000.00
Equity shares of Rs 10 each, fully paid up	1,00,000	10.00	1,00,000	10.00
Total		10.00		3,00,010.00

(ii) Rights preferences and restrictions attached to equity shares

The Company has only one class of equity shares having a par value of Rs.10 per share. Each holder of equity shares is entitled to one vote per share. 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.

(iii) Shares in the Company held by each shareholders holding more than 5 percent shares:

Name of shareholder	As at 31 March, 2024		As at 31 March, 2023	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Ananyashree Birla	90,000	90.00%	90,000	90.00%

(iv) Reconciliation of number and amount of shares outstanding:

Particulars	As at 31 March, 2024		As at 31 March 2023	
	No. of shares	Amount	No. of shares	Amount
Equity shares				
Shares outstanding at the beginning of the year	1,00,000	10.00	1,00,000	10.00
Shares issued during the year	-	-	-	-
Shares outstanding at the end of the year/ period	1,00,000	10.00	1,00,000	10.00

v) Disclosure of Shareholding of Promoters

Disclosure of shareholding of promoters as at 31 March 2024 is as follows

Name of the Promoters	As at 31 March 2024		As at 31 March 2023		% change
	Nos.	% Holding	Nos.	% Holding	
Ananyashree Birla	90,000	90.00%	90,000	90.00%	-
Anil Chirania	5,000	5.00%	5,000	5.00%	-
Shriram Jagetiya	5,000	5.00%	5,000	5.00%	-



(vi) Shares issued for consideration other than cash

The Company has not issued/ allotted any shares pursuant to contracts without payment being received in cash, nor issued any bonus shares nor there has been buy back of shares since incorporation i.e. 11 May 2018.

(b) Instruments entirely equity in nature

Particulars	(Rs. in lakhs)			
	As at 31 March 2024		As at 31 March 2023	
	Amount	Amount	No. of shares	Amount
6 % Compulsory convertible non cumulative preference shares (CCPS) of Rs. 100 each fully paid up	12,14,00,000	1,21,400.00	11,64,00,000	1,16,400.00

(ii) Rights preferences and restrictions attached to preference shares

The CCPS shall carry a fixed rate of dividend of 6% on the capital paid up thereon calculated on a proportionate basis from the date of allotment. The payment of dividend on CCPS will be on non-cumulative basis. The CCPS shall be compulsorily convertible into equity shares of the Company after the expiry of 10 years from the date of allotment of CCPS in the ratio of 10:1 i.e. 1 CCPS of Rs. 100 each fully paid up shall be convertible into 10 Equity shares of Rs. 10 each fully paid up. The CCPS will carry preferential rights vis-a-vis Equity Shares of the Company with respect to payment of dividend or repayment of capital during winding up. The CCPS holders shall not be entitled to participate in the surplus funds of the Company. The CCPS holders shall be non-participating in the surplus assets and profits on winding up which may remain after the entire capital has been repaid. The CCPS holders shall carry voting rights as per the provisions of Memorandum and Articles of the Company. All other terms, conditions and rights of the preference shareholders shall be subject to the provisions of the Memorandum and Article of Association of the Company and the Companies Act, 2013.

(iii) Reconciliation of number and amount of shares outstanding:

Particulars	(Rs. in lakhs)			
	As at 31 March 2024		As at 31 March 2023	
	Number	Amount	Number	Amount
Shares outstanding at the beginning of the year	11,64,00,000	1,16,400.00	9,39,00,000	93,900.00
Shares issued during the year	50,00,000	5,000.00	2,25,00,000	22,500.00
Shares outstanding at the end of the year	12,14,00,000	1,21,400.00	11,64,00,000	1,16,400.00

Allotment details	Allotment date	Amount
10,000,000 CCPS of Rs.100 each	28-Sep-18	10,000.00
22,500,000 CCPS of Rs.100 each	28-Sep-18	22,500.00
4,00,000 CCPS of Rs.100 each	12-Dec-18	400.00
5,000,000 CCPS of Rs.100 each	03-Sep-19	5,000.00
2,500,000 CCPS of Rs.100 each	31-Dec-19	2,500.00
3,500,000 CCPS of Rs.100 each	06-Feb-20	3,500.00
4,000,000 CCPS of Rs.100 each	30-Mar-20	4,000.00
6,500,000 CCPS of Rs.100 each	30-Sep-20	6,500.00
12,500,000 CCPS of Rs.100 each	30-Mar-21	12,500.00
7,500,000 CCPS of Rs.100 each	30-Sep-21	7,500.00
10,000,000 CCPS of Rs.100 each	31-Dec-21	10,000.00
9,500,000 CCPS of Rs.100 each	29-Mar-22	9,500.00
2,500,000 CCPS of Rs.100 each	07-Oct-22	2,500.00
12,500,000 CCPS of Rs.100 each	29-Dec-22	12,500.00
7,500,000 CCPS of Rs.100 each	31-Mar-23	7,500.00
5,000,000 CCPS of Rs.100 each	30-Dec-23	5,000.00
		1,21,400.00



(iv) Shares in the Company held by each shareholders holding more than 5 percent shares:

Name of shareholder	As at 31 March, 2024		As at 31 March, 2023	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
IGH Holdings Private Limited	12,14,00,000	100.00%	11,64,00,000	100.00%
Total	12,14,00,000	100.00%	11,64,00,000	100.00%

v) Disclosure of Shareholding of Promoters

There is no promoters shareholding in preference share capital as at 31 March 2024 and as at 31 March 2023.

25 Other equity

(Rs. in lakhs)

Particulars	Notes	As at	As at
		31 March 2024	31 March 2023
Statutory reserve under Section 29C of the NHB Act, 1987	25.1	1,723.05	1,096.67
Impairment reserves	25.2	597.55	597.55
Retained earnings	25.3	19,148.39	55,487.73
		21,468.99	57,181.95

(Rs. in lakhs)

25.1

Particulars	As at	As at
	31 March 2024	31 March 2023
Statutory reserves under Section 29C of the NHB Act, 1987		
Opening balance	1,096.67	521.94
Add: Current year transfer	626.38	574.73
Closing balance	1,723.05	1,096.67
Impairment reserves		
Opening balance	597.55	597.55
Add: Current year transfer	-	-
Closing balance	597.55	597.55
Retained earnings		
Opening balance	55,487.73	1,651.85
Add: Transferred from Statement of profit and loss	2,262.20	1,882.48
Less: Transfer to statutory reserves	(626.38)	(574.73)
Less: Stamp duty on issue of 6% Compulsorily convertible non cumulative preference shares	(0.25)	(1.13)
Items of other comprehensive income recognised directly in retained earnings		
Add: Other comprehensive loss/income for the year	(37,974.91)	52,529.26
Closing balance	19,148.39	55,487.73

25.1 Statutory reserves under Section 29C of the NHB Act, 1987

As per Section 29C of National Housing Bank Act (NHB), 1987, the Company is required to transfer at least 20% of its net profits every year to a reserve before any dividend is declared. For this purpose, any Special Reserves created by the Subsidiary Company under Section 36(1)(viii) of the Income Tax Act, 1961 is considered to be an eligible transfer. Thus, during the year ended 31 March 2022 and year ended 31 March 2023, the Subsidiary Company has transferred to Statutory Reserves, an amount arrived in accordance with Section 29C of the NHB Act, 1987.

25.2 Impairment Reserves as per RBI notification

As per DOR (NBFC).CC.PD.No.109/22.10.106/2019-20, where impairment allowance under Ind AS 109 is lower than the provisioning required under IRACP (including standard asset provisioning), NBFCs/ARCs shall appropriate the difference from their net profit or loss after tax to a separate 'Impairment Reserves'. The balance in the 'Impairment Reserves' shall not be reckoned for regulatory capital. Further, no withdrawals shall be permitted from this reserves without prior permission from the Department of Supervision, RBI.

25.3 Retained earnings

Retained earnings pertain to the accumulated earnings / losses made by the Group over the years



6 Investments

Particulars	As at 31 March 2024					Total
	Amortised cost	Through other comprehensive income	At Fair Value Through profit or loss	Designated at fair value through profit or loss	Subtotal	
(I) Units of Mutual Fund 35,736.039 Units of Aditya Birla Sunlife Liquid Fund - Growth - Direct	-	-	139.26	-	139.26	139.26
(II) Equity instruments - Unquoted - In other company 40,000,000 Equity shares of Svatantra Microfn Private Limited of ₹ 10 each fully paid-up	-	27,273.00	-	-	27,273.00	27,273.00
(III) Preference instruments - Unquoted - In other company 6,55,00,000 5% Compulsory Convertible Non-Cumulative Preference Shares of ₹ 100 each fully paid-up of Svatantra Microfn Private Limited #	-	64,508.22	-	-	64,508.22	64,508.22
Total - Gross (A)	-	91,781.22	139.26	-	91,920.48	91,920.48
(A) Investments outside India	-	-	-	-	-	-
(B) Investments in India	-	91,781.22	139.26	-	91,920.48	91,920.48
Total - Gross (B)	-	91,781.22	139.26	-	91,920.48	91,920.48
Total of (A) to tally with (B)	-	-	-	-	-	-
Less: Impairment loss allowance (C)	-	-	-	-	-	-
Total - Net [D = (A) - (C)]	-	91,781.22	139.26	-	91,920.48	91,920.48

Pursuant to the Consent letter dated 16 Nov 2023, the aforesaid conversion term are revised as follows:
 CCPS shall be compulsorily convertible into equity shares of the issuer company any time at the option of the CCPS holder in the ratio of 9:13 i.e. 9 CCPS of ₹ 100 each fully paid-up shall be convertible into 13 Equity Shares of ₹ 10 each fully paid up. If the CCPS Holder does not exercise the option to convert the CCPS in to equity shares before the expiry of 10 (Ten) years from the date of allotment of CCPS, then the CCPS shall be convertible into equity shares of the Company on the expiry of 10 (Ten) years from the date of allotment of CCPS. All other terms and conditions of CCPS shall remain in full force and effect.



Particulars	As at 31 March 2023					Total
	Amortised cost	Through other comprehensive income	At Fair Value Through profit or loss	Designated at fair value through profit or loss	Subtotal	
(I) Units of Mutual Fund 25,492,843 Units of Aditya Birla Sunlife Liquid Fund - Growth - Direct	-	-	92.56	-	92.56	92.56
(II) Equity instruments - Unquoted - in other company 40,000,000 Equity shares of Svatanttra Microfin Private Limited of ₹ 10 each fully paid-up	-	10,300.00	-	-	10,300.00	10,300.00
(III) Preference instruments - Unquoted - in other company 6,55,00,000 5% Compulsory Convertible Non-Cumulative Preference Shares of ₹ 100 each fully paid-up of Svatanttra Microfin Private Limited #	-	1,32,218.06	-	-	1,32,218.06	1,32,218.06
Total – Gross (A)	-	1,42,518.06	92.56	-	1,42,610.62	1,42,610.62
(A) Investments outside India	-	-	-	-	-	-
(B) Investments in India	-	1,42,518.06	92.56	-	1,42,610.62	1,42,610.62
Total – Gross (B)	-	1,42,518.06	92.56	-	1,42,610.62	1,42,610.62
Total of (A) to tally with (B)	-	-	-	-	-	-
Less: Impairment loss allowance (C)	-	-	-	-	-	-
Total – Net (D = (A) - (C))	-	1,42,518.06	92.56	-	1,42,610.62	1,42,610.62

During the year, the Company has invested in 15,000,000 5% Compulsorily convertible non-cumulative preference shares of ₹ 100 each ('CCPS') for cash at par aggregating to ₹ 15,000.00 Lakhs in two tranches as detailed below. The CCPS shall carry a fixed rate of dividend of 5% on the capital paid up thereon calculated on a proportionate basis from the date of allotment. The CCPS shall be compulsorily convertible into fixed number of equity shares at mutually agreed price.

Allotment details	(Rs. in lakhs)	
	Allotment date	No. of shares Amount
1,00,00,000 CCPS of ₹ 100 each	30-Dec-22	1,00,00,000 10,000.00
50,00,000 CCPS of ₹ 100 each	31-Mar-23	50,00,000 5,000.00



10 Investment property

(Rs. in lakhs)

Particulars	Freehold land	Total
Gross block		
As at 1 April 2022	1.49	1.49
Additions	-	-
Deletions	-	-
As at 31 March 2023	1.49	1.49
Additions	-	-
Deletions	-	-
As at 31 March 2024	1.49	1.49
Accumulated depreciation		
As at 1 April 2022	-	-
Charge for the year	-	-
Deletions	-	-
As at 31 March 2023	-	-
Charge for the year	-	-
Deletions	-	-
As at 31 March 2024	-	-
Net block		
As at 31 March 2023	1.49	1.49
As at 31 March 2024	1.49	1.49

Notes:

The Group's investment property is a piece of land in India, currently held for undetermined use. The Group has no restrictions on the realisability of its investment properties and no contractual obligations to either purchase, construct or develop investment properties or for repairs, maintenance and enhancements. The Group confirms that the title deeds of immovable properties are held in the name of the Group.

(a) Fair value of investment property

(Rs. in lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
Freehold land	1.49	1.49

The fair value of investment property has been determined by an independent valuer, who has adequate professional experience as well as adequate expertise in the location and category of the investment property. The value is determined based on the rate prescribed by government authorities for the property. Management believes that the net recoverable value of the property would be higher than carrying amount and therefore, no impairment has been made. The resultant fair value estimates for investment property is included in level 2.

There are no amounts recognised in the Statement of Profit and Loss account in relation to the above investment property.



11 Property, plant and equipment

(Rs. in lakhs)

Particulars	Office equipment	Furniture and fixtures	Computer and data processing equipment	Leasehold improvements	Total
Gross block (Cost)					
As at 1 April 2022	45.44	22.44	77.96	47.96	193.80
Additions	36.98	6.92	47.45	4.57	95.91
Deletion	(0.40)	-	-	-	(0.40)
As at 31 March 2023	82.02	29.36	125.41	52.53	289.31
Additions	86.12	39.81	73.18	148.56	347.66
Deletion	(0.95)	(0.27)	(0.50)	-	(1.72)
As at 31 March 2024	167.19	68.90	198.09	201.09	635.25
Accumulated depreciation / amortisation					
As at 1 April 2022	18.16	10.91	40.35	38.05	107.46
Charge for the year	24.35	6.17	34.19	5.47	70.18
Deletions	-	-	-	-	-
As at 31 March 2023	42.51	17.08	74.54	43.52	177.64
Charge for the year	51.42	10.73	57.01	33.62	152.79
Deletions	-	-	-	-	-
As at 31 March 2024	93.93	27.81	131.55	77.14	330.43
Net block					
As at 31 March 2023	39.51	12.28	50.87	9.01	111.67
As at 31 March 2024	73.26	41.09	66.54	123.95	304.82

12 Other Intangible assets

(Rs. in lakhs)

Particulars	Computer software
Gross block	
As at 1 April 2022	3.75
Additions	1.78
Deletions	-
As at 31 March 2023	5.53
Additions	20.17
Deletions	(0.05)
As at 31 March 2024	25.65
Accumulated depreciation / amortisation	
As at 1 April 2022	3.75
Charge for the year	0.17
Deletions	-
As at 31 March 2023	3.92
Charge for the year	11.59
Deletions	-
As at 31 March 2024	15.51
Net block	
As at 31 March 2023	1.61
As at 31 March 2024	10.14



13 Intangible assets under development (Rs. in lakhs)

Particulars	Software
As at 1 April 2022	2.83
Additions	7.35
Deletions	-
As at 31 March 2023	10.18
Additions	2.55
Deletions	(12.73)
As at 31 March 2024	-
Net block	
As at 31 March 2023	10.18
As at 31 March 2024	-

i Intangible assets under development ageing schedule for the year ended 31 March 2024 is as follows:

(Rs. in lakhs)

Particulars	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	-	-	-	-	-
Projects temporarily suspended	-	-	-	-	-

i Intangible assets under development ageing schedule for the year ended 31 March 2023 is as follows:

(Rs. in lakhs)

Particulars	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	10.18	-	-	-	10.18
Projects temporarily suspended	-	-	-	-	-

14 Right of use Asset (Rs. in lakhs)

Particulars	Office building
Gross block	
As at 1 April 2022	324.69
Additions	223.86
Deletions	-
As at 31 March 2023	548.55
Additions	312.33
Deletions	(19.11)
As at 31 March 2024	841.77
Accumulated depreciation / amortisation	
As at 1 April 2022	207.18
Charge for the year	75.50
Deletions	-
As at 31 March 2023	282.68
Charge for the year	137.68
Deletions	(7.27)
As at 31 March 2024	413.09
Net block	
As at 31 March 2023	265.87
As at 31 March 2024	428.68



26 Interest income

(Rs. in lakhs)

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
On financial assets measured at amortised cost		
Interest on loans	22,585.87	16,532.50
Interest on deposits with banks	624.45	501.71
Interest of corporate deposit	420.12	173.81
Other interest income	174.95	141.42
Total	23,805.39	17,349.44

27 Fees and commission income

(Rs. in lakhs)

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Service fees and facilitation charges	93.39	83.77
Total	93.39	83.77

28 Net gain on fair value changes

(Rs. in lakhs)

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Net gain on financial instruments at fair value through profit or loss		
- Investments in mutual funds	176.70	173.69
- Investments in preference shares	0.00	0.00
	176.70	173.69
Total net gain on fair value changes		
Fair Value changes:		
-Realised	189.67	168.60
-Unrealised *	-12.97	5.09
Total net gain on fair value changes	176.70	173.69

* Also refer note 6

29 Other income

(Rs. in lakhs)

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Interest income		
On financial assets measured at amortised cost		
Other interest income		
Income from advertisement	264.32	166.34
Unwinding interest income	3.77	2.59
Gain/ (loss) on termination of lease (net)	2.25	(0.46)
Miscellaneous income	9.69	13.19
Total	280.03	181.66



30 Finance costs

(Rs. in lakhs)

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
On financial liabilities measured at amortised costs		
Interest on borrowings (other than debt securities)	13,319.03	9,260.41
Interest on debt securities	658.10	1,363.06
Interest on subordinate liabilities	285.40	44.77
Interest on lease liabilities	39.81	16.69
Bank charges and others	69.92	64.62
Total	14,372.26	10,749.55

31 Impairment on financial instruments

(Rs. in lakhs)

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
On financial instrument measured at amortised cost		
Loans		
Impairment loss allowance	628.21	606.00
Write offs	167.43	71.55
Total	795.64	677.55

32 Employee benefits expense

(Rs. in lakhs)

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Salaries and wages	4,176.57	2,657.81
Gratuity and leave expenses	143.68	82.44
Contribution to provident and other funds	250.94	136.62
Staff welfare expenses	103.16	57.02
Total	4,674.35	2,933.89

33 Depreciation and amortisation

(Rs. in lakhs)

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Depreciation of plant, property and equipment	152.79	70.18
Depreciation of Right of use assets	137.68	75.50
Amortisation of Intangible asset	11.59	0.17
Total	302.06	145.85



34 Other expenses

(Rs. in lakhs)

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Electricity expenses	13.78	9.97
Rent	23.86	18.95
Repairs and maintenance		
- Others	14.28	10.48
Insurance	19.70	22.25
Rates and taxes	18.21	19.99
Payments to auditors (Refer Note below)	21.41	24.08
Computer and software expenses	137.10	85.29
Communication expenses	62.38	34.66
Professional, legal and consultancy fees	261.78	183.83
Printing and stationery	100.37	65.15
Travelling, conveyance and boarding expenses	478.99	315.87
Advertising and marketing expenses	12.75	13.60
Corporate social responsibility (Refer Note 47)	34.45	17.43
Brokerage and commission	9.00	12.88
Miscellaneous expenses	199.42	114.28
Total	1,407.48	948.71
Note: Payments to auditors		
Audit fees	16.39	18.91
Certification work	4.90	4.63
Taxation matter	-	0.41
Reimbursement of expenses	0.12	0.13
	21.41	24.08



35 Tax expense

(Rs. in lakhs)

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Current tax expense		
Current tax for the year	739.89	664.20
Total	739.89	664.20
Deferred taxes		
Relating to origination and reversal of temporary differences	(163.70)	(213.67)
Change in deferred tax liabilities		
Net deferred tax expense	(163.70)	(213.67)
Earlier year tax adjustment		
Earlier year tax adjustments	(34.67)	-
Total income tax expense	541.52	450.53

35.1 Tax reconciliation

(Rs. in lakhs)

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Profit before income tax expense	2,803.72	2,333.01
Statutory income tax rate	25.1680%	25.1680%
Tax at statutory income tax rate	705.63	587.18
Tax effect of amounts which are not deductible / not taxable in calculating taxable income		
Tax impact on expenses which is non deductible	13.14	5.98
Tax impact on deduction under Section 36(1)(viii) of the Income Tax Act, 1961	(157.65)	(144.65)
Earlier year tax adjustments	(34.67)	-
Others	16.83	-
Business loss on which deferred tax was not created	(1.76)	2.02
Income tax expense	541.52	450.53

35.2 Deferred tax movement related to the following:

1 April 2023 to 31 March 2024

(Rs. in lakhs)

Deferred tax assets (net)	As at 31 March 2023	Recognised in Statement of Profit and Loss	Recognised in OCI	Recognized in equity	As at 31 March 2024
Deferred tax asset on account of:					
Provision for impairment of assets	258.23	104.24	-	-	362.47
Provision for employee benefits	61.58	(16.57)	-	-	45.01
Share issue expenses	4.66	2.73	-	-	7.39
Timing difference on depreciation on property plant and equipment	21.77	17.23	-	-	39.00
Transaction costs on Loans	343.18	58.55	-	-	401.73
Unearned processing fee	-	7.42	-	-	7.42
Lease liabilities	-	4.21	-	-	4.21
	689.42	177.81	-	-	867.23
Deferred tax liability on account of:					
Fair value gain / (loss) on investments	(18,381.97)	3.25	(12,769.45)	-	(5,609.27)
Transaction costs on borrowings	(94.49)	(9.40)	-	-	(103.89)
Modification (restructuring) gain on financial assets	(4.16)	-	-	-	(4.16)
Unearned processing fee	(0.31)	0.31	-	-	-
Lease liabilities	(0.22)	0.22	-	-	-
	(18,481.15)	5.62	(12,769.45)	-	(5,717.32)
	(17,791.73)	172.19	12,769.45	-	(4,850.09)

1 April 2022 to 31 March 2023

(Rs. in lakhs)

Deferred tax assets (net)	As at 31 March 2022	Recognised in Statement of Profit and Loss	Recognised in OCI	Recognized in equity	As at 31 March 2023
Deferred tax asset on account of:					
Provision for impairment of assets	157.99	100.24	-	-	258.23
Provision for employee benefits	44.82	16.76	-	-	61.58
Share issue expenses	4.50	0.16	-	-	4.66
Timing difference on depreciation on property plant and equipment	16.27	5.50	-	-	21.77
Transaction costs on Loans	245.27	97.91	-	-	343.18
Unearned processing fee	0.94	(0.94)	-	-	-
Lease liabilities	0.15	(0.15)	-	-	-
	469.94	219.48	-	-	689.42
Deferred tax liability on account of:					
Fair value gain / (loss) on investments	(714.45)	(0.91)	17,666.61	-	(18,381.97)
Transaction costs on borrowings	(89.63)	(4.86)	-	-	(94.49)
Modification (restructuring) gain on financial assets	(4.64)	0.48	-	-	(4.16)
Unearned processing fee	-	(0.31)	-	-	(0.31)
Lease liabilities	-	0.22	-	-	(0.22)
	(808.72)	(5.82)	17,666.61	-	(18,481.15)
	(338.78)	213.66	(17,666.61)	-	(17,791.73)



36 Earnings per share

Particulars	(Rs. in lakhs)	
	Year ended 31 March 2024	Year ended 31 March 2023
Net profit/ (loss) attributable to equity holders	2,262.20	1,882.48
Weighted average number of equity shares outstanding (numbers) - Basic and diluted*	1,17,67,04,918	98,32,09,589
Earnings per share		
Basic earning per share (Rs.)	0.19	0.19
Diluted earning per share (Rs.)	0.19	0.19
Nominal value per share (Rs.)	10.00	10.00

* Weighted average number of equity shares outstanding as at 31 March 2024 includes compulsorily convertible non cumulative preference shares

37 Related party disclosures

Related party disclosures as required under Indian Accounting standard 24, "Related party disclosure" are given below.

37.1 List of related parties

Nature of relationship	Name of related party
Key Managerial Personnel (KMP)	Ms. Ananyashree Birla, Chairperson Mr. Anil Chirania, Director Mr. Shriram Jagetiya, Director Mr. Vineet Chatterjee, Director Mr. Jayesh Shah, Director (w.e.f 12 February 2024) and CEO (w.e.f 30 June 2023) Mr. Sahil Mehta, Chief Financial Officer (upto 14 February 2024) Ms. Tasneem Mandsorwala, Company Secretary

37.2 Transactions during the period with related parties :

Transactions with	Nature of transactions	(Rs. in lakhs)	
		Year ended 31 March 2024	Year ended 31 March 2023
Mr. Jayesh Shah	Remuneration	62.13	-
Mr. Sahil Mehta	Remuneration	70.40	51.68
Ms. Tasneem Mandsorwala	Remuneration	15.39	12.14

Note:

- There is no outstanding balance with related parties
- Employee benefits in relation to gratuity are calculated at the Company level and hence not considered in above disclosure.

38 Capital management

For the purpose of the Group's capital management, capital includes issued equity and preference capital and all other equity reserves attributable to the equity holders of the Holding Company. The primary objective of the Group's capital management is to maximise the shareholder value. The Group manages its capital to ensure that it will continue as going concern while maximising the return to stakeholders. The Group manages its capital structure and makes adjustment in light of changes in business condition. The Group monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Group's policy is to keep optimum gearing ratio. The Group includes within net debt, interest bearing loans and borrowings, trade and other payables, less cash and cash equivalents, excluding discontinued operations..

The Group's policies in respect of capital management is regularly reviewed by Board of Directors.

Particulars	(Rs. in lakhs)	
	As at 31 March 2024	As at 31 March 2023
Debt securities	5,801.65	10,792.07
Borrowings	1,66,161.31	1,31,431.03
Subordinated liabilities	3,000.00	3,000.00
Trade and other payables	271.26	180.08
Other financial liabilities	841.97	622.94
Less: cash and cash equivalents	-7095.34	-17,401.19
Net debt (A)	1,64,980.85	1,13,624.93
Equity share capital	10.00	10.00
Instruments entirely equity in nature	1,21,400.00	1,16,400.00
Other equity	21,468.99	57,181.95
Total member's capital (B)	1,42,878.99	1,73,591.95
Capital and net debt (C=A+B)	3,11,859.84	3,02,216.88
Gearing ratio (%) (A/C)	54.18	42.56

The Group has complied in full with all its externally imposed capital requirements over the reported period.

Loan covenants

In order to achieve this overall objective, the Group's capital management, amongst other things, aims to ensure that it meets the financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breach in meeting these financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any borrowing in the current period. Loan covenants mainly include minimum CRAR of 15% (Previous year 14%), ratio of total outstanding liability to total net worth to be less than or equal to 12 times (Previous year 13 times) etc. in case of the Subsidiary company.

39 Fair value measurement

39.1 Financial instruments by category

Particulars	Category	(Rs. in lakhs)	
		As at 31 March 2024	As at 31 March 2023
Financial assets:			
Cash and cash equivalents	Amortised Cost	7,095.34	17,401.19
Bank balance other than cash and cash equivalents	Amortised Cost	2,478.92	5,251.33
Loans	Amortised Cost	2,01,257.23	1,51,496.67
Investments	FVTPL	139.26	92.56
Investments	FVOCI	91,781.22	1,42,518.06
Other financial assets	Amortised Cost	206.82	213.93
Total financial assets		3,02,958.79	3,16,973.74
Financial liabilities:			
Trade payables	Amortised Cost	17.47	36.79
Other payables	Amortised Cost	253.79	143.29
Debt securities	Amortised Cost	5,801.65	10,792.07
Borrowings (other than debt securities)	Amortised Cost	1,66,161.31	1,31,431.03
Subordinated liabilities	Amortised Cost	3,000.00	3,000.00
Other financial liabilities	Amortised Cost	396.56	357.94
Lease liabilities	Amortised Cost	445.41	265.00
Total financial liabilities		1,76,076.19	1,46,026.12



39.2 Fair value hierarchy

The following table provides the fair value measurement hierarchy of the Group's assets and liabilities. The financial instruments are categorized into three levels based on the inputs used to arrive at fair value measurements as described below:

Quoted prices in an active market (Level 1): Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments that have quoted price. The fair value of all equity instruments which are traded in the stock exchanges is valued using the closing price as at the reporting period.

Valuation techniques with observable inputs (Level 2): The fair value of financial instruments that are not traded in an active market (for example over-the counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Valuation techniques with significant unobservable inputs (Level 3): If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unquoted preference shares and unquoted equity shares (rights) carried at FVTPL and unquoted equity securities carried at FVTOCI included in level 3.

Quantitative disclosures fair value measurement hierarchy for assets as at 31 March 2024:			Fair value measurement using		
Particulars	Date of valuation	Total	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Financial Instruments measured at fair value:					
Investments at fair value through profit and loss (Note 6)					
Investments in mutual fund	31 March 2024	139.26		139.26	
Investments at fair value through OCI (Note 6)					
Investments in unquoted equity shares	31 March 2024	27,273.00			27,273.00
Investments in unquoted Compulsorily Convertible Non-Cumulative preference shares*	31 March 2024	64,508.22			64,508.22

There have been no transfers between Level 1 and Level 3 during the period.

Reconciliation of deferred Gain/Loss		
Particulars	31-Mar-24	31-Mar-23
Opening balance	15,028.17	12,276.32
Add: Deferred during the year	-	15,028.17
Less: recognised during the year	(15,028.17)	(12,276.32)
Closing balance	-	15,028.17

As at 31 March 2024, the Company has deferred gain of Rs. Nil (previous year Rs. 15,028.17 Lakhs) arises on initial measurement of financial assets for which the Level 3 fair value inputs have been used. The Company will recognise aforesaid deferred gain only to the extent that it arises from a change in a factor (including time) that market participants would take into account when pricing the asset or liability.

Quantitative disclosures fair value measurement hierarchy for assets as at 31 March 2023:			Fair value measurement using		
Particulars	Date of valuation	Total	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Financial Instruments measured at fair value:					
Investments at fair value through profit and loss (Note 6)					
Investments in mutual fund	31 March 2023	92.56	92.56		
Investments at fair value through OCI (Note 6)					
Investments in unquoted equity shares	31 March 2023	10,300.00			10,300.00
Investments in unquoted Compulsorily Convertible Non-Cumulative preference shares*	31 March 2023	1,47,246.23			1,47,246.23

There have been no transfers between Level 1 and Level 3 during the period.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

Unquoted equity shares fair values have been arrived as per methods prescribed under Ind AS 113 Fair Value Measurement.

The valuation of unquoted preference shares requires management to make certain assumptions about the model inputs, including forecast of cash flows, discount rate, credit risk and volatility. The probabilities of the various estimates within the range can be reasonably assessed and are used in management's estimate of fair value for these unquoted preference shares and bonds. In case of instruments having option to convert with the Group, the management has assigned probable likelihood of conversion depending on equity stake in the target entity, domain of operation and liquidity. Wherever, the probability is low, valuation has been done based on redemption assumptions.

39.3 Sensitivity of fair value measurements to changes in unobservable market data

The significant unobservable inputs used in the fair value measurement categorised within Level 3 of the fair value hierarchy together with a quantitative sensitivity analysis as at March 31, 2024 and March 31, 2023 are as shown below:

Description of significant unobservable inputs to valuation:				
Particulars	Valuation Technique	Significant unobservable inputs	Range	Sensitivity of the input to fair value
Investments in Unquoted Equity Instruments	DCF method (income approach)	Discount Rate as per Capital Asset Pricing Model	31 March 2024 CAPM Rate 12.40%	Fair Value when Interest Rate increases by 1% as on 31 March 2024 - ₹ 2,52,90.00 Lakhs (31 March 2023 - ₹ 9,992.00 Lakhs)
			31 March 2023 CAPM Rate 27.70%	Fair Value when Interest Rate decrease by 1% as on 31 March 2024 - ₹ 2,93,60.00 Lakhs (31 March 2023 - ₹ 10,592.00)
Investments in unquoted Compulsorily Convertible Non-Cumulative preference shares	DCF method (income approach)	Discount Rate as per Capital Asset Pricing Model	31 March 2024 CAPM Rate 12.40%	Fair Value when Interest Rate increases by 1% as on 31 March 2024 - ₹ 5,98,17.87 Lakhs (31 March 2023- ₹ 1,428,43.13Lakhs)
			31 March 2023 CAPM Rate 27.70%	Fair Value when Interest Rate decrease by 1% as on 31 March 2024 - ₹ 6,94,46.92 Lakhs (31 March 2023- ₹ 1,514,20.58 Lakhs)



39.4 Financial assets and liabilities measured at amortised cost at each reporting date

The carrying value of cash and cash equivalents, other bank balances, other financial assets, trade payables and other payables and other financial liabilities are considered to be approximately equal to the fair value due to their short term maturities.

Particulars	As at		As at	
	31-Mar-24		31 March 2023	
	Carrying Value	Fair Value	Carrying Value	Fair Value
Financial assets measured at amortised cost				
Cash and cash equivalent	7,095.34	7,095.34	17,401.19	17,401.19
Bank balance other than cash and cash equivalents	2,478.92	2,478.92	5,251.33	5,251.33
Investments	91,920.48	91,920.48	1,42,610.62	1,57,638.79
Loans	2,01,257.23	2,02,853.43	1,51,496.67	1,52,860.26
Other financial assets	206.12	206.82	213.93	213.93
Total financial assets	3,02,958.79	3,04,554.99	3,18,973.74	3,33,655.50
Financial liabilities:				
Trade payables	17.47	17.47	36.79	36.79
Other payables	253.79	253.79	143.29	143.29
Debt securities	5,801.65	6,048.48	10,792.07	11,190.20
Borrowings (other than debt securities)	1,66,161.31	1,66,565.76	1,31,431.03	1,31,788.54
Subordinated liabilities	3,000.00	3,108.15	3,000.00	3,146.42
Other financial liabilities	841.97	841.97	622.94	622.94
Total financial liabilities	1,76,076.18	1,78,838.83	1,46,026.12	1,46,928.18

i) Loans - All the loans given are at variable rate of interest and hence, the fair value of floating rate loans are deemed to be equivalent to the carrying value.

ii) Borrowings - All the borrowing taken are at floating rate of interest and hence, its fair value are deemed to be equivalent to the carrying value adjusted with un-amortize transaction cost.

iii) Debt securities are lease liabilities - The fair value of debt securities are determined by discounting expected future contractual cash flows using current market interest rates charged for similar new loans (Level 3 inputs).

During the periods mentioned above, there have been no transfers amongst the levels of hierarchy.

40 Financial risk management

Risk Management

The Group is exposed to certain financial risks namely credit risk, liquidity risk and market risk i.e. interest risk, foreign currency risk and price risk. The Group's primary focus is to achieve better predictability of financial markets and minimize potential adverse effects on its financial performance by effectively managing the risks on its financial assets and liabilities.

The Principal objective in Group's risk management processes is to measure and monitor the various risks associated with the Group's and to follow policies and procedures to address such risks. The group's risk management framework is driven by its Board and its sub-committees including the Audit Committee, the Asset Liability Management Committee and the Risk Management Committee. The Group gives due importance to prudent lending practices and have implemented suitable measures for risk mitigation, which include verification of credit history from credit information bureaus, personal verification of a customer's business and residence, valuation of collateral, technical and legal verifications, conservative loan to value, and required term cover for insurance.

A Liquidity risk

Liquidity risk is defined as the risk that the Group will not be able to settle or meet its obligations on time or at a reasonable price. For the Group, liquidity risk arises from obligations on account of financial liabilities –debt securities, borrowing, trade payables and other financial liabilities. The Group manages liquidity risk by maintaining adequate cash reserves by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

The tables below summarises the maturity profile of the undiscounted cash flows of the Group's financial liabilities:

As at 31 March 2024					
Particulars	Within 1 year	1 - 5 years	5 - 10 years	Beyond 10 years	Total
Trade payables	17.47	-	-	-	17.47
Other payables	253.79	-	-	-	253.79
Debt securities*	6,355.57	-	-	-	6,355.57
Borrowings (other than debt securities)*	57,747.99	1,31,372.44	11,068.92	-	2,00,189.36
Subordinated liabilities*	284.61	3,848.23	-	-	4,132.84
Lease liabilities*	211.41	363.76	46.17	-	621.35
Other financial liabilities	392.81	-	-	-	392.81
Total	65,263.65	1,35,844.44	11,115.10	-	2,11,963.19

*Includes interest payment

As at 31 March 2023					
Particulars	Within 1 year	1 - 5 years	5 - 10 years	Beyond 10 years	Total
Trade payables	36.79	-	-	-	36.79
Other payables	143.29	-	-	-	143.29
Debt securities*	5,716.82	6,355.57	-	-	12,072.39
Borrowings (other than debt securities)*	44,220.38	1,03,387.04	10,236.58	-	1,57,844.00
Subordinated liabilities*	285.39	3,108.90	1,023.95	-	4,418.24
Lease liabilities*	106.85	173.80	-	-	280.65
Other financial liabilities	355.48	-	-	-	355.48
Total	50,165.00	1,13,025.31	11,260.53	-	1,75,150.84

* Includes interest payment

B Market risk

(i) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign currency rates. The Group is not exposed to foreign currency exposure.

(ii) Interest rate risk

The Group is subject to interest rate risk, since the rates of loans and borrowing might fluctuate over the tenure of instrument. Interest rates are highly sensitive to many factors beyond control, including the monetary policies of the Reserve Bank of India, deregulation of the financial sector in India, domestic and international economic and political conditions, inflation and other factors. In order to manage interest rate risk, the Group seek to optimize borrowing profile between short-term and long-term loans. The liabilities are categorized into various time buckets based on their maturities and Asset Liability Management Committee supervise an interest rate sensitivity report periodically for assessment of interest rate risks. Loans given to customers are at floating rate of interest.



Details of loans and borrowings

Particulars	(Rs. in lakhs)	
	As at 31 March 2024	As at 31 March 2023
Loans (variable)	2,01,257.23	1,51,496.67
Total loans (variable)	2,01,257.23	1,51,496.67
Borrowings and debt securities		
Borrowings (variable)	1,43,817.59	1,10,327.16
Borrowings (Fixed)	22,343.72	21,103.87
Debt securities and subordinate Liabilities (fixed rate)	8,801.65	13,792.07
Total borrowings	1,74,962.96	1,45,223.10

Sensitivity analysis

The following table demonstrates the sensitivity to a reasonably possible change in interest rates (all other variables being constant) of the Group's Statement of profit and loss:

Interest rate sensitivity*	(Rs. in lakhs)	
	Impact on profit before tax	
	Year ended 31 March 2024	Year ended 31 March 2023
Loans		
Increase by 50 basis points	1,006.29	757.48
Decrease by 50 basis points	(1,006.29)	(757.48)
Borrowings		
Increase by 50 basis points	(719.09)	(551.64)
Decrease by 50 basis points	719.09	551.64

* Holding all other variables as constant

Price risk

Exposure

The Group's exposure price risk arises from investments held and classified in the balance sheet either as fair value through other comprehensive income or at fair value through profit and loss. To manage the price risk arising from investments, the Group diversifies its portfolio of assets. Refer note 36.2 for investments measured at fair value.

C 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's exposure to credit risk is influenced mainly by cash and cash equivalents, other bank balances, investments, loan assets and other financial assets. The Group continuously monitors defaults of customers and other counterparties and incorporates this information into its credit risk controls.

Credit risk management

Credit quality of assets

Credit risk is the single largest risk for the Group's business. Management therefore carefully manages its exposure to credit risk. A centralised risk management function oversees the risk management framework, which periodically presents an overview of credit risk of portfolio to the Risk Management Committee.

Credit-worthiness is checked and documented prior to signing any contracts, based on market information. Management endeavours to improve its underwriting standards to reduce the credit risk the Group is exposed to from time to time.

Expected Credit loss (ECL):

Credit Quality of Loans assets:

The following table sets out information about credit quality of loans measured at amortised cost based on days past due information. The amount represents gross carrying amount.

Particulars	(Rs. in lakhs)	
	31-Mar-24	31-Mar-23
Gross carrying value		
Stage 1	1,93,773.91	1,45,965.05
Stage 2	4,806.68	3,449.41
Stage 3	4,257.47	3,145.80
Total Gross carrying value as at reporting date	2,02,838.06	1,52,560.26

Management of credit risk for financial assets

Cash and cash equivalents and bank deposits

Credit risk related to cash and cash equivalents and bank deposits is managed by only accepting highly rated deposits from banks and financial institutions across the country.

Other financial assets measured at amortized cost

Other financial assets measured at amortised cost includes loans and advances to employees security deposits insurance claim receivables and other recoverable. Credit risk related to these other financial assets is managed by monitoring the recoverability of such amounts continuously.

Loans

The Group closely monitors the credit-worthiness of the borrower's through internal systems and appraisal process to assess the credit risk and define credit limits of borrower thereby limiting the credit risk by setting limits on the amount of risk it is willing to accept for individual counterparties. These processes include a detailed appraisal methodology identification of risks and suitable structuring and credit risk mitigation measures. The Group assesses increase in credit risk on an ongoing basis for amounts loan receivables that become past due and default is considered to have occurred when amounts receivable become 90 days past due. The Group has restructured or rescheduled in the terms of the certain loan accounts in the current year on account of COVID-19 related restructuring measures prescribed by the Reserve Bank of India. This has resulted in increased management estimation over determination of losses for such restructured loans.

Collective assessment of ECL

Since the Group is into retail lending business to rural and semi-urban areas which are greater in number but lesser in value, there is no significant credit risk of any individual customer that may impact Group adversely, and hence the Group has calculated its ECL allowances on a collective basis. ECL assessment has been done on an individual basis on the Group's insignificant exposure on corporate and builder loans.

Inputs considered in the ECL model

Definition of default

The Company considers a financial instrument as defaulted and considers it as Stage 3 (credit-impaired) for expected credit loss (ECL) calculations, when the assets become more than 90 days past due on its contractual payments and these assets continue to be classified as Stage 3 till the entire overdues are received, in accordance with the RBI guidelines and the ECL Policy.

Exposure at default (EAD)

The EAD represents expected outstanding exposure subject to credit risk at the period/date, when default is considered. The Company does cash flow mapping based on contractual maturity for loans in Stage 11, using the exposure at default in future years and the probability of default in future based on macro variables. For stage 1 and stage 11, as an approximation balance sheet outstanding is used.



Loss given default (LGD)

It is defined as the percentage risk of exposure that is not expected to be recovered in the event of default.

Based on an analysis of historical data, the Group has estimated the loss given default, using historical recovery experience and recovery cost. This is referred to as the workout method. Such recoveries are discounted using interest rate of the loans. While calculating LGD percentage, 100% recoveries are estimated for the cases where the recoveries are absolutely certain to happen within a short period of time.

Probability of Default (PD)

"Probability of default" (PD) is defined as the probability of whether the borrowers will default on their obligations in the future. For assets which are in Stage 1, a 12-month PD is required. For Stage 2 asset's a lifetime PD is required while Stage 3 assets are considered to have a 100% PD. Historical DPD data is utilized to calculate through the cycle PD. PD analysis tracks the migration behaviour of a static pool of loans active at the end of each year across different buckets- Current, 1-29 DPD, 30-59 DPD, 60-89 DPD, 90+ DPD for the 12 month and lifetime period.

Forward looking information

Forward looking information is incorporated in the measurement of probability of default and consequently in measurement of ECL. The Vasicek model is used for converting the TTC (Through-the-Cycle) PD into FC (Forecast) PD. The model calculates an AC (Asset Correlation) factor and converts the probability using the macro-economic variable selected which is GDP growth rate. Based on the consideration of a variety of external actual and forecast information, the Group forms a 'base case' view of the future direction of GDP growth rate as well as a representative range of other possible forecast scenarios. This process involves developing two or more additional economic scenarios and considering the relative probabilities of each outcome. The base case represents a most likely outcome while the other scenarios represent more optimistic and more pessimistic outcomes.

Further, in the global pandemic Covid 19, management overlays are applied in determining forward looking scenarios. It is considered by evaluating all relevant internal and reasonably available external data namely Industrial research by various credit rating agencies.

Significant increase in credit risk

An assessment of whether credit risk has increased significantly since initial recognition is performed at each reporting period by considering the change in the risk of default occurring over the remaining life of the loan exposure. However, unless identified at an earlier stage, the Group have determined all assets are deemed to have suffered a significant increase in credit risk when 30 days past due.

The Group have also conducted a quantitative assessment of significant increase in credit risk (SICR) of the loan portfolio with respect to the covid 19 pandemic scenario, based on analysis of percentage increase in probability of default.

Policy for write off of Loan Assets

The gross carrying amount of a financial asset is written off when there is no realistic prospect of further recovery. This is generally the case when the Group determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities under the Group's recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognised in Statement of Profit or Loss.

Collateral

The Group holds collateral to mitigate credit risk associated with financial assets. The main types of collateral include residential properties. The collateral presented relates to instruments (individual loans) that are measured at amortised cost.

Particular	Category of Collateral	Rs. in lakhs	
		As at 31 March 2024	As at 31 March 2023
Financial Assets-Loans*	Properties (amount of collateral)	3,99,252.22	3,15,532.92

*Collateral held against Stage 3 Assets of Rs 10414.89 Lakhs (as at 31 March 2023 Rs. 6595.74 Lakhs)

Credit Risk exposure

i) Expected credit losses for financial assets other than loans and investments measured at Fair value

As at 31 March 2024	Rs. in lakhs		
	Estimated gross carrying amount at default	Expected credit losses	Carrying amount net of impairment provision
Cash and cash equivalents	7,095.34	-	7,095.34
Bank balances other than cash and cash equivalents	2,478.92	-	2,478.92
Security deposits	87.07	-	87.07
Other financial assets	77.35	-	77.35

As at 31 March 2023	Rs. in lakhs		
	Estimated gross carrying amount at default	Expected credit losses	Carrying amount net of impairment provision
Cash and cash equivalents	17,401.19	-	17,401.19
Bank balances other than cash and cash equivalents	5,251.33	-	5,251.33
Security deposits	63.11	-	63.11
Other financial assets	108.12	-	108.12

ii) Expected credit loss for loans

Changes in the gross carrying amount and the corresponding ECL allowances in relation to loans from beginning to end of reporting period:

Particulars	Rs. in lakhs		
	Stage 1	Stage 2	Stage 3
Gross carrying amount as at March 31 2022	1,07,810.74	3,773.03	1,872.85
Assets originated	73,784.53	308.47	432.75
Net transfer between stages			
Transfer to stage 1	2,076.38	(1,940.56)	(135.82)
Transfer to stage 2	(2,935.75)	2,938.06	(2.31)
Transfer to stage 3	(1,166.74)	(449.52)	1,616.26
Reclassified to other financial assets (also refer note 7)	-	-	-
Assets derecognised or collected (excluding write offs)	(33,604.11)	(780.07)	(637.93)
Gross carrying amount as at March 31 2023	1,45,965.05	3,449.41	3,145.80
Assets originated	1,00,520.65	713.06	114.41
Net transfer between stages			
Transfer to stage 1	1,285.52	(1,044.27)	(241.25)
Transfer to stage 2	(3,662.88)	3,696.16	(33.28)
Transfer to stage 3	(1,269.17)	(1,109.10)	2,378.27
Assets derecognised or collected (excluding write offs)	(49,065.26)	(898.58)	(1,106.48)
Gross carrying amount as at March 31 2024	1,93,773.91	4,066.68	4,274.47



Particulars	Reconciliation of loss allowance provision from beginning to end of reporting period:			Rs. in lakhs
	Stage 1	Stage 2	Stage 3*	
Loss allowance as on April 1 2022	106.35	203.09		318.30
Assets originated	145.17	118.94		451.84
Net transfer between stages				
Transfer to stage 1	139.01	(115.93)		(23.08)
Transfer to stage 2	(108.67)	109.06		(0.39)
Transfer to stage 3	(2.07)	(28.84)		30.91
Assets derecognised or collected (excluding write offs)	(47.48)	133.76		66.20
Loss allowance as on March 31 2023	232.31	152.56		711.38
Assets originated	161.10	185.04		504.71
Net transfer between stages				
Transfer to stage 1	108.25	(51.00)		(57.25)
Transfer to stage 2	(10.09)	18.00		(7.91)
Transfer to stage 3	(4.64)	(42.56)		47.20
Assets derecognised or collected (excluding write offs)	(142.20)	(35.31)		170.66
Loss allowance as on March 31 2024	344.73	226.73		1,027.47

*887 loan accounts in stage 3 as on 31 March 2024 (738 as on 31 March 2023).

Concentration of loans

The Group monitors concentration of credit risk on the basis of housing /Non housing, in which the borrower operates:

(Rs. in lakhs)

Concentration by type of loan	As at 31 March 2024	As at 31 March 2023
Housing	1,71,716.48	1,34,965.24
Non housing	31,139.68	17,627.68
Gross carrying Amount	2,02,856.16	1,52,592.92

41 Retirement benefit plans

(A) Defined benefit obligation

The Group has the following defined benefits plans:

Particulars

The Group has a defined benefit gratuity plan. Every employee who has completed five years of service is eligible for a gratuity on separation at 15 days basic salary (last drawn salary) for each completed year of service. The scheme is funded with the insurance companies in the form of qualifying insurance policy.

During the year 2023-24 the Group created "Svatantra Micro Housing Finance Corporation Limited Employees' Group Gratuity Fund". The Trust is recognised by income tax authorities and administered through trustees. Contributions to the Trust are invested in a scheme with an insurance Company as permitted by law in India.

The following tables summaries the components of net benefit expense recognized in the statement of profit and loss and the funded status and amounts recognized in the balance sheet for the gratuity plan. Through its defined benefit plans, the Company is exposed to a number of risks, the most significant of which are detailed below:

1. A. Actuarial Risk:

It is the risk that benefits will cost more than expected. This can arise due to one of the following reasons:

Adverse Salary Growth Experience: Salary hikes that are higher than the assumed salary escalation will result into an increase in Obligation at a rate that is higher than expected. Variability in withdrawal rates: If actual withdrawal rates are higher than assumed withdrawal rate assumption than the Gratuity benefits will be paid earlier than expected. The impact of this will depend on whether the benefits are vested as at the resignation date.

2. Investment Risk:

For funded plans that rely on insurers for managing the assets, the value of assets certified by the insurer may not be the fair value of instruments backing the liability. In such cases, the present value of the assets is independent of the future discount rate. This can result in wide fluctuations in the net liability or the funded status if there are significant changes in the discount rate during the inter-valuation period.

3. Liquidity Risk:

Employees with high salaries and long durations or those higher in hierarchy, accumulate significant level of benefits. If some of such employees resign/retire from the company there can be strain on the cashflows.

4. Market Risk:

Market risk is a collective term for risks that are related to the changes and fluctuations of the financial markets. One actuarial assumption that has a material effect is the discount rate. The discount rate reflects the time value of money. An increase in discount rate leads to decrease in Defined Benefit Obligation of the plan benefits & vice versa. This assumption depends on the yields on the corporate/government bonds and hence the valuation of liability is exposed to fluctuations in the yields as at the valuation date.

5. Legislative Risk:

Legislative risk is the risk of increase in the plan liabilities or reduction in the plan assets due to change in the legislation/regulation. The government may amend the Payment of Gratuity Act thus requiring the companies to pay higher benefits to the employees. This will directly affect the present value of the Defined Benefit Obligation and the same will have to be recognized immediately in the year when any such amendment is effective.

As per Ind AS-19 'Employee Benefits', the disclosure of Employee benefits as defined in the Standard are given below:

In accordance with Indian Accounting Standard 19, actuarial valuation was done in respect of the aforesaid defined benefit plan of gratuity based on the following assumptions:

Particulars	As at 31 March 2024	As at 31 March 2023
41.1 Actuarial assumptions		
Mortality rate	Indian Assured Lives(2012-14) Ultimate Mortality Rates	Indian Assured Lives(2012-14) Ultimate Mortality Rates
Discount rate (per annum)	7.21%	7.50%
Rate of salary increase	7.50%	7.50%
Withdrawal Rate of employee turnover	1% at all ages	1% at all ages

(Rs. in lakhs)

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
41.2 Changes in the present value of defined benefit obligation		
Present value of obligation at the beginning of the year	196.94	147.28
Interest expense	14.77	10.68
Current service cost (Benefit Paid From the Fund)	80.29	49.68
Actuarial (gains) / losses on obligations - due to change in financial assumptions	(7.74)	(9.20)
Actuarial (gains) / losses on obligations - due to experience	15.33	(9.00)
Present value of obligation at the end of the year	4.14	7.50
	303.73	196.94



(Rs. in lakhs)

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
41.3 Change in fair value of plan assets:		
Actual company contributions	200.00	-
Return on Plan Assets, Excluding Interest Income	9.42	-
Plan assets at the end of the year	209.42	-

(Rs. in lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
41.4 Assets and liabilities recognised in the balance sheet		
Present value of the defined benefit obligation at the end of the year	303.73	196.94
Funded status - deficit	(209.42)	-
Net (liability) / asset recognised in the balance sheet	94.31	196.94

*Gratuity Provision is in excess of Fair Value of Assets as on March 31, 2023 as disclosed under "Note 22 - Provisions" is after netting off amount paid to trust

41.5 Expenses recognised in the Statement of Profit and Loss

(Rs. in lakhs)

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Current service cost	80.29	49.68
Past service cost	-	-
Net interest (income)/ expense	14.77	10.68
Net gratuity cost recognised in the current year	95.06	60.36

41.6 Expenses recognised in the statement of Other comprehensive income (OCI)

(Rs. in lakhs)

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Actuarial loss/(gain) due to change in financial assumptions	15.33	(9.00)
Actuarial loss/ (gain) due to experience adjustments	4.14	7.50
Return on Plan Assets, Excluding Interest Income	9.42	-
Total remeasurement cost for the year recognised in OCI	10.05	(1.50)

41.7 Reconciliation of net asset / (liability) recognised:

(Rs. in lakhs)

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Opening Net Liability	196.94	147.28
Expenses recognised at the end of period	95.06	60.36
Amount recognised in other comprehensive income	10.05	(1.50)
Benefit paid	(7.74)	(9.20)
Employer's Contribution	200.00	-
Net Liability/(Asset) Recognised in the Balance Sheet	94.31	196.94

41.8 The Company intends to contribute to the trust the amount as per the actuarial valuation in the next year. The major categories of plan assets as a percentage of fair value of total plan assets

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Investment with insurer	100%	-

41.9 Sensitivity Analysis:

(Rs. in lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
Delta effect of +1% change in rate of discounting	(254.84)	(165.66)
Delta effect of -1% change in rate of discounting	365.21	236.27
Delta effect of +1% change in rate of salary increase	364.39	235.87
Delta effect of -1% change in rate of salary increase	254.55	165.40

41.10 Maturity analysis of projected benefit obligation

(Rs. in lakhs)

Year	As at 31 March 2024	As at 31 March 2023
1 year	21.03	15.98
Sum of years 2 to 5	13.65	9.50
Sum of years 6 to 10	43.63	28.75
Sum of years 11 and above	1,325.11	914.76

(B) Defined contribution plan

The Company contributes towards provident fund for employees which is the defined contribution plan for qualifying employees. Under this Scheme, the Company is required to contribute specified percentage of the payroll cost to fund the benefits. The Company has recognised Rs. 250.94 Lakhs and Rs.136.62 Lakhs towards provident fund contributions in the Statement of Profit and Loss for the year ended 31 March 2024 and 31 March 2023, respectively.

42 Leases

Group as lessee

The Group's leased assets primarily consist of leases for office premises & guest houses. Leases of office premises and guest houses generally have lease term between 1 to 5 years. The Group has applied short term exemption for leases for premises accordingly are excluded from Ind AS 116.

(i) Set out below are the carrying amounts of right-of-use assets recognised and the movements during the period:

(Rs. in lakhs)

Particulars	Total
As at 1 April 2022	117.51
Additions	223.86
Deletion during the year	-
Depreciation expenses for the year	(75.49)
As at March 31, 2023	265.87
Additions	312.33
Deletion during the year	(19.11)
Depreciation expenses for the year	(130.41)
As at March 31, 2024	428.68



(ii) Set out below are the carrying amounts of lease liabilities (included under interest-bearing loans and borrowings) and the movements during the period:

Particulars	Rs. in lakhs	
		Total
As at 1 April 2022		118.10
Additions		213.09
Accretion of interest		16.69
Deduction		0.46
Payment		83.34
As at March 31, 2023		165.09
Additions		213.09
Accretion of interest		39.81
Deduction		79.41
Payment		151.90
As at March 31, 2024		445.11

The Liquidity analysis of lease liabilities are disclosed in Note 40.

The effective interest rate for lease liabilities is 11%, with maturity between 2021-2026

(iii) The following are the amounts recognised in profit or loss:

Particulars	Rs. in lakhs	
	For the year ended 31 March 2024	For the year ended 31 March 2023
Depreciation expense of right-of-use assets	137.68	75.50
Interest expense on lease liabilities*	39.81	16.69
Expense relating to short-term leases included in other expenses	23.86	18.95

* These leases are excluded from lease accounting under IndAS 116

The Group had total cash outflows for leases of Rs.150.37 Lakhs in FY 2023-24 (Rs 83.34 Lakhs in FY 2022-23).

43 Segment information

43.1 Business segment

Operating segments are defined as components of an enterprise for which discrete financial information so available that is 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
Housing Finance	Housing Finance
Investment Company	Investment Company

Information about Business Segments

Segment Revenue	For the year ended 31 March 2024			For the year ended 31 March 2023		
	External	Inter-segment	Total	External	Inter-segment	Total
Housing Finance	24,068.78	-	24,068.78	17,601.41	-	17,601.41
Investment Company	6.70	-	6.70	5.49	-	5.49
Segment revenue	24,075.48	-	24,075.48	17,606.90	-	17,606.90
Less: Inter-Segment Revenue	-	-	-	-	-	-
Total Segment Revenue from Operations	24,075.48	-	24,075.48	17,606.90	-	17,606.90
Total Revenue from Operation	24,075.48	-	24,075.48	17,606.90	-	17,606.90

Segment Result (PBT)	Rs. in lakhs	
	For the year ended 31 March 2024	For the year ended 31 March 2023
Housing Finance	2,507.88	2,157.42
Investment Company	295.84	175.59
Total Segmental Results	2,803.72	2,333.01
Unallocated	-	-
Profit Before Tax	2,803.72	2,333.01

Information about Business Segments

Segments Assets / Liabilities	Rs. in lakhs			
	Carrying Amount of Segment Assets (Including Goodwill)		Carrying Amount of Segment Liabilities	
	As at 31 March 2024	As at 31 March 2023	As at 31 March 2024	As at 31 March 2023
Segments				
Housing Finance	2,32,356.96	1,95,238.47	1,61,600.89	1,62,727.55
Investment Company	91,924.13	1,42,612.68	19,801.21	1,31,671.67
Total Segment	3,24,281.09	3,37,851.15	1,81,402.10	1,64,259.20
Inter-Segment Elimination	-	-	-	-
Add/Less: Unallocated Corporate Assets / Liabilities	-	-	-	-
Total Segment Assets/Liabilities	3,24,281.09	3,37,851.15	1,81,402.10	1,64,259.20
Total Assets/Liabilities	3,24,281.09	3,37,851.15	1,81,402.10	1,64,259.20

Other information

Depreciation and Amortisation	Rs. in lakhs	
	For the year ended 31 March 2024	For the year ended 31 March 2023
Segments		
Housing Finance	302.06	145.85
Investment Company	-	-
Total Segment	302.06	145.85
Total Depreciation and Amortisation	302.06	145.85

Interest Income/Expenses	Rs. in lakhs			
	Interest Income for the		Interest expenses for the	
	Year ended 31 March 2024	Year ended 31 March 2023	Year ended 31 March 2024	Year ended 31 March 2023
Segments				
Housing Finance	23,805.39	17,349.44	14,372.26	10,749.55
Investment Company	-	-	-	-
Total Segment	23,805.39	17,349.44	14,372.26	10,749.55
Inter-Segment Elimination	-	-	-	-
Total Interest Income/Expenses	23,805.39	17,349.44	14,372.26	10,749.55



	(Rs. in lakhs)	
	For the year ended 31 March 2024	For the year ended 31 March 2023
Impairment on financial instruments including loss on derecognition of financial assets at amortised cost (Expected Credit Loss)		
Housing Finance	795.64	677.55
Investment Company	-	-
Total	795.64	677.55
Total Tax expense as per statement of profit and loss	795.64	677.55

	(Rs. in lakhs)	
	For the year ended 31 March 2024	For the year ended 31 March 2023
Income tax expense or income		
Housing Finance	468.83	404.12
Investment Company	72.69	46.41
Total	541.52	450.53
Total tax expense as per statement of profit and loss	541.52	450.53

	(Rs. in lakhs)			
	For the year ended 31 March 2024		For the year ended 31 March 2023	
	Housing Finance	Investment Company	Housing Finance	Investment Company
Material non-cash items other than depreciation and amortisation				
Impairment of financial assets	795.64	-	677.55	-
Unrealised net loss / gain on fair valuation of financial instruments	-	12.97	-	5.09
Total	795.64	12.97	677.55	(5.09)

43.2 Entity wide disclosures

No revenue from transactions with a single external customer or counterparty amounted to 10% or more of the Company's total revenue in year ended 31 March 2024 and 31 March 2023.

The Group operates in single geography i.e. India and therefore, geographical information is not required to be disclosed separately.

44 Contingent liabilities and commitments

I. Contingent Liabilities: Rs. 30,714.86 Lakhs* (as at March 31, 2023 Rs. 177,14.86 Lakhs)

II. Capital Commitments : Rs. Nil (as at March 31, 2023 Rs. 3.60 Lakhs)

III. Undrawn Commitment given to Borrowers: Rs.13961.35 Lakhs (as at March 31, 2023 Rs.15,992.09 Lakhs)

IV. Bank guarantee issued by Banks favoring the NHB for refinance facilities: Rs. 2,175 Lakhs (as at March 31, 2023 Rs. 2,175 Lakhs)

* Includes disputed income tax demand against which the Company has preferred an appeal before Commissioner of Income Tax (Appeals) of Rs 113.80 Lakhs (as at March 31, 2023 Rs. 113.80 Lakhs)

* Includes Corporate Guarantees Issued to National Housing Bank (NHB) on behalf of its subsidiary Svatantra Micro Housing Finance Corporation Limited (SMHFC) of Rs 30,600 Lakhs up to 31st March 2024 (Previous Year Rs 17,600 Lakhs).



Notes to the consolidated financial statements for the year ended 31 March 2024

45 Maturity analysis of assets and liabilities

(Rs. in lakhs)

Assets	As at 31 March 2024			As at 31 March 2023		
	Within 1 year	After 1 year	Total	Within 1 year	After 1 year	Total
Financial assets						
Cash and cash equivalents	7,095.34	-	7,095.34	17,401.19	-	17,401.19
Bank balances other than cash and cash equivalents	2,478.92	-	2,478.92	5,251.33	-	5,251.33
Loans	13,961.25	1,87,295.97	2,01,257.22	12,955.31	1,38,541.35	1,51,496.66
Investments	139.26	91,781.22	91,920.48	92.56	1,42,518.06	1,42,610.62
Other financial assets	167.63	39.19	206.82	184.78	29.15	213.93
Non financial assets						
Current tax assets (net)	95.21	-	95.21	-	-	-
Investment property	-	1.49	1.49	-	1.49	1.49
Property, plant and equipment	-	304.82	304.82	-	111.67	111.67
Goodwill	20,352.93	-	20,352.93	20,352.93	-	20,352.93
Other intangible assets	-	10.14	10.14	-	1.61	1.61
Intangible assets under development	-	-	-	-	10.18	10.18
Right of use asset	-	428.68	428.68	-	265.87	265.87
Other non financial assets	129.03	-	129.03	133.66	-	133.66
Total assets	44,419.58	2,79,861.51	3,24,281.08	56,371.77	2,81,479.38	3,37,851.15
Liabilities						
Financial liabilities						
Trade payables	-	-	-	-	-	-
- Total outstanding dues of micro enterprises and small enterprises	-	-	-	-	-	-
- Total outstanding dues of creditors other than micro enterprises and small enterprises	17.47	-	17.47	36.79	-	36.79
Other payables	253.79	-	253.79	143.29	-	143.29
Debt securities	5,801.65	-	5,801.65	5,000.00	5,792.07	10,792.07
Borrowings	45,130.71	1,21,030.60	1,66,161.31	34,129.72	97,301.31	1,31,431.03
Subordinated Liabilities	-	3,000.00	3,000.00	0.00	3,000.00	3,000.00
Other financial liabilities	553.96	288.01	841.97	449.50	173.44	622.94
Non financial liabilities						
Deferred tax liabilities (net)	-	4,850.09	4,850.09	-	17,791.73	17,791.73
Provisions	104.26	80.68	184.94	24.08	226.31	250.39
Other non financial liabilities	290.88	-	290.88	190.96	-	190.96
Total liabilities	52,152.72	1,29,249.38	1,81,402.10	39,974.34	1,24,284.86	1,64,259.20
Net Equity	-7,733.15	1,50,612.13	1,42,878.98	16,397.42	1,57,194.53	1,73,591.95



46 Significant management judgement in applying accounting policies and estimation uncertainty

The preparation of the Group's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the related disclosures.

The Management believes that these estimates are prudent and reasonable and are based upon the Management's best knowledge of current events and actions. Actual results could differ from these estimates and differences between actual results and estimates are recognised in the periods in which the results are known.

This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed.

Recognition of deferred tax assets

The extent to which deferred tax assets can be recognised is based on an assessment of the probability of the future taxable income against which the deferred tax assets can be utilised.

46.1 Business model assessment

Classification and measurement of financial assets depends on the results of the SPPI and the business model test. The Group determines the business model at a level that reflects how groups of financial assets are managed together to achieve a particular business objective. 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 Group monitors financial assets measured at amortised cost or fair value through other comprehensive income that are derecognised prior to their maturity to understand the reason for their disposal and whether the reasons are consistent with the objective of the business for which the asset was held. Monitoring is part of the Group's continuous assessment of whether the business model for which the remaining financial assets are held continues to be appropriate and if it is not appropriate whether there has been a change in business model and so a prospective change to the classification of those assets.

Evaluation of indicators for impairment of assets

The evaluation of applicability of indicators of impairment of assets requires assessment of several external and internal factors which could result in deterioration of recoverable amount of the assets.

Expected credit loss ('ECL')

The measurement of expected credit loss allowance for financial assets measured at amortised cost requires use of complex models and significant assumptions about future economic conditions and credit behaviour (e.g. likelihood of customers defaulting and resulting losses). The Group makes significant judgements with regard to the following while assessing expected credit loss:

Determining criteria for significant increase in credit risk;

Establishing the number and relative weightings of forward-looking scenarios for each type of product/market and the associated ECL; and

Establishing groups of similar financial assets for the purposes of measuring ECL.

Development of ECL model, including the various formulae and the choice of inputs

It has been the Group's policy to regularly review its model in the context of actual loss experience and adjust when necessary

Provisions

At each balance sheet date, basis the management judgment, changes in facts and legal aspects, the Group assesses the requirement of provisions against the outstanding contingent liabilities. However, the actual future outcome may be different from this judgement.

Contingencies:

Management has estimated the possible outflow of resources at the end of each annual reporting financial year, if any, in respect of contingencies/claim/litigations against the Group as it is not possible to predict the outcome of pending matters with accuracy.

46.2 Significant estimates

Useful lives of depreciable/amortisable assets

Management reviews its estimate of the useful lives of depreciable/amortisable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical and economic obsolescence that may change the utility of assets.

46.3 Defined benefit obligation (DBO)

Management's estimate of the DBO is based on a number of underlying assumptions such as standard rates of inflation, mortality, discount rate and anticipation of future salary increases. Variation in these assumptions may significantly impact the DBO amount and the annual defined benefit expenses. The assumptions used are disclosed in Note 41.

46.4 Fair value measurements

Management applies valuation techniques to determine the fair value of financial instruments (where active market quotes are not available). This involves developing estimates and assumptions consistent with how market participants would price the instrument. For further details about determination of fair value please see Note 39.



46.5 Determining the lease term of contracts with renewal and termination options – Group as lessee

The Group determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Group has several lease contracts that include extension and termination options. The Group applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Group reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate (e.g., construction of significant leasehold improvements or significant customisation to the leased asset).

When it is reasonably certain to exercise extension option and not to exercise termination option, the Group includes such extended term and ignore termination option in determination of lease term.

46.6 Leases - 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 Group has taken indicative rates from its bankers and used them for Ind AS 116 calculation purposes.

46.7 Estimation of uncertainty relating to COVID-19 global health

In assessing the recoverability of loans, the Company has considered internal and external sources of information, including credit reports, economic forecasts and industry reports. The Company has performed sensitivity analysis on the assumptions used and based on current indicators of future economic conditions, the carrying amount of these assets represent the company's best estimate of the recoverable amounts. As a result of the uncertainties resulting from COVID-19, the impact of this pandemic may be different from those estimated as on the date of approval of these financial statements and the Company will continue to monitor any changes to the future economic conditions.

47 a) Additional information as required under Schedule III to the Companies act 2013, of enterprises consolidated as Subsidiary Company:

Name of the parent : Svatantra Holdings Private Limited

Name of the Indian subsidiary : Svatantra Micro Housing Finance Corporation Limited
(Formerly known as Micro Housing Finance Corporation Limited)

(Rs. in lakhs)					
Particulars	Parent	Subsidiary	Non Controlling Interest	Adjustment due to Consolidation	Total
Net assets	1,37,682.69	36,273.93	-	(31,077.63)	1,42,878.99
As a percentage of consolidated net assets (%)	96.00 %	25.00 %	0.00 %	(22.00)%	100.00 %
Share in profit or loss	223.15	2,280.12	-	(241.07)	2,262.20
As a percentage of consolidated profit or loss (%)	10.00 %	101.00 %	0.00 %	(11.00)%	100.00 %
Share in other comprehensive income	(37,967.39)	(7.52)	-	-	(37,974.91)
As a percentage of consolidated other comprehensive income (%)	100.00 %	0.00 %	0.00 %	0.00 %	100.00 %
Share in total comprehensive income	(37,744.24)	2,272.60	-	(241.07)	(35,712.71)
As a percentage of consolidated total comprehensive income (%)	106.00 %	(6.00)%	0.00 %	1.00 %	100.00 %

b) Salient Features of Financial Statements of Subsidiary Companies as per Companies Act, 2013 (Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014 :**Part "A" : Subsidiaries**

Name of the Indian subsidiary : Svatantra Micro Housing Finance Corporation Limited (Formerly known as Micro Housing Finance Corporation Limited)



Particulars	(Rs. in lakhs)
	Amount
Reporting Currency	Indian Rupees
Share Capital	7,472.70
Reserves & Surplus	28,801.23
Total Assets	2,12,745.13
Total Liabilities	1,76,471.20
Investments	-
Turnover/Total Income	24,363.25
Profit before taxation	2,824.07
Provision for taxation	543.94
Profit after taxation	2,280.13
Proposed dividend	-
% of Shareholding	100.00

1. Name of subsidiaries which are yet to commence operations : **None**
2. Names of subsidiaries which have been liquidated or sold during the year : **None**

Part "B": Associates and Joint Ventures

The Group doesn't have any Associates and Joint ventures

48 Additional Regulatory Information under MCA Notification dated March 24, 2021

a) Details of Benami Property held: There are no proceedings which have been initiated or pending against the Group for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder.

b) Relationship with Struck off Companies : During the year, the Group does not have any transactions with the companies struck off under section 248 of Companies Act, 2013 or section 560 of Companies Act, 1956.

c) Compliance with number of layers of companies: 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.

d) Compliance with approved Scheme(s) of Arrangements: NA

e) Utilisation of Borrowed funds and share premium:

During the financial year ended March 31, 2023, other than the transactions undertaken in the normal course of business.

(i). No funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Group to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(ii). No funds (which are material either individually or in the aggregate) have been received by the Group from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Group shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

f) Undisclosed Income: The Group does not have any transactions 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). Also, there are nil previously unrecorded income and related assets.

g) Details of Crypto Currency or Virtual Currency: The Group has not traded or invested in Crypto currency or Virtual Currency during the financial year.

h) Capital work in progress (CWIP), Property plant and equipment and Intangible asset: The Group does not have any CWIP during the financial years ended March 31, 2024 and March 31, 2023 except intangible under development.



i) Wilful defaulter

The Group has not been declared as a wilful defaulter by any bank or financial institution or other lender in the financial years ended March 31, 2024 and March 31, 2023.

j) Additional information where borrowings are from banks or financial institutions:

(i) The quarterly returns filed by the Group with banks or financial institutions are in agreement with the books of accounts.

(ii) The Group has used the borrowings from the banks or financial institutions for the purpose for which it was raised as at balance sheet date.

49 The Company is in process to appoint a Company Secretary as required under Section 203(1) of the Companies Act, 2013 read with Rule 8A of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

50 Prior year figures have been reclassified where necessary to confirm with the current year's presentation.


51 Events after reporting date:

There have been no events after the reporting date that require adjustment/disclosure in these consolidated financial statements.

Signature to note 1 to 51

As per our report of even date attached

For JMT & Associates
Chartered Accountants
Firm's Registration No. 104167W


Amar Bafna
Partner
Membership No: 048639

Place: Mumbai

Date: 26 AUG 2024



On behalf of the Board of Directors of
Svatantra Holdings Private Limited


Anil Chirania
Director
DIN: 01082719


Shriram Jagetiya
Director
DIN: 01638250

