

I DEBT SECURITIES (Contd.)

On January 13, 2021, the Company issued and allotted USD 500,000,000 4.40% Senior Secured Notes due 2024 in offshore market (Social Bonds) for sum of USD 499,950,000 equivalent to Rs. 3,672.50 crores under USD 3 Billion GMTN Programme. The said Social Bonds were listed on Singapore Stock Exchange (SGX-ST) on January 14, 2021. The proceeds of the issue of the Social Bonds are being utilised as per the Company's Social Finance Framework, for onward lending and other activities as permitted by the RBI Master Direction – External Commercial Borrowings, Trade Credits, and Structured Obligations.

During the year ended March 31, 2020, the Company issued and allotted USD 250,000,000 5.3750% senior secured notes due 2022 in offshore market (notes) equivalent to Rs. 1,714.38 crores under USD 2,000,000,000 Global Medium Term Note Programme. The said notes are listed on Singapore Stock Exchange (SGX- ST). The proceeds of the issue of the notes have been utilised for the purpose of onward lending and other activities as may be permitted by the ECB Directions.

During the year ended March 31, 2020, the Company issued and allotted USD 500,000,000 5.100% senior secured notes due 2023 in offshore market (Social Bonds) equivalent to Rs. 3,541.75 crores under USD 3,000,000,000 Global Medium Term Note Programme. The said Social Bonds are listed on Singapore Stock Exchange (SGX- ST). The proceeds of the issue of the Social Bonds have been utilised for the purpose of onward lending and other activities as per the Company's Social Finance Framework and as may be permitted by the ECB Directions.

During the year ended March 31, 2019, the Company issued and allotted senior secured notes in offshore market (notes) aggregating to INR 2,849.90 crores consisting of 5.70% notes due 2022 under INR 5,000 crores Medium Term Note Programme. The notes issued by the Company are listed on Singapore Stock Exchange (SGX- ST). The proceeds of the issue have been utilised for the purpose of onward disbursements.

As per the terms of the issue, Rs. 2,849.90 crores were redeemed on February 28, 2022.

Nature of security

Secured by way of an exclusive fixed charge over hypothecation loan receivables of the Company.

C) Senior secured notes

Senior secured notes of Rs. 10,000,000/- each

Terms of repayment		(Rs. in crores)	
Detail	Rate of interest	As at March 31, 2022	As at March 31, 2021
36-48 months	<10%	-	-
24-36 months	<10%	-	888.35
12-24 months	<10%	891.40	-
upto 12 months	<10%	-	-
Total		891.40	888.35

During the year ended March 31, 2018, the Company had issued senior secured notes in offshore market (notes) aggregating to INR 1,160 crores consisting of INR 840 crores 8.10% notes due 2023 and INR 320 crores 7.90% notes due 2021 payable in US dollars under INR 5,000 crores Medium Term Note Programme. The notes issued by the Company are listed on Singapore Stock Exchange (SGX- ST).

The Company had utilised the entire sum of Rs. 1,160.00 crores raised from Senior secured notes towards asset financing activities as per the objects stated in the prospectus for the issue.

During the year ended March 31, 2017, the Company had issued Rs. 1,350.00 crores 8.25 % senior secured notes at the price of 100.18% that are due for repayment on February 18, 2020. The said notes (with ISIN - XS 1549374475) are listed and traded on the Singapore Exchange (SGX-ST) with a minimum board lot size of S \$200,000.

The Company had utilised the entire sum of Rs. 1,350.00 crores raised from Senior secured notes towards asset financing activities as per the objects stated in the prospectus for the issue.

As per the terms of the issue, Rs. 1,350.00 crores were redeemed on February 18, 2020.

As per the terms of the issue, Rs. 320.00 crores were redeemed on March 12, 2021.

I DEBT SECURITIES (Contd.)

Nature of security

Secured by way of an exclusive fixed charge over hypothecation loan receivables of the Company.

D) Redeemable non-convertible debenture (NCD) -unsecured

i) Privately placed redeemable non-convertible debenture of Rs. 1,000,000/- each

Terms of repayment as on March 31, 2022

(Rs. in crores)

Redeemable at par/premium (from the date of the Balance Sheet)	Rate of interest			Total
	< 10%	>= 10% < 12%	>= 12% < 14%	
24-36 months	-	-	85.18	85.18
Total	-	-	85.18	85.18

Terms of repayment as on March 31, 2021

(Rs. in crores)

Redeemable at par/premium (from the date of the Balance Sheet)	Rate of interest			Total
	< 10%	>= 10% < 12%	>= 12% < 14%	
36-48 months	-	-	464.44	464.44
Total	-	-	464.44	464.44

II BORROWINGS (OTHER THAN DEBT SECURITIES)

A) Term loans from banks -secured (INR)

As at March 31, 2022

Terms of repayment #

(Rs. in crores)

Tenure (from the date of the Balance Sheet)	Rate of interest	Repayment details	Amount
48-60 months	7.45% to 8.90%	20 to 60 instalments of monthly and quarterly frequency	3,318.09
36-48 months	5.50% to 8.56%	14 to 60 instalments of monthly and quarterly frequency	2,874.22
24-36 months	5.70% to 9.56%	1 to 48 instalments of bullet, monthly, quarterly and half-yearly frequency	3,539.61
12-24 months	6.61% to 10.14%	1 to 36 instalments of bullet, monthly and quarterly frequency	1,603.16
upto 12 months	5.60% to 10.34%	1 to 36 instalments of bullet, monthly, quarterly and specific frequency	5,420.54
Total			16,755.62

Loans are classified in respective time buckets based on option date.

Nature of security

Secured by an exclusive charge by way of hypothecation of specific movable assets being fixed/current assets relating to hypothecation loans.

II BORROWINGS (OTHER THAN DEBT SECURITIES) (Contd.)

As at March 31, 2021

Terms of repayment #			(Rs. in crores)
Tenure (from the date of the Balance Sheet)	Rate of interest	Repayment details	Amount
48-60 months	7.73% to 8.71%	20 to 60 instalments of monthly and quarterly frequency	1,345.25
36-48 months	8.15% to 10.98%	20 to 48 instalments of monthly, quarterly and specific frequency	2,809.75
24-36 months	7.00% to 10.10%	1 to 36 instalments of bullet and quarterly frequency	2,150.23
12-24 months	7.30% to 10.07%	1 to 36 instalments of bullet, monthly, quarterly and specific frequency	1,536.39
upto 12 months	6.65% to 10.01%	1 to 20 instalments of bullet, quarterly and specific frequency	5,463.08
Total			13,304.70

Loans are classified in respective time buckets based on option date.

Nature of security

Secured by an exclusive charge by way of hypothecation of specific movable assets being fixed/current assets relating to hypothecation loans.

B) Term loans from financial institutions/corporates -secured (INR)

As at March 31, 2022

Terms of repayment #			(Rs. in crores)
Tenure (from the date of the Balance Sheet)	Rate of interest	Repayment details	Amount
48-60 months	7.34% to 8.95%	19 to 20 instalments of quarterly frequency	1,227.32
36-48 months	8.23% to 9.00%	1 to 20 instalments of bullet and quarterly frequency	1,898.70
24-36 months	7.25% to 10.20%	11 instalments of quarterly, half-yearly and specific frequency	2,229.80
12-24 months	9.70% to 10.50%	11 to 12 instalments of quarterly, half-yearly and specific frequency	197.15
upto 12 months	7.44% to 9.07%	11 to 20 instalments of quarterly, half-yearly and specific frequency	132.27
Total			5,685.24

Loans are classified in respective time buckets based on option date.

Nature of security

Secured by an exclusive charge by way of hypothecation of specific movable assets being fixed/current assets relating to hypothecation loans.

II BORROWINGS (OTHER THAN DEBT SECURITIES) (Contd.)

As at March 31, 2021

Terms of repayment #			(Rs. in crores)
Tenure (from the date of the Balance Sheet)	Rate of interest	Repayment details	Amount
over 60 months	8.95%	20 instalments of quarterly frequency	389.57
48-60 months	8.23% to 9.00%	20 instalments of quarterly frequency	2,385.43
36-48 months	10.20%	11 instalments of specific frequency	130.11
24-36 months	9.70% to 10.50%	11 to 12 instalments of quarterly and specific frequency	404.35
12-24 months	7.02% to 9.01%	11 to 20 instalments of quarterly and specific frequency	343.41
upto 12 months	6.21% to 6.31%	1 to 9 instalments of bullet and monthly frequency	130.33
Total			3,783.20

Loans are classified in respective time buckets based on option date.

Nature of security

Secured by an exclusive charge by way of hypothecation of specific movable assets being fixed/current assets relating to hypothecation loans.

C) External commercial borrowing

As at March 31, 2022

Terms of repayment			(Rs. in crores)
Tenure (from the date of the Balance Sheet)	Rate of interest	Repayment details	Amount
Over 60 months	4.59%	11 instalments of half-yearly frequency	531.25
48-60 Months	8.63% to 10.86%	11 to 13 instalments of half-yearly and specific frequency	873.29
24-36 months	8.12%	Bullet frequency	191.59
12-24 months	9.83% to 10.02%	Bullet frequency	2,647.00
Total			4,243.13

Nature of security

Secured by an exclusive charge by way of hypothecation of specific movable assets being fixed/current assets relating to hypothecation loans.

As at March 31, 2021

Terms of repayment			(Rs. in crores)
Tenure (from the date of the Balance Sheet)	Rate of interest	Repayment details	Amount
over 60 months	4.59% to 10.87%	11 to 13 instalments of half-yearly and specific frequency	1,566.94
24-36 months	9.83% to 10.02%	Bullet frequency	2,555.55
Total			4,122.49

Nature of security

Secured by an exclusive charge by way of hypothecation of specific movable assets being fixed/current assets relating to hypothecation loans.

II BORROWINGS (OTHER THAN DEBT SECURITIES) (Contd.)

D) Loans repayable on demand from banks (Cash credit from banks)

As at March 31, 2022

Terms of repayment (Rs. in crores)

Particulars	Rate of interest	Amount
Secured by hypothecation of specific assets covered under hypothecation loan agreements	7.30% to 10.45%	454.86
Total		454.86

As at March 31, 2021

Terms of repayment (Rs. in crores)

Particulars	Rate of interest	Amount
Secured by hypothecation of specific assets covered under hypothecation loan agreements	8.20% to 11.70%	667.38
Total		667.38

E) Other loans - INR -Securitisation liabilities

As at March 31, 2022

Terms of repayment (Rs. in crores)

Tenure (from the date of the Balance Sheet)	Rate of interest	Repayment details	Amount
48-60 months	5.90% to 9.00%	1 to 86 instalments monthly frequency	11,209.94
36-48 months	5.50% to 9.00%	1 to 67 instalments monthly frequency	3,565.64
24-36 months	6.31% to 9.40%	1 to 65 instalments monthly frequency	1,166.14
12-24 months	8.00% to 9.70%	1 to 61 instalments monthly frequency	3,092.50
upto 12 months	6.97% to 10.20%	1 to 61 instalments monthly frequency	503.86
Total			19,538.08

Nature of security

Secured by an exclusive charge by way of hypothecation of specific movable assets being fixed/current assets relating to hypothecation loans.

As at March 31, 2021

Terms of repayment (Rs. in crores)

Tenure (from the date of the Balance Sheet)	Rate of interest	Repayment details	Amount
over 60 months	8.93% to 9.98%	1 to 88 instalments monthly frequency	3,297.86
48-60 months	8.38% to 11.15%	1 to 69 instalments monthly frequency	8,056.62
36-48 months	7.99% to 11.00%	1 to 63 instalments monthly frequency	7,347.62
24-36 months	8.31% to 10.53%	1 to 61 instalments monthly frequency	3,482.40
12-24 months	6.90% to 8.84%	1 to 60 instalments monthly frequency	1,219.10
Total			23,403.60

Nature of security

Secured by an exclusive charge by way of hypothecation of specific movable assets being fixed/current assets relating to hypothecation loans.

III DEPOSITS

A) Deposits from public - unsecured - [refer note 65]

Terms of repayment as on March 31, 2022

(Rs. in crores)

Redeemable at par (from the date of the Balance Sheet)	Rate of interest		Total
	< 10%	>= 10% < 12%	
48-60 months	2,446.18	-	2,446.18
36-48 months	2,030.40	-	2,030.40
24-36 months	5,523.97	-	5,523.97
12-24 months	4,631.55	-	4,631.55
upto 12 months	5,557.98	-	5,557.98
Total	20,190.08	-	20,190.08

Terms of repayment as on March 31, 2021

(Rs. in crores)

Redeemable at par (from the date of the Balance Sheet)	Rate of interest		Total
	< 10%	>= 10% < 12%	
48-60 months	1,906.84	-	1,906.84
36-48 months	1,122.74	-	1,122.74
24-36 months	3,967.54	-	3,967.54
12-24 months	3,595.91	-	3,595.91
upto 12 months	5,197.68	-	5,197.68
Total	15,790.71	-	15,790.71

(Rs. in crores)

Particulars	As at March 31, 2022	As at March 31, 2021
Total Deposits from public	20,190.08	15,790.71

B) Deposits from corporates - unsecured

Terms of repayment as on March 31, 2022

(Rs. in crores)

Redeemable at par (from the date of the Balance Sheet)	Rate of interest		Total
	< 10%	>= 10% < 12%	
48-60 months	30.21	-	30.21
36-48 months	13.24	-	13.24
24-36 months	367.23	-	367.23
12-24 months	150.65	-	150.65
upto 12 months	1,168.43	-	1,168.43
Total	1,729.76	-	1,729.76

Terms of repayment as on March 31, 2021

(Rs. in crores)

Redeemable at par (from the date of the Balance Sheet)	Rate of interest		Total
	< 10%	>= 10% < 12%	
48-60 months	13.33	-	13.33
36-48 months	4.73	-	4.73
24-36 months	87.95	-	87.95
12-24 months	38.44	-	38.44
upto 12 months	247.66	-	247.66
Total	392.11	-	392.11

C) Inter-corporate deposits

Terms of repayment as on March 31, 2022

(Rs. in crores)

Tenure (from the date of the Balance Sheet)	Rate of interest	Repayment details	Total
upto 12 months	4.50% to 7.00%	Bullet repayment	29.14
Total			29.14

III DEPOSITS (Contd.)

Terms of repayment as on March 31, 2021			(Rs. in crores)
Tenure (from the date of the Balance Sheet)	Rate of interest	Repayment details	Total
upto 12 months	7.50%	Bullet repayment	49.59
Total			49.59

IV SUBORDINATED LIABILITIES

A) Subordinated liabilities -unsecured - Debentures

Privately placed subordinated liabilities of Rs. 1,000,000/- each

Terms of repayment as on March 31, 2022 (Rs. in crores)

Redeemable at par (from the date of the Balance Sheet)	Rate of interest			Total
	<10%	>=10% <12%	>=12% <14%	
over 60 months	1,395.11	78.94	-	1,474.05
48-60 months	137.64	-	-	137.64
36-48 months	39.87	56.94	-	96.81
24-36 months	41.04	541.92	1,680.52	2,263.48
12-24 months	-	332.92	-	332.92
upto 12 months	-	309.35	-	309.35
Total	1,613.66	1,320.07	1,680.52	4,614.25

Terms of repayment as on March 31, 2021 (Rs. in crores)

Redeemable at par (from the date of the Balance Sheet)	Rate of interest			Total
	<10%	>=10% <12%	>=12% <14%	
over 60 months	1,531.88	78.89	-	1,610.77
48-60 months	39.82	56.79	-	96.61
36-48 months	41.00	536.25	1,642.51	2,219.76
24-36 months	-	332.62	-	332.62
12-24 months	-	309.06	-	309.06
upto 12 months	-	-	51.94	51.94
Total	1,612.70	1,313.61	1,694.45	4,620.76

(Rs. in crores)

Particulars

	As at March 31, 2022	As at March 31, 2021
26 OTHER FINANCIAL LIABILITIES		
Investor education and protection fund shall be credited by the following amounts (as and when due)		
- Unclaimed dividend	9.72	9.81
- Unclaimed matured deposits and interest accrued thereon	111.07	106.74
- Unclaimed matured debentures and interest accrued thereon	13.09	15.62
- Unclaimed matured subordinated debts and interest accrued thereon	9.08	36.43
Temporary credit balance in bank accounts	30.12	57.27
Payable on account of assignment	132.00	178.07
Payable to dealers	0.86	2.63
Payable to employees	132.59	134.51
Retention money and other sundry liabilities	303.48	342.15
Interim dividend payable	-	151.84
Other liabilities *	117.63	114.75
Total	859.64	1,149.82

* Other liabilities include amount payable to Banks for credit card payments, settlement dues payable to resigned employees, etc.

		(Rs. in crores)	
Particulars	As at March 31, 2022	As at March 31, 2021	
27 CURRENT TAX LIABILITIES (NET)			
For taxation [net of advance tax Rs. 692.91 crores (March 31, 2021: Rs. 3.10 crores)]	36.82	102.02	
Total	36.82	102.02	

		(Rs. in crores)	
Particulars	As at March 31, 2022	As at March 31, 2021	
28 PROVISIONS			
For employee benefits			
- Gratuity (refer note 46)	2.24	2.07	
- Compensated absences (leave encashment and availment)	38.31	37.02	
For others			
- Expected credit loss towards undrawn loan commitment	6.70	10.70	
- Taxes- contested	90.93	92.75	
Total	138.18	142.54	

Loan commitments

Credit quality of exposure

The table below shows the credit quality and the maximum exposure to credit risk based on the Company's internal credit rating system and year-end stage classification. The amounts presented are gross of impairment allowances. Details of the Company's internal grading system are explained in Note 53.02 and policies on whether ECL allowances are calculated on an individual or collective basis are set out in Note 53.02.02.07.

		(Rs. in crores)	
Particulars	As at March 31, 2022 Stage 1 Collective	As at March 31, 2021 Stage 1 Collective	
Internal rating grade			
Performing			
High grade	92.43	148.66	
Total	92.43	148.66	

An analysis of changes in the gross carrying amount and the corresponding ECL allowances in relation to other undrawn loan commitments is, as follows:

Gross exposure reconciliation

		(Rs. in crores)	
Particulars	Year ended March 31, 2022 Stage 1	Year ended March 31, 2021 Stage 1	
Opening balance of outstanding exposure	148.66	311.87	
New exposures	69.95	88.39	
Exposures cancelled or disbursed (excluding write-offs)	(126.18)	(251.60)	
Closing balance of outstanding exposure	92.43	148.66	

28 PROVISIONS (Contd.)

Reconciliation of ECL balance in relation to other undrawn loan commitments is given below:

	(Rs. in crores)	
	Year ended March 31, 2022	Year ended March 31, 2021
	General approach	General approach
Particulars	Stage 1	Stage 1
ECL allowance - opening balance	10.70	16.15
New exposures	4.21	5.13
Exposures cancelled or disbursed (excluding write-offs)	(8.21)	(10.58)
ECL allowance - closing balance	6.70	10.70

	(Rs. in crores)	
	As at March 31, 2022	As at March 31, 2021
Particulars		
29 OTHER NON-FINANCIAL LIABILITIES		
Statutory dues payable	101.16	85.45
Advance from customers	23.26	13.81
Total	124.42	99.26

	(Rs. in crores)	
	As at March 31, 2022	As at March 31, 2021
Particulars		
30 EQUITY SHARE CAPITAL		
Authorised:		
647,000,000 (March 31, 2021: 647,000,000) equity shares of Rs.10/- each	647.00	647.00
95,000,000 (March 31, 2021: 95,000,000) preference shares of Rs.100/- each	950.00	950.00
	1,597.00	1,597.00
Issued share capital		
270,519,713 (March 31, 2021: 253,067,654) equity shares of Rs. 10/- each *	270.52	253.07
Subscribed share capital		
270,519,713 (March 31, 2021: 253,061,513) equity shares of Rs. 10/- each	270.52	253.06
Paid up (fully paid up)		
Equity shares		
270,519,713 (March 31, 2021: 253,061,513) equity shares of Rs. 10/- each fully paid up	270.52	253.06
Total Equity	270.52	253.06

* Pursuant to the ordinary resolution passed by the shareholders of the Company on March 6, 2022 through postal ballot, 6,141 equity shares of face value of Rs. 10/- each not taken/agreed to be taken by any person in the Rights Issue of the Company made in the year 1995 were cancelled from the Issued Share Capital of the Company.

30 EQUITY SHARE CAPITAL (Contd.)
a. Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the year

Particulars	Number of shares	(Rs. in crores)
As at March 31, 2020	226,882,736	226.88
Issued during the year #	26,178,777	26.18
As at March 31, 2021	253,061,513	253.06
Issued during the year ##	17,458,200	17.46
As at March 31, 2022	270,519,713	270.52

On August 06, 2020, the Company allotted fully paid-up 26,178,777 Equity Shares of face value of Rs. 10/- each to the eligible equity shareholders at an issue price of Rs. 570/- per Equity Share (including premium of Rs. 560/- per Equity Share) in the Rights Issue, which opened on July 16, 2020 and closed on July 30, 2020. The entire proceeds of the Rights Issue have been utilised as per the objects stated in the offer document for the Rights issue. The fresh allotment of equity shares through Rights Issue as stated above has resulted in an increase of equity share capital by Rs. 26.18 crores and securities premium reserve by Rs. 1,446.46 crores (net of share issue expenses of Rs. 19.55 crores).

On June 12, 2021, the Company allotted 13,986,000 Equity Shares of face value Rs. 10/- each to eligible qualified institutional buyers at the issue price of Rs. 1,430/- per Equity Share (including a premium of Rs. 1,420/- per Equity Share) at a discount of Rs. 3.32 per Equity Share i.e. 0.23% of the floor price of Rs. 1,433.32 per Equity Share, aggregating to Rs. 19,999,980,000/- by way of qualified institutions placement (QIP Issue). The QIP Issue opened on June 7, 2021 and closed on June 11, 2021. The entire proceeds have been utilised for the objects of the QIP Issue. Pursuant to the allotment of Equity Shares in the QIP Issue, the paid - up equity share capital of the Company stood increased from Rs. 2,530,615,130/- to Rs. 2,670,475,130/- on June 12, 2021 comprising of 267,047,513 fully paid-up equity shares of face value of Rs.10/- each and securities premium reserve by Rs. 1,964.78 crores (net of share issue expenses of Rs. 21.23 crores).

On July 8, 2021, the Company allotted (i) 1,736,100 Equity Shares of the Company, fully paid-up, at a price of Rs. 1,440/- per Equity Share including a premium of Rs. 1,430/- per Equity Share, aggregating up to Rs. 2,499,984,000/- and (ii) 1,736,100 Warrants convertible into 1,736,100 Equity Shares at a price (including the warrant subscription price and the warrant exercise price) of Rs. 1,440/- each, aggregating up to Rs. 2,499,984,000/- on a preferential basis to Shriram Capital Limited, Promoter of the Company (Preferential Issue). The Company received the subscription money of Rs. 624,996,000/- for allotment of 1,736,100 Warrants convertible into Equity Shares, being 25% of the Issue price of Rs. 1,440/- of the Warrants at Rs. 360/- per Warrant, towards the warrant subscription price. The entire proceeds have been utilised for the objects of the Preferential Issue. Pursuant to allotment of the Equity Shares in the Preferential Issue, the paid-up share capital of the Company stood increased on July 8, 2021 from Rs. 2,670,475,130/- to Rs. 2,687,836,130/- comprising of 268,783,613 equity shares of face value of Rs.10/- each and securities premium reserve by Rs. 248.06 crores.

On November 25, 2021, the Company allotted 1,736,100 Equity Shares of face value of Rs. 10/- each fully paid up issued at a premium of Rs. 1,430/- per equity share to Shriram Capital Limited, Promoter of the Company upon exercise of option of conversion of 1,736,100 Warrants by Shriram Capital Limited. The Issue Price of the Warrant was Rs. 1,440/- per warrant of which 25% was paid by Shriram Capital Limited on subscription of 1,736,100 warrants on July 08, 2021 and the balance 75% i.e. Rs. 1,080/- per warrant being the Warrant Exercise Price was paid by Shriram Capital Limited. The entire proceeds have been utilised for the objects of the Preferential Issue. Pursuant to allotment of the Equity Shares in the Preferential Issue, the paid-up share capital of the Company stood increased on November 25, 2021 from Rs. 2,687,836,130/- to Rs. 2,705,197,130/- comprising of 270,519,713 equity shares of face value of Rs. 10/- each and securities premium reserve by Rs. 248.26 crores.

b. Terms/ rights attached to equity shares

The Company has only one class of equity shares having a par value of Rs. 10/- per share. Each holder of equity shares is entitled to one vote per share. The dividend is subject to the approval of the shareholders in the ensuing annual general meeting.

The Board of Directors in their meeting held on March 05, 2022 declared second interim equity dividend of 120% (Rs. 12/- per equity share of nominal face value of Rs. 10/- each fully paid up) for the financial year 2021-22, amounting to Rs. 3,246,236,556/- (gross) subject to deduction of tax at source as per the applicable rate(s) to the eligible shareholders. The record date for payment of second interim equity dividend was March 14, 2022. The second interim dividend was paid to eligible shareholders on March 24, 2022. The Board of Directors in its meeting held on April 28, 2022 have not recommended final dividend. As such the interim dividend aggregating to Rs.20/-per share (i.e. 200 %) shall be the final dividend for the financial year 2021-22.

30 EQUITY SHARE CAPITAL (Contd.)

The Board of Directors in their meeting held on October 29, 2021 declared interim equity dividend of 80% (Rs. 8/- per equity share of nominal face value of Rs. 10/- each fully paid up) for the financial year 2021-22, amounting to Rs. 2,150,268,904 (gross) subject to deduction of tax at source as per the applicable rate(s) to the eligible shareholders. The record date for payment of interim equity dividend was November 10, 2021. The interim dividend was paid to eligible shareholders on November 24, 2021.

Pursuant to the final equity dividend for the financial year 2020-21 approved by the shareholders at the 42nd Annual General Meeting held on June 24, 2021, the Company paid the final equity dividend of 60% (Rs. 6/- per equity share of nominal face value of Rs. 10/- each fully paid up) aggregating to Rs. 1,602,285,078/- (gross) subject to deduction of tax at source as per the applicable rate(s) to the eligible shareholders. The record date for payment of final equity dividend was June 17, 2021 and the payment was made on July 07, 2021. With this the total dividend for the financial year 2020-21 was Rs. 18 /- per share (i.e. 180 %).

The Board of Directors in their meeting held on March 25, 2021 declared second interim equity dividend of 60% (Rs. 6/- per equity share of nominal face value of Rs. 10/- each fully paid up) for the financial year 2020-21, amounting to Rs. 1,518,369,078/- (gross) subject to deduction of tax at source as per the applicable rate(s) to the eligible shareholders. The record date for payment of second interim dividend was April 06, 2021 and the payment was done on April 16, 2021.

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.

c. Aggregate number of equity shares issued for consideration other than cash during the period of five years immediately preceding the reporting date:

Nil

d. Details of shareholders holding more than 5% equity shares in the Company

Details of shareholding	As at March 31, 2022		As at March 31, 2021	
	Number of shares	% holding	Number of shares	% holding
Equity shares of Rs. 10/- each				
Shriram Capital Limited	70,437,147	26.04%	66,964,947	26.46%
Life Insurance Corporation of India	18,004,597	6.66%	**	**

** holding less than 5% equity shares

e. Refer note 51- Capital management for the Company's objectives, policies and processes for managing capital

f. Proposed dividends on equity shares:

Particulars	(Rs. in crores)	
	As at March 31, 2022	As at March 31, 2021
Proposed dividend on equity shares for the year ended on March 31, 2022: Rs. Nil per share (March 31, 2021: Rs. 6.00 per share)	-	151.84
Total	-	151.84

g. Shareholding of Promoters

Year ended	Shares held by promoters at the end of the year			% Change during the year
	Promoter name	No. of Shares	% of Total Shares	
As at March 31, 2022	Shriram Capital Limited	70,437,147	26.04%	-1.59%
As at March 31, 2021	Shriram Capital Limited	66,964,947	26.46%	0.88%

30 EQUITY SHARE CAPITAL (Contd.)

h. Amount of per share dividend recognised as distribution to equity shareholders:-

Particulars	Year ended March 31,	
	2022	2021
Interim dividend for the year ended March 31, 2021 (Rs. per share)	-	12.00
Final dividend for the year ended March 31, 2021 (Rs. per share)	6.00	-
Interim dividend for the year ended March 31, 2022 (Rs. per share)	20.00	-
Final dividend for the year ended March 31, 2022 (Rs. per share)	-	-

(Rs. in crores)

Particulars	As at March 31, 2022	As at March 31, 2021

31 OTHER EQUITY

Share application money pending allotment	-	-
Statutory reserve (Pursuant to Section 45-IC of The RBI Act, 1934)		
Opening balance	4,166.39	3,668.93
Add: Transfer from retained earnings	541.59	497.46
Closing balance	4,707.98	4,166.39
Securities premium		
Opening balance	3,201.27	1,754.81
Add: Premium on shares issued during the year	2,482.54	1,466.01
Less: Share issue expenses incurred during the year	(21.43)	(19.55)
Closing balance	5,662.38	3,201.27
Capital reserve	27.64	27.64
Capital redemption reserve	53.88	53.88
Debenture redemption reserve		
Opening Balance	921.41	610.41
Add: Transfer from retained earnings	170.31	337.87
Less: Transfer to retained earnings on account of redemption	(784.44)	(26.87)
Closing balance	307.28	921.41
General reserve		
Opening balance	2,663.27	2,414.54
Add: Transfer from retained earnings	270.80	248.73
Closing balance	2,934.07	2,663.27
Convertible Warrants		
Money received during the year	250.00	-
Shares allotted during the year	(250.00)	-
Closing balance	-	-
Remeasurement gain/(loss) on defined benefit plan (net of tax)		
Opening balance	(9.66)	(9.66)
Add: Addition during the year	(2.42)	-
Closing balance	(12.08)	(9.66)
Other comprehensive income		
Effective portion of cash flow hedges		
Opening balance	(93.02)	-
Add: Addition during the year	(120.38)	(93.02)
Closing balance	(213.40)	(93.02)

		(Rs. in crores)	
Particulars		As at March 31, 2022	As at March 31, 2021
31	OTHER EQUITY (Contd.)		
Retained earnings			
Opening balance		10,384.13	9,257.73
Add: Profit for the current year		2,707.93	2,487.26
Add /(Less): Appropriations			
Transfer to statutory reserve as per Section 45-IC of The RBI Act, 1934		(541.59)	(497.46)
Transfer to general reserve		(270.80)	(248.73)
Transfer (to)/from debenture redemption reserve		614.13	(311.00)
Interim dividend [March 31, 2022: Rs. 20.00 per share (March 31, 2021: Rs. 12.00 per share)]		(539.65)	(303.67)
Final dividend (March 31, 2021: Rs. 6.00 per share)		(160.23)	-
Total appropriations		(898.14)	(1,360.86)
Retained earnings		12,193.92	10,384.13
Total		25,661.67	21,315.31

Nature and purpose of reserves

Securities premium: The amount received in excess of face value of the equity shares is recognised in Securities premium. In case of equity-settled share based payment transactions, the difference between fair value on grant date and nominal value of share is accounted as securities premium. The reserve can be utilised only for limited purposes such as issuance of bonus shares in accordance with the provisions of the Companies Act, 2013.

Capital reserve: Capital reserve is the excess of net assets taken over cost of consideration paid during amalgamation.

Capital redemption reserve: The Company has recognised Capital redemption reserve on redemption of non-convertible redeemable preference shares from its retained earnings. The amount in Capital redemption reserve is equal to nominal amount of the non-convertible redeemable preference shares redeemed. The Company may issue fully paid up bonus shares to its members out of the capital redemption reserve.

Debenture redemption reserve:

- (1) Pursuant to Section 71 of the Companies Act, 2013 and circular 04/2013, read with notification issued date June 19, 2016 issued by Ministry of Corporate Affairs, the Company is required to transfer 25% of the value of the outstanding debentures issued through public issue as per the present SEBI (Issue and Listing of Debt Securities) Regulation, 2008 to Debenture redemption reserve (DRR) and no DRR is required in case of privately placed debenture. Also the Company is required before 30th day of April of each year to deposit or invest, as the case may be, a sum which shall not be less than 15% of the amount of its debenture issued through public issue maturing within one year from the Balance sheet date.
- (2) As per the notification G.S.R. 574(E) dated August 16, 2019, the Ministry of Corporate Affairs has amended the Companies (Share Capital & Debentures) Rules, DRR need not be created for debentures issued by a Non-Banking Finance Company subsequent to the notification date. The Company has not created DRR on public issue of non-convertible debentures issued after the date of said notification.
- (3) In respect of the debentures issued through public issue, the Company has created DRR of Rs. 170.31 crores (March 31, 2021: Rs. 337.87 crores). The Company subsequent to the year end has deposited a sum of Rs. 37.00 crores (March 31, 2021: Rs. 498.41 crores) in the form of fixed deposits with scheduled banks, representing 15% of the debenture issued through public issue, which are due for redemption within one year from the balance sheet date.
- (4) On redemption of the debentures for which the DRR is created, the amounts no longer necessary to be retained in this account need to be transferred to the Retained earnings.

General reserve: Under the erstwhile Companies Act, 1956, general reserve was created through an annual transfer of net income at a specified percentage in accordance with applicable regulations. Consequent to introduction of Companies Act, 2013, the requirement to mandatorily transfer a specified percentage of the net profit to general reserve has been withdrawn. However, the amount previously transferred to the general reserve can be utilised only in accordance with the specific requirements of Companies Act, 2013.

Statutory reserve: Every year the Company transfers a sum of not less than twenty per cent of net profit of that year as

31 OTHER EQUITY (Contd.)

disclosed in the statement of profit and loss to its Statutory Reserve pursuant to Section 45-IC of the RBI Act, 1934.

The conditions and restrictions for distribution attached to statutory reserves as specified in Section 45-IC(1) in The Reserve Bank of India Act, 1934:

- (1) Every non-banking financial company (NBFC) shall create a reserve fund and transfer therein a sum not less than twenty per cent of its net profit every year as disclosed in the profit and loss account and before any dividend is declared.
- (2) No appropriation of any sum from the reserve fund shall be made by the NBFC except for the purpose as may be specified by the RBI from time to time and every such appropriation shall be reported to the RBI within twenty-one days from the date of such withdrawal:

Provided that the RBI may, in any particular case and for sufficient cause being shown, extend the period of twenty-one days by such further period as it thinks fit or condone any delay in making such report.

- (3) Notwithstanding anything contained in sub-section (1), the Central Government may, on the recommendation of the RBI and having regard to the adequacy of the paid-up capital and reserves of a NBFC in relation to its deposit liabilities, declare by order in writing that the provisions of sub-section (1) shall not be applicable to the NBFC for such period as may be specified in the order:

Provided that no such order shall be made unless the amount in the reserve fund under sub-section (1) together with the amount in the share premium account is not less than the paid-up capital of the NBFC.

Retained earnings: Retained earnings are the profits that the Company has earned till date, less any transfers to statutory reserve, debenture redemption reserve, general reserve, dividends distributions paid to shareholders and transfer from debenture redemption reserve.

Remeasurement gain/(loss) on defined benefit plan: Re-measurement, comprising of actuarial gains and losses and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to the statement of profit and loss in subsequent periods.

Other comprehensive income: Other comprehensive income includes effective portion of cash flow hedges.

Effective portion of cash flow hedges represents the cumulative effective portion of gains or losses arising on changes in fair value of hedging instruments entered into for cash flow hedges, which shall be reclassified to the statement of profit and loss only when the hedged transaction affects the statement of profit and loss, or included as a basis adjustment to the non-financial hedged item, consistent with the Company accounting policies.

(Rs. in crores)

Particulars	For the year ended March 31, 2022			Year ended March 31, 2021		
	On financial assets measured at amortised cost	On financial assets classified at fair value through profit or loss	Total	On financial assets measured at amortised cost	On financial assets classified at fair value through profit or loss	Total
32 INTEREST INCOME						
Interest on loans	18,028.13	-	18,028.13	16,611.31	-	16,611.31
Interest income from investments	275.11	40.85	315.96	264.82	3.75	268.57
Interest on deposits with banks						
- Margin money deposit	155.53	-	155.53	137.34	-	137.34
- Deposits with banks	88.14	-	88.14	37.22	-	37.22
Other interest income						
- Delayed payments by customers	28.79	-	28.79	42.40	-	42.40
- Unwinding of security deposit	3.17	-	3.17	3.07	-	3.07
- Direct assignment	26.54	-	26.54	28.23	-	28.23
Total	18,605.41	40.85	18,646.26	17,124.39	3.75	17,128.14

		(Rs. in crores)	
Particulars		Year ended March 31, 2022	Year ended March 31, 2021
33	FEE AND COMMISSION INCOME		
Income from commission services - life insurance		16.52	20.66
Income from commission services - general insurance		36.15	54.36
Income from loan related and other commission services		47.41	40.84
Total		100.08	115.86

Revenue from contracts with customers

Set out below is the revenue from contracts with customers and reconciliation to the statement of profit and loss

		(Rs. in crores)	
Particulars		Year ended March 31, 2022	Year ended March 31, 2021
Type of services or service			
Fee and commission income		100.08	115.86
Total revenue from contract with customers		100.08	115.86
Geographical markets			
- India		100.08	115.86
- Outside India		-	-
Total revenue from contract with customers		100.08	115.86
Timing of revenue recognition			
Services transferred at a point in time		100.08	115.86
Services transferred over time		-	-
Total revenue from contracts with customers		100.08	115.86

Contract balance

		(Rs. in crores)	
Particulars		As at March 31, 2022	As at March 31, 2021
Trade receivables		5.35	8.92
Contract assets		-	-

The Company does not have any contract assets or liability, hence disclosures related to it has not been presented.

		(Rs. in crores)	
Particulars		Year ended March 31, 2022	Year ended March 31, 2021
34	NET GAIN/ (LOSS) ON FAIR VALUE CHANGES		
(A) Net gain/(loss) on financial instruments at fair value through profit or loss			
(i) On trading portfolio			
- Investments		-	-
- Derivatives		-	-
- Others		-	-
(ii) On financial instruments designated at fair value through profit or loss		-	-
(B) Others:			
- Investment in shares, venture capital fund, mutual funds and certificate of deposits		236.83	22.87
- Direct assignment		(15.13)	(1.07)
Total Net gain/(loss) on fair value changes (C)		221.70	21.80

		(Rs. in crores)	
Particulars	Year ended March 31, 2022	Year ended March 31, 2021	
34 NET GAIN/ (LOSS) ON FAIR VALUE CHANGES (Contd.)			
Fair value changes:			
- Realised	183.34	18.95	
- Unrealised	38.36	2.85	
Total Net gain/(loss) on fair value changes (D)	221.70	21.80	

		(Rs. in crores)	
Particulars	Year ended March 31, 2022	Year ended March 31, 2021	
35 OTHER OPERATING INCOME			
Bad debt recovery	69.22	95.59	
Total	69.22	95.59	

		(Rs. in crores)	
Particulars	Year ended March 31, 2022	Year ended March 31, 2021	
36 OTHER INCOME			
Interest others	0.15	1.74	
Miscellaneous income	18.91	14.21	
Total	19.06	15.95	

		(Rs. in crores)	
Particulars	Year ended March 31, 2022	Year ended March 31, 2021	
37 FINANCE COSTS			
On Financial liabilities measured at amortised cost			
Interest on deposits	1,710.15	1,169.47	
Interest on borrowings (other than debt securities)			
- Loans from banks	1,042.07	1,239.18	
- Loans from institutions and others	377.99	153.59	
- External commercial borrowings	368.27	381.57	
- Interest paid on securitisation	1,766.19	2,161.71	
Interest on debt securities			
- Debentures	1,780.59	1,768.36	
- Senior secured notes	90.86	102.06	
- External commercial bond	2,016.66	1,517.36	
- Commercial paper	40.90	3.63	
Interest on subordinated liabilities	508.66	525.27	
Other interest expense			
- Interest on lease liability	31.97	32.06	
Total	9,734.31	9,054.26	

		(Rs. in crores)	
Particulars	Year ended March 31, 2022	Year ended March 31, 2021	
38 FEES AND COMMISSION EXPENSES			
Brokerage	44.79	31.34	
Professional charges-resource mobilisation	24.14	28.47	
Processing charges on loans	4.52	1.85	
Professional charges on securitisation	18.29	17.23	
Total	91.74	78.89	

		(Rs. in crores)	
Particulars	Year ended March 31, 2022	Year ended March 31, 2021	
39 IMPAIRMENT ON FINANCIAL INSTRUMENTS			
On financial instruments measured at amortised cost			
Loans (refer note 63)*	3,865.02	3,128.29	
Investments	(2.00)	(4.22)	
Others			
- Undrawn commitments	(4.00)	(5.45)	
- Other assets	1.84	(0.22)	
Total	3,860.86	3,118.40	

* Includes loss on disposal of repossessed vehicles Rs. 492.30 crores for the year ended March 31, 2022 (March 31, 2021: Rs. 557.30 crores).

The table below shows the ECL charges on financial instruments for the year recorded in the statement of profit and loss based on evaluation stage:

Year ended March 31, 2022		(Rs. in crores)			
Particulars	General approach			Simplified approach	Total
	Stage 1 Collective	Stage 2 Collective	Stage 3 Collective		
Loans and advances to customers measured at amortised cost	1,228.00	76.37	2,560.65	-	3,865.02
Debt instruments measured at amortised cost	(2.00)	-	-	-	(2.00)
Others					
- Undrawn commitments	(4.00)	-	-	-	(4.00)
- Others assets	-	-	-	1.84	1.84
Total impairment loss	1,222.00	76.37	2,560.65	1.84	3,860.86

Year ended March 31, 2021		(Rs. in crores)			
Particulars	General approach			Simplified Approach	Total
	Stage 1 Collective	Stage 2 Collective	Stage 3 Collective		
Loans and advances to customers measured at amortised cost	1,290.89	538.51	1,298.89	-	3,128.29
Debt instruments measured at amortised cost	14.22	(18.44)	-	-	(4.22)
Others					
- Undrawn commitments	(5.45)	-	-	-	(5.45)
- Others assets	-	-	-	(0.22)	(0.22)
Total impairment loss	1,299.66	520.07	1,298.89	(0.22)	3,118.40

		(Rs. in crores)	
Particulars		Year ended March 31, 2022	Year ended March 31, 2021
40	EMPLOYEE BENEFITS EXPENSES		
	Salaries, other allowance and bonus	907.11	829.32
	Contribution to provident and other funds	59.60	53.36
	Staff welfare expenses	23.69	16.62
	Gratuity expenses (refer note 46)	6.69	6.95
	Total	997.09	906.25

		(Rs. in crores)	
Particulars		Year ended March 31, 2022	Year ended March 31, 2021
41	DEPRECIATION, AMORTISATION AND IMPAIRMENT		
	Depreciation of property, plant and equipment	44.91	48.26
	Depreciation of investment property	0.03	0.03
	Amortisation of intangible assets	1.57	1.34
	Depreciation on Right-of-use assets (refer note 18)	88.86	87.73
	Total	135.37	137.36

		(Rs. in crores)	
Particulars		Year ended March 31, 2022	Year ended March 31, 2021
42	OTHER EXPENSES		
	Rent (refer note 18)	3.24	9.24
	Rates and taxes	5.22	5.04
	Energy costs	16.45	15.21
	Repairs and maintenance	60.61	58.81
	Communication costs	34.28	39.97
	Printing and stationery	10.30	11.57
	Advertisement and publicity	7.31	2.01
	Director's fees, allowances and expenses	1.25	0.75
	Auditor fees and expenses (refer note 55, 56 and 57)		
	- As Auditor	0.99	0.93
	- For taxation matters	0.09	0.09
	- For other services (certification)	0.09	0.10
	- For reimbursement of expenses	0.02	-
	Legal and professional charges	111.54	111.27
	Other expenditure:		
	Travelling and conveyance	69.38	95.34
	Business promotion	93.16	59.30
	Outsourcing expenses	63.82	76.47
	Royalty	204.19	188.95
	Insurance	2.03	2.07
	Bank charges	38.51	34.40
	Loss on sale of property, plant and equipment (net)	0.79	0.65
	Service charges	50.35	47.95
	CSR expenses (refer note 61)	69.72	64.96
	Miscellaneous expenses	62.27	38.15
	Total	905.61	863.23

43 INCOME TAX

The components of income tax expense for the financial years ended March 31, 2022 and March 31, 2021 are:

	(Rs. in crores)	
Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Current tax	1,112.57	1,197.77
Adjustment in respect of current income tax of prior years	(82.32)	138.34
Deferred tax relating to origination and reversal of temporary differences	(188.93)	(545.36)
Total tax charge	841.32	790.75
Current tax	1,030.25	1,336.11
Deferred tax	(188.93)	(545.36)

Reconciliation of the total tax charge:

The tax charge shown in the statement of profit and loss differs from the tax charge that would apply if all profits had been charged at Indian corporate tax rate.

A reconciliation between the tax expense and the accounting profit multiplied by India's domestic tax rate for the financial years ended March 31, 2022 and March 31, 2021 is, as follows:

	(Rs. in crores)	
Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Accounting profit before tax	3,549.25	3,278.01
At India's statutory income tax rate of 25.168% (2021: 25.168%)	893.28	825.01
Adjustment in respect of current income tax of prior years	(82.32)	138.34
Income subject to tax at special rate	-	-
Non-deductible expenses		
Corporate social responsibility expenditure not allowable for tax purpose	17.55	16.35
Adjustment in respect of prior years*	82.32	(138.34)
Others	(69.51)	(50.61)
Income tax expense reported in the statement of profit and loss	841.32	790.75

The effective income tax rate for is 23.70 % (March 31, 2021: 24.12%).

* Amount for the year ended March 31, 2021 includes adjustment on account of change in tax treatment of an item of deduction claimed in earlier assessment years under Income tax act, 1961 due to changes in facts and circumstances which had resulted in the reassessment of tax estimate as per Ind AS 12.

Deferred tax

The following table shows deferred tax recorded in the balance sheet and changes recorded in the income tax expense:

	(Rs. in crores)			
Particulars	Deferred tax assets	Deferred tax liabilities	Statement of profit and loss	OCI
	As at March 31, 2022	As at March 31, 2022	Year ended March 31, 2022	Year ended March 31, 2022
Property, plant and equipment, intangible assets and investment property - carrying amount other than on account of fair valuation	25.23	-	(2.56)	-
Provision for post retirement benefits	10.20	-	0.46	(0.81)
Expenses allowable for tax purposes when paid	36.15	-	1.47	-
EIR impact on debt instrument in the nature of borrowings measured at amortised cost	-	4.34	(3.27)	-

43 INCOME TAX (Contd.)

(Rs. in crores)

Particulars	Deferred tax assets	Deferred tax liabilities	Statement of profit and loss	OCI
	As at March 31, 2022	As at March 31, 2022	Year ended March 31, 2022	Year ended March 31, 2022
Cash flow hedge reserve	71.77	-	-	(40.49)
Impairment allowance on loans and advances	762.27	-	(229.96)	-
Impairment allowance for undrawn commitments	10.75	-	1.51	-
Fair valuation on derecognition of financial instrument	-	47.61	35.82	-
Right-of-use assets	14.04	-	(1.35)	-
Other temporary differences	-	9.08	8.94	-
Total	930.41	61.03	(188.94)	(41.30)

The following table shows deferred tax recorded in the balance sheet and changes recorded in the income tax expense:

(Rs. in crores)

Particulars	Deferred tax assets	Deferred tax liabilities	Statement of profit and loss	OCI
	As at March 31, 2021	As at March 31, 2021	Year ended March 31, 2021	Year ended March 31, 2021
Property, plant and equipment, intangible assets and investment property - carrying amount other than on account of fair valuation	22.67	-	(3.22)	-
Provision for post retirement benefits	9.84	-	(0.42)	-
Expenses allowable for tax purposes when paid	37.60	-	(0.34)	-
EIR impact on debt instrument in the nature of borrowings measured at amortised cost	-	7.61	(6.60)	-
Cash flow hedge reserve	31.29	-	-	(31.29)
Impairment allowance on loans and advances	532.32	-	(344.27)	-
Impairment allowance for undrawn commitments	12.26	-	(2.21)	-
Fair valuation of derivative financial instrument	-	11.80	11.80	-
Right-of-use assets	12.69	-	(3.88)	-
Other temporary differences	-	0.12	(196.22)	-
Total	658.67	19.53	(545.36)	(31.29)

Amounts recognised in respect of current tax / deferred tax directly in equity:

(Rs. in crores)

Particulars	As at March 31, 2022	As at March 31, 2021
Amounts recognised in respect of current tax/deferred tax directly in equity	-	-

Tax losses

(Rs. in crores)

Particulars	As at March 31, 2022	As at March 31, 2021
Unused tax losses for which no deferred tax asset has been recognised	-	-

44 EARNINGS PER SHARE

Basic earnings per share (EPS) is calculated by dividing the net profit for the year attributable to equity holders of Company by the weighted average number of equity shares outstanding during the year.

Diluted EPS is calculated by dividing the net profit attributable to equity holders of Company (after adjusting for interest on the convertible preference shares and interest on the convertible bond, in each case, net of tax) by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on the conversion of all the dilutive potential ordinary shares into ordinary shares.

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Net Profit after tax as per Statement of Profit and Loss (Rs. in crores) (A)	2,707.93	2,487.26
Weighted average number of equity shares for calculating basic EPS (in crores) (B)	26.62	24.63
Weighted average number of equity shares for calculating diluted EPS (in crores) (C)	26.62	24.63
Basic earnings per equity share (in Rupees) (face value of Rs. 10/- per share) (A) / (B)	101.74	100.97
Diluted earnings per equity share (in Rupees) (face value of Rs. 10/- per share) (A) / (C)	101.74	100.97

45 INVESTMENT IN ASSOCIATES AND STRUCTURED ENTITIES

Associate of the Company is:

Name of the associate	Country of incorporation	Principal place of business	Principal activities	% equity interest March 31, 2022	% equity interest March 31, 2021
Shriram Automall India Limited (SAMIL)	India	New Delhi	Market leader in physical bidding for acquisition and disposal of pre-owned vehicles and equipment.	44.56%	44.56%

The Company has recognised its investment in associate under equity method and not adjusted to fair value at the end of each reporting period.

The Company's share in the associate is as follows:

(Rs. in crores)		
Particulars	Year ended March 31, 2022	Year ended March 31, 2021*
(a) share in profit or loss from continuing operations.	13.17	11.57
(b) share in post-tax profit or loss from discontinued operations.	-	-
(c) share in other comprehensive income.	(0.02)	0.20
(d) share in total comprehensive income.	13.15	11.77

*The financial statements of the associate for the financial year ended March 31, 2021 are as per unaudited financial statements provided by the management.

46 RETIREMENT BENEFIT PLAN

a) Defined contribution plan

A defined contribution plan is a pension plan under which the Company pays fixed contributions; there is no legal or constructive obligation to pay further contributions. The assets of the plan are held separately from those of the Company in a fund under the control of trustees.

The Company makes Provident fund and Employee State Insurance Scheme contributions which are defined contribution plans for qualifying employees. Under the schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The Company recognised Rs. 50.66 crores (March 31, 2021: Rs. 42.95 crores) for Provident fund contributions and Rs. 8.80 crores (March 31, 2021: Rs. 10.30 crores) for Employee State Insurance Scheme contributions in the Statement of Profit and Loss. The contributions payable to these plans by the Company are at rates specified in the rules of the schemes.

46 RETIREMENT BENEFIT PLAN (Contd.)

b) Defined benefit plan

Gratuity

The Company has a defined benefit gratuity plan (funded). The gratuity plan is governed by the Payment of Gratuity Act, 1972. Under the act, employee who has completed five years of service is entitled to specific benefit. The level of benefits provided depends on the member's length of service and last drawn salary. The fund is managed by third party fund managers.

Each year, the Board of Trustees reviews the level of funding in the gratuity plan. Such a review includes the asset-liability matching strategy and investment risk management policy. This includes employing the use of annuities and longevity swaps to manage the risks. The Board of Trustees decides contribution to be made by the Company based on the results of this annual review. The trust is in process of investing entire funds in government securities through third party fund managers and as on March 31, 2022, 94 % funds are invested in government securities and balance 6 % funds are invested in money market and corporate debt instruments. The Board of Trustees aim to keep annual contributions of the Company relatively stable at a level such that no plan deficits (based on valuation performed) will arise.

The following tables summarises the components of net benefit expense recognised in the statement of profit and loss and the funded status and amounts recognised in the balance sheet for the gratuity plan.

Amount recognised in the statement of profit and loss in respect of the defined benefit plan are as follows:

Particulars	(Rs. in crores)	
	Year ended March 31, 2022	Year ended March 31, 2021
Amounts recognised in statement of profit and loss in respect of defined benefit plans are as follows :		
Current service cost	6.56	6.73
Interest expense	4.61	4.15
Interest Income	(4.48)	(3.93)
Past Service Cost	-	-
Components of defined benefit costs recognised in statement of profit and loss (A)	6.69	6.95
Remeasurement of gains/(losses) in other comprehensive income:		
Return on plan assets (excluding amounts included in net interest expense)	(0.01)	(0.66)
Actuarial changes arising from changes in demographic assumptions	0.55	(1.40)
Actuarial changes arising from changes in financial assumptions	(3.57)	1.34
Experience adjustments	6.27	0.72
Components of defined benefit costs recognised in other comprehensive income (B)	3.24	-
Total (A+B)	9.93	6.95

Movement in the present value of the defined benefit obligation are as follows :

Particulars	(Rs. in crores)	
	As at March 31, 2022	As at March 31, 2021
Change in the obligation during the year ended		
Present value of defined obligation at the beginning of the year	72.88	63.25
Expenses recognised in statement of profit and loss :		
Current service cost	6.56	6.73
Interest expense/(income)	4.61	4.15
Recognised in other comprehensive income remeasurement gains/(losses)	3.25	0.66
Past service cost	-	-
Liability transferred in/acquisitions	-	0.01
Benefits paid from the fund	(5.10)	(1.92)
Present value of defined obligation at the end of the year	82.20	72.88

46 RETIREMENT BENEFIT PLAN (Contd.)

Change in the Fair value of plan assets :

(Rs. in crores)

Particulars	As at March 31, 2022	As at March 31, 2021
Fair value of plan assets at the beginning of the year	70.80	59.88
Interest income	4.48	3.93
Contributions by the employer	9.77	8.25
Benefits paid from the fund	(5.10)	(1.92)
Return on plan assets excluding interest income	0.01	0.66
Fair value of plan assets at the end of the year	79.96	70.80

Calculation of benefit liability/(asset) :

(Rs. in crores)

Particulars	As at March 31, 2022	As at March 31, 2021
Defined benefit obligation/liability	82.20	72.88
Fair value of plan assets	79.96	70.80
Benefit liability	2.24	2.08

The principal assumptions used in determining gratuity obligations for the Company's plans are shown below:

Particulars	As at March 31, 2022	As at March 31, 2021
Expected return on plan assets	6.90%	6.33%
Rate of discounting	6.90%	6.33%
Expected rate of salary increase	5.00%	5.00%
Rate of employee turnover	For service 4 years and below 25.00% p.a. and for service 5 years and above 7.25% p.a.	For service 4 years and below 25.00% p.a. and for service 5 years and above 6.50% p.a.
Mortality rate during employment	Indian Assured Lives mortality (2012-14)	Indian Assured Lives mortality (2006-08)
Mortality rate after employment	N.A.	N.A.

Investments quoted in active markets:

(Rs. in crores)

Particulars	As at March 31, 2022	As at March 31, 2021
Government securities	75.16	60.76
Debt and other instruments	4.80	10.04
Total	79.96	70.80

46 RETIREMENT BENEFIT PLAN (Contd.)

(Rs. in crores)

Assumptions	Sensitivity level	Impact on defined benefit obligation March 31, 2022	Impact on defined benefit obligation March 31, 2021
Discount rate	1% increase	(5.63)	(5.50)
	1% decrease	6.46	6.37
Future salary increases	1% increase	6.44	6.32
	1% decrease	(5.70)	(5.55)
Attrition rate	1% increase	0.84	0.56
	1% decrease	(0.95)	(0.64)

(Rs. in crores)

Expected payment for future years	As at March 31, 2022	As at March 31, 2021
Within the next 12 months (next annual reporting period)	8.31	7.30
Between 2 and 5 years	29.15	22.48
Between 5 and 10 years	34.24	28.17
Beyond 10 years	83.99	80.13
Total expected payments	155.69	138.08

The Company expects to contribute Rs. 9.58 crores to the fund in the next financial year.

The weighted average duration of the defined benefit obligation as at March 31, 2022 is 9 years (March 31, 2021: 10 years).

Asset liability matching strategies

The plan faces the ALM risk as to the matching cash flow. Since the plan is invested in lines of Rule 101 of Income Tax Rules, 1962, this generally reduces ALM risk.

c) Compensated Absences

The principal assumptions used in determining obligations for the Company are shown below:

Particulars	As at March 31, 2022	As at March 31, 2021
Rate of discounting	6.90%	6.33%
Expected rate of salary increase	5.00%	5.00%
Rate of employee turnover		
Service 4 years and below	25.00%	25.00%
Service 5 years and above	7.25%	6.50%
Mortality	Indian Assured Lives mortality (2012-14)	Indian Assured Lives mortality (2006-08)

(Rs. in crores)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Expenses recognised in statement of profit and loss	17.32	15.33

46 RETIREMENT BENEFIT PLAN (Contd.)

The Company has not funded its compensated absences liability and the same continues to remain as unfunded as at March 31, 2022.

The estimate of future salary increase takes into account inflation, seniority, promotion and other relevant factors.

Discount rate is based on the prevailing market yields of Indian Government Bonds as at the Balance Sheet date for the estimated term of the obligation.

47 MATURITY ANALYSIS OF ASSETS AND LIABILITIES

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

Particulars	As at March 31, 2022			As at March 31, 2021		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
Assets						
Financial assets						
Cash and cash equivalents	10,662.44	-	10,662.44	11,050.93	-	11,050.93
Bank balance other than above	5,133.24	559.48	5,692.72	4,886.78	504.11	5,390.89
Derivative financial instruments	-	201.40	201.40	100.51	68.74	169.25
Receivables						
(I) Trade receivables	5.35	-	5.35	8.92	-	8.92
(II) Other receivables	103.24	89.43	192.67	49.90	-	49.90
Loans	41,448.37	75,216.78	116,665.15	37,930.19	70,372.85	108,303.04
Investments	2,943.69	3,865.47	6,809.16	523.21	2,674.64	3,197.85
Other financial assets	-	51.45	51.45	2.07	46.96	49.03
Non-financial Assets						
Current tax asset	-	228.24	228.24	-	171.73	171.73
Deferred tax assets (net)	-	869.38	869.38	-	639.14	639.14
Investment property	-	1.97	1.97	-	2.00	2.00
Property, plant and equipment	-	110.56	110.56	-	124.44	124.44
Right-of-use assets	-	302.52	302.52	-	308.51	308.51
Other intangible assets	-	3.04	3.04	-	2.39	2.39
Other non-financial assets	41.50	268.54	310.04	124.16	169.16	293.32
Total assets	60,337.83	81,768.26	142,106.09	54,676.67	75,084.67	129,761.34
Liabilities						
Financial Liabilities						
Payables						
(I) Trade payables						
(i) total outstanding dues of micro enterprises and small enterprises	0.02	-	0.02	-	-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	165.70	0.31	166.01	152.52	-	152.52
(II) Other payables						
(i) total outstanding dues of micro enterprises and small enterprises	1.46	-	1.46	0.37	-	0.37
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	1.21	-	1.21	0.54	-	0.54
Debt securities	11,901.72	29,354.83	41,256.55	12,471.61	27,590.26	40,061.87
Borrowings (other than debt securities)	19,869.86	26,807.07	46,676.93	20,285.69	24,995.68	45,281.37
Deposits	6,755.55	15,193.43	21,948.98	5,494.92	10,737.49	16,232.41
Subordinated liabilities	308.71	4,305.54	4,614.25	69.31	4,551.45	4,620.76
Lease liabilities	74.93	274.50	349.43	74.29	275.20	349.49
Other financial liabilities	755.06	104.58	859.64	1,014.97	134.85	1,149.82

47 MATURITY ANALYSIS OF ASSETS AND LIABILITIES (Contd.)

Particulars	As at March 31, 2022			As at March 31, 2021		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
	(Rs. in crores)			(Rs. in crores)		
Non-financial Liabilities						
Current tax liabilities (net)	36.82	-	36.82	102.02	-	102.02
Provisions	99.87	38.31	138.18	105.52	37.02	142.54
Other non-financial liabilities	124.42	-	124.42	99.26	-	99.26
Total Liabilities	40,095.33	76,078.57	116,173.90	39,871.02	68,321.95	108,192.97
Net	20,242.50	5,689.69	25,932.19	14,805.65	6,762.72	21,568.37

48 CHANGE IN LIABILITIES ARISING FROM FINANCING ACTIVITIES

Particulars	As at March 31, 2021	Cash flows	Changes in fair value	Exchange difference	Other	As at March 31, 2022
	(Rs. in crores)					
Debt securities	40,061.87	655.45	-	-	539.23	41,256.55
Borrowings (other than debt securities)	45,281.37	1,282.92	-	-	112.64	46,676.93
Deposits	16,232.41	5,753.63	-	-	(37.06)	21,948.98
Subordinated liabilities	4,620.76	(51.96)	-	-	45.45	4,614.25
Lease liabilities	349.49	(109.13)	-	-	109.07	349.43
Total liabilities from financing activities	106,545.90	7,530.91	-	-	769.33	114,846.14

Particulars	As at March 31, 2020	Cash flows	Changes in fair value	Exchange difference	Other	As at March 31, 2021
	(Rs. in crores)					
Debt securities	34,266.96	4,838.70	-	-	956.21	40,061.87
Borrowings (other than debt securities)	42,474.60	2,447.10	-	-	359.67	45,281.37
Deposits	11,960.12	4,206.86	-	-	65.43	16,232.41
Subordinated liabilities	5,670.07	(1,069.27)	-	-	19.96	4,620.76
Lease liabilities	362.81	(96.16)	-	-	82.84	349.49
Total liabilities from financing activities	94,734.56	10,327.23	-	-	1,484.11	106,545.90

49 CONTINGENT LIABILITIES AND COMMITMENTS

(A) Contingent liabilities

Particulars	As at March 31, 2022	As at March 31, 2021
	(Rs. in crores)	
a. In respect of Income tax demands where the Company has filed appeal before various authorities	175.17	133.64
b. VAT demand where the Company has filed appeal before various appellates	117.21	117.21
c. Service tax demands where the Company has filed appeal before various authorities	1,976.41	1,976.41
d. Penalty levied for Contravention of provisions of Section 6(3) (b) of FEMA, 1999 read with Regulation 4 of Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000	5.00	5.00
Total	2,273.79	2,232.26

49 CONTINGENT LIABILITIES AND COMMITMENTS (Contd.)

Future cash outflows in respect of above are determinable only on receipt of judgements/decisions pending with various forums/authorities. It is not practicable for the Company to estimate the timings of the cashflows, if any, in respect of the above pending resolution of the respective proceedings. The Company does not expect any reimbursement in respect of the above contingent liabilities. The Company is of the opinion that above demands are not sustainable and expects to succeed in its appeals. The management believes that the ultimate outcome of these proceedings will not have a material adverse effect on the Company's financial position and results of operations.

(B) Commitments not provided for

Particulars	(Rs. in crores)	
	As at March 31, 2022	As at March 31, 2021
a. Estimated amount of contracts remaining to be executed on capital account, net of advances	11.45	3.53
b. Commitments related to loans sanctioned but undrawn	92.43	148.66

50 RELATED PARTY DISCLOSURES

Relationship	Name of the party
I Promoter	: Shriram Capital Limited
II Promoter Group	: Shriram Financial Ventures (Chennai) Private Limited Shriram Value Services Limited Novac Technology Solutions (P) Limited Shriram Fortune Solutions Limited Shriram General Insurance Company Limited Shriram Insight Share Brokers Limited Shriram Life Insurance Company Limited Shriram Asset Management Company Limited Shriram Financial Products Solutions (Chennai) Private Limited Insight Commodities and Futures Private Limited Shriram Credit Company Limited Shriram Overseas Investments Private Limited Shriram Wealth Limited (formerly known as Shriram Wealth Advisors Limited) Bharath Investments Pte. Ltd., Singapore SGI Philippines General Insurance Co. Inc. Novac Digital Service Private Limited Shriram LI Holdings Private Limited (formerly Snotter Technology Services Private Limited) SEA Funds Management India Private Limited Way2wealth Insurance Brokers Private Limited Way2wealth Securities Private Limited Way2wealth Brokers Private Limited Way2wealth Commodities Private Limited Shriram GI Holdings Private Limited (formerly Oner Infotech Services Private Limited) Shriram Investment Holdings Limited (w.e.f. October 11, 2021)

50 RELATED PARTY DISCLOSURES (Contd.)

III Associates	: Shriram Automall India Limited (SAMIL) Cartradeexchange Solutions Private Limited Adroit Inspection Service Private Limited Augeo Asset Management Private Limited
IV Key Management Personnel (KMP)	: Mr. Umesh Revankar, Vice Chairman & Managing Director(MD) Mr. S. Lakshminarayanan, Chairman Mr. Y. S. Chakravarti (w.e.f. December 13, 2021) Mr. Parag Sharma (w.e.f. December 13, 2021) Mrs. Kishori Udeshi Mr. S. Sridhar Mr. Pradeep Kumar Panja Mr. D. V. Ravi Mr. Ignatius Michael Viljoen Mr. S. Sunder (w.e.f. November 01, 2021) Mr. P. Sridharan (w.e.f. November 01, 2021) Mr. Sudarshan Holla (w.e.f. November 01, 2021) Mr. Nilesh Odedara (w.e.f. November 01, 2021) Mr. U. Balasundara Rao (w.e.f. November 01, 2021) Mr. Hardeep Singh Tur (w.e.f. November 01, 2021)
V Relatives of Key Management Personnel*	: Mrs. Suchita U. Revankar (spouse of Vice Chairman & MD) Mrs. Geeta G. Revankar (mother of Vice Chairman & MD) Mr. Anil G. Revankar (brother of Vice Chairman & MD) Mr. Shreyas U. Revankar (son of Vice Chairman & MD) Mr. Shirish U. Revankar (son of Vice Chairman & MD) Mr. Jayendra Purshottamdas Udeshi (spouse of Director Mrs. Kishori Udeshi) Mrs. P Suchitra (sister of Director Mr. Pradeep Kumar Panja) Mrs. P Surekha (sister of Director Mr. Pradeep Kumar Panja) Mrs. Rama Sharma (mother of Director Mr. Parag Sharma) Ms. Atibhi Sharma (daughter of Director Mr. Parag Sharma) Mr. Amit Sharma (brother of Director Mr. Parag Sharma) Mrs. Sujatha Sunder (spouse of Joint Managing Director Mr. S Sunder) Mrs. S. Arulmozhi (spouse of Joint Managing Director Mr. P Sridharan)
VI Employees' Benefit Plan	: Shriram Transport Finance Co. Ltd. Employees Group Gratuity Assurance Scheme

*Names of relatives of Key Management Personnel with whom the Company has transactions

50 RELATED PARTY DISCLOSURES (Contd.)

Summary of related party transactions

Particulars	Promoter		Promoter group		Associates		Employees' benefit plan		Key management personnel		Relative of key management personnel		Total	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
Payments/Expenses														
Payment to key management personnel	-	-	-	-	-	-	-	-	4.80	1.68	-	-	4.80	1.68
Royalty	-	-	-	-	-	-	-	-	-	-	-	-	187.67	173.35
Service charges	46.19	43.99	187.67	173.35	-	-	-	-	-	-	-	-	46.19	43.99
I.T & BPO charges	-	-	55.86	68.03	-	-	-	-	-	-	-	-	55.86	68.03
Rent	-	0.26	0.02	0.02	11.36	7.94	-	-	-	-	-	-	11.38	8.22
Business mobilisation expenses	-	-	-	-	0.07	0.02	-	-	-	-	-	-	0.07	0.02
Other administrative expenses	-	0.03	-	-	11.09	10.28	-	-	-	-	-	-	11.09	10.31
Insurance premium	-	-	9.62	9.46	-	-	-	-	-	-	-	-	9.62	9.46
Commission	-	-	100.94	67.55	1.10	-	-	-	-	-	-	-	102.04	67.55
Sales promotion	-	-	31.84	21.20	-	-	-	-	-	-	-	-	31.84	21.20
Unsecured loan and advances repaid	-	-	-	-	21.01	-	-	-	-	-	-	-	21.01	-
Valuation charges	-	-	-	-	0.72	0.44	-	-	-	-	-	-	0.72	0.44
Interest	0.91	0.01	60.60	47.17	3.52	5.46	-	-	0.83	0.20	0.09	0.01	65.95	52.85
Equity dividend	219.84	37.17	0.11	0.03	-	-	-	-	0.10	-	0.00	0.00	220.05	37.20
Non-convertible debenture (secured) matured	10.00	-	38.36	0.19	5.00	-	-	-	2.21	-	0.10	-	55.67	0.19
Fixed deposit matured	-	-	1.50	-	-	-	-	-	0.50	0.75	0.26	0.03	2.26	0.78
Subordinated debt matured	-	0.37	-	31.50	-	1.39	-	-	-	-	-	-	-	33.26
Employer contribution to employees group gratuity assurance scheme	-	-	-	-	-	-	9.77	8.25	-	-	-	-	9.77	8.25
Inter-corporate deposit repaid	-	-	-	-	84.60	90.85	-	-	-	-	-	-	84.60	90.85
Receipts/Income														
Recovery of common sharing expenses	0.02	0.01	0.95	1.12	0.59	0.47	-	-	-	-	-	-	1.56	1.60
Reimbursement of expenses	0.01	-	-	-	-	-	-	-	-	-	-	-	0.01	-
Sale of Property, Plant & Equipment	-	-	0.00	-	-	-	-	-	-	-	-	-	0.00	-
Rent & electricity	0.17	0.16	-	-	4.18	4.67	-	-	-	-	-	-	4.35	4.83
Commission	-	-	49.60	71.46	-	-	-	-	-	-	-	-	49.60	71.46
Non-convertible debenture (secured)	-	-	-	35.00	-	-	-	-	-	-	-	-	-	35.00
Fixed deposit	-	-	15.63	12.30	65.50	20.00	-	-	0.26	1.08	0.97	0.08	82.36	33.46
Unsecured loan and advances repaid	-	-	-	-	-	15.06	-	-	-	-	-	-	-	15.06
Received towards right issue	-	425.22	-	0.39	-	-	-	-	-	-	-	0.00	-	425.61
Received towards preferential issue	250.00	-	-	-	-	-	-	-	-	-	-	-	250.00	-
Received towards convertible warrants	250.00	-	-	-	-	-	-	-	-	-	-	-	250.00	-
Inter-corporate deposits received	-	-	-	-	62.75	102.30	-	-	-	-	-	-	62.75	102.30
Balance outstanding at the year end														
Share capital	70.44	66.96	1.06	0.06	-	-	-	-	0.05	-	0.00	0.00	71.55	67.02
Investment in equity shares	-	-	-	-	13.37	13.37	-	-	-	-	-	-	13.37	13.37

50 RELATED PARTY DISCLOSURES (Contd.)

Particulars	Promoter		Promoter group		Associates		Employees' benefit plan		Key management personnel		Relative of key management personnel		Total	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
Unsecured loan and advances payable	-	-	-	-	0.91	1.23	-	-	-	-	-	-	0.91	1.23
Commission receivable	-	-	4.67	8.16	-	-	-	-	-	-	-	-	4.67	8.16
Prepaid for insurance premium	-	-	-	2.73	-	-	-	-	-	-	-	-	-	2.73
Outstanding expenses	11.41	11.16	88.84	72.96	-	0.03	-	-	-	-	-	-	100.25	84.15
Fixed deposit*	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Public deposit	-	-	-	-	-	-	-	-	1.47	1.70	1.55	0.19	3.02	1.89
Deposit from corporates	-	-	29.57	14.34	89.37	20.00	-	-	-	-	-	-	118.94	34.34
Subordinated debt*	-	-	516.07	495.36	-	-	-	-	-	-	-	-	516.07	495.36
Non-convertible debenture (secured)*	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Public issue	-	-	29.28	43.18	17.86	23.17	-	-	0.13	2.86	0.09	-	47.36	69.21
Privately placed	-	-	10.01	10.01	-	-	-	-	-	-	-	-	10.01	10.01
Inter-corporate deposits*	-	-	-	-	27.45	49.59	-	-	-	-	-	-	27.45	49.59

Income /expenses are presented excluding GST

Amounts less than Rs. 1.00 lac are presented as Rs. 0.00 crores in the above statement.

There were no guarantees given on behalf of related parties during the year.

The Company has not granted loans or advances to promoters, directors, KMPs and the related parties (as defined under the Companies Act, 2013), either severally or jointly with any other person, that is repayable on demand or without specifying any terms or period of repayment for the financial years ended March 31, 2022 and March 31, 2021.

* Refer note 22 Debt securities, note 24 Deposits and note 25 Subordinated liabilities, for terms and conditions of non-convertible debentures, fixed deposit, inter-corporate deposits and subordinated debt respectively.

Breakup of related party transactions

Particulars	Promoter		Promoter group		Associates		Employees' benefit plan		Key management personnel		Relative of key management personnel		Total	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
Payments/Expenses	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Employee benefits for key management personnel	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- Short term benefits	-	-	-	-	-	-	-	-	3.22	0.83	-	-	3.22	0.83
- Post employment benefits	-	-	-	-	-	-	-	-	0.43	0.16	-	-	0.43	0.16
Commission & sitting fee paid to directors	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- Mr. S. Lakshminarayanan	-	-	-	-	-	-	-	-	0.31	0.16	-	-	0.31	0.16
- Mrs. Kishori Udeshi	-	-	-	-	-	-	-	-	0.26	0.18	-	-	0.26	0.18
- Mr. S. Sridhar	-	-	-	-	-	-	-	-	0.30	0.17	-	-	0.30	0.17
- Mr. Pradeep Kumar Panja	-	-	-	-	-	-	-	-	0.28	0.18	-	-	0.28	0.18
License Fees	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- Shriram Value Services Limited	-	-	187.67	173.35	-	-	-	-	-	-	-	-	187.67	173.35
Service Charges	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- Shriram Capital Limited	46.19	43.99	-	-	-	-	-	-	-	-	-	-	46.19	43.99
Voice call services	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- Novac Technology Solutions (P) Limited	-	-	8.91	24.37	-	-	-	-	-	-	-	-	8.91	24.37
IT & BPO charges	-	-	-	-	-	-	-	-	-	-	-	-	-	-

50 RELATED PARTY DISCLOSURES (Contd.)

Particulars	Promoter		Promoter group		Associates		Employees' benefit plan		Key management personnel		Relative of key management personnel		Total	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
	(Rs. in Crores)													
- Novac Technology Solutions (P) Limited	-	-	46.96	43.66	-	-	-	-	-	-	-	-	46.96	43.66
Rent														
- Shriram Automall India Limited	-	-	-	-	11.36	7.94	-	-	-	-	-	-	11.36	7.94
- Shriram Capital Limited	-	0.26	-	-	-	-	-	-	-	-	-	-	-	0.26
- Shriram Asset Management Company Limited	-	-	0.02	0.02	-	-	-	-	-	-	-	-	0.02	0.02
Business mobilisation expenses														
- Shriram Automall India Limited	-	-	-	-	0.07	0.02	-	-	-	-	-	-	0.07	0.02
Other administrative expenses														
- Shriram Capital Limited	-	0.03	-	-	-	-	-	-	-	-	-	-	-	0.03
- Shriram Automall India Limited	-	-	-	-	11.09	10.28	-	-	-	-	-	-	11.09	10.28
Insurance premium														
- Shriram Life Insurance Company Limited	-	-	5.99	5.40	-	-	-	-	-	-	-	-	5.99	5.40
- Shriram General Insurance Company Limited	-	-	3.63	4.06	-	-	-	-	-	-	-	-	3.63	4.06
Commission														
- Shriram Fortune Solutions Limited	-	-	82.04	51.21	-	-	-	-	-	-	-	-	82.04	51.21
- Adroit Inspection Service Private Limited	-	-	-	-	1.10	-	-	-	-	-	-	-	1.10	-
- Shriram Financial Products Solutions (Chennai) Private Limited	-	-	7.92	9.10	-	-	-	-	-	-	-	-	7.92	9.10
- Shriram Insight Share Brokers Limited	-	-	8.23	6.56	-	-	-	-	-	-	-	-	8.23	6.56
- Shriram Wealth Limited	-	-	2.56	0.68	-	-	-	-	-	-	-	-	2.56	0.68
- Way2wealth Securities Private Limited	-	-	0.19	-	-	-	-	-	-	-	-	-	0.19	-
Sales promotion														
- Shriram Fortune Solutions Limited	-	-	23.99	15.91	-	-	-	-	-	-	-	-	23.99	15.91
- Shriram Financial Products Solutions (Chennai) Private Limited	-	-	5.16	3.48	-	-	-	-	-	-	-	-	5.16	3.48
- Shriram Insight Share Brokers Limited	-	-	2.04	1.68	-	-	-	-	-	-	-	-	2.04	1.68
- Shriram Wealth Limited	-	-	0.59	0.13	-	-	-	-	-	-	-	-	0.59	0.13
- Way2wealth Securities Private Limited	-	-	0.05	-	-	-	-	-	-	-	-	-	0.05	-
Unsecured loan and advances repaid														
- Shriram Automall India Limited	-	-	-	-	21.01	-	-	-	-	-	-	-	21.01	-

50 RELATED PARTY DISCLOSURES (Contd.)

Particulars	Promoter		Promoter group		Associates		Employees' benefit plan		Key management personnel		Relative of key management personnel		Total	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
	(Rs. in crores)													
Interest on Inter-corporate deposits														
- Shriram Automall India Limited	-	-	-	-	1.28	3.63	-	-	-	-	-	-	1.28	3.63
Valuation charges paid														
- Adroit Inspection Service Private Limited	-	-	-	-	0.72	0.44	-	-	-	-	-	-	0.72	0.44
Interest on fixed deposit														
- Key management personnel														
- Mrs. Kishori Udeshi	-	-	-	-	-	-	-	-	0.15	0.20	-	-	0.15	0.20
- Relative of key management personnel	-	-	-	-	-	-	-	-	-	-	0.06	0.01	0.06	0.01
- Shriram Asset management Company Limited	-	-	0.26	-	-	-	-	-	-	-	-	-	0.26	-
Interest on subordinated debt														
- Shriram Automall India Limited	-	-	-	-	-	0.17	-	-	-	-	-	-	-	0.17
- Shriram Capital Limited	-	0.01	-	-	-	-	-	-	-	-	-	-	-	0.01
- Shriram Life Insurance Company Limited	-	-	12.38	10.36	-	-	-	-	-	-	-	-	12.38	10.36
- Shriram General Insurance Company Limited	-	-	34.41	32.27	-	-	-	-	-	-	-	-	34.41	32.27
Interest on non-convertible debenture (secured)														
- Shriram Life Insurance Company Limited	-	-	3.22	3.22	-	-	-	-	-	-	-	-	3.22	3.22
- Shriram Asset Management Company Limited	-	-	1.42	1.27	-	-	-	-	-	-	-	-	1.42	1.27
- Shriram Insight Share Brokers Limited	-	-	0.05	0.05	-	-	-	-	-	-	-	-	0.05	0.05
- Shriram Automall India Limited	-	-	-	-	2.24	1.66	-	-	-	-	-	-	2.24	1.66
- Shriram Capital Limited	0.91	-	-	-	-	-	-	-	-	-	-	-	0.91	-
- Shriram Value Services Limited	-	-	8.86	-	-	-	-	-	-	-	-	-	8.86	-
- Key management personnel														
- Mr. Umesh Revankar	-	-	-	-	-	-	-	-	0.62	-	-	-	0.62	-
- Mr. Pradeep Kumar Panja	-	-	-	-	-	-	-	-	0.03	-	-	-	0.03	-
- Mr. S. Sridhar	-	-	-	-	-	-	-	-	0.03	-	-	-	0.03	-
- Relative of key management personnel	-	-	-	-	-	-	-	-	-	-	0.03	-	0.03	-
Equity dividend														
- Relative of key management personnel	-	-	-	-	-	-	-	-	-	-	0.00	0.00	0.00	0.00
- Key management personnel														
- Mr. Parag Sharma	-	-	-	-	-	-	-	-	0.09	-	-	-	0.09	-
- Mr. S. Sunder	-	-	-	-	-	-	-	-	0.00	-	-	-	0.00	-
- Mr. P. Sridharan	-	-	-	-	-	-	-	-	0.00	-	-	-	0.00	-
- Mr. Sudarshan Holla	-	-	-	-	-	-	-	-	0.00	-	-	-	0.00	-
- Mr. U. Balasundara Rao	-	-	-	-	-	-	-	-	0.00	-	-	-	0.00	-
- Shriram Capital Limited	219.84	37.17	-	-	-	-	-	-	-	-	-	-	219.84	37.17

50 RELATED PARTY DISCLOSURES (Contd.)

Particulars	(Rs. in crores)											
	Promoter			Promoter group			Associates		Employees' benefit plan		Key management personnel	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021	March 31, 2021	March 31, 2022	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
- Shriram Financial Ventures (Chennai) Private Limited	-	-	0.11	0.03	-	-	-	-	-	-	-	0.03
Non-convertible debenture (secured) matured												
- Shriram Insight Share Brokers Limited	-	-	0.52	0.19	-	-	-	-	-	-	-	0.19
- Shriram Capital Limited	10.00	-	-	-	-	-	-	-	-	-	-	-
- Shriram Asset management Company Limited	-	-	12.84	-	-	-	-	-	-	-	-	-
- Shriram Automall India Limited	-	-	-	-	5.00	-	-	-	-	-	-	-
- Shriram Value Services Limited	-	-	25.00	-	-	-	-	-	-	-	-	-
- Key management personnel												
- Mr. Umesh Revankar	-	-	-	-	-	-	-	-	-	-	-	-
- Mr. Pradeep Kumar Panja	-	-	-	-	-	-	-	-	-	-	-	-
- Mr. S. Sridhar	-	-	-	-	-	-	-	-	-	-	-	-
- Relative of key management personnel	-	-	-	-	-	-	-	-	-	-	-	-
Fixed deposit matured												
- Key management personnel												
- Mrs. Kishori Udeshi	-	-	-	-	-	-	-	-	-	-	-	-
- Relative of key management personnel	-	-	-	-	-	-	-	-	-	-	-	-
- Shriram Asset management Company Limited	-	-	1.50	-	-	-	-	-	-	-	-	-
Subordinated debt matured												
- Shriram Capital Limited	-	0.37	-	-	-	-	-	-	-	-	-	-
- Shriram Automall India Limited	-	-	-	-	1.39	-	-	-	-	-	-	-
- Shriram General Insurance Company Limited	-	-	-	25.00	-	-	-	-	-	-	-	-
- Shriram Life Insurance Company Limited	-	-	-	6.50	-	-	-	-	-	-	-	-
Employer contribution to employees group gratuity assurance scheme	-	-	-	-	-	-	-	-	9.77	8.25	-	-
Inter-corporate deposits repaid												
- Shriram Automall India Limited	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL	276.94	81.83	486.52	418.50	116.38	138.46	84.60	90.85	9.77	8.25	84.60	90.85
Receipts/Income												
Recovery of common sharing expenses												
- Shriram Automall India Limited	-	-	-	-	0.47	-	-	-	-	-	-	-
- Shriram Capital Limited	0.02	0.01	-	-	-	-	-	-	-	-	-	-
- Shriram Asset Management Company Limited	-	-	-	0.06	-	-	-	-	-	-	-	-
Total												

50 RELATED PARTY DISCLOSURES (Contd.)

Particulars	Promoter		Promoter group		Associates		Employees' benefit plan		Key management personnel		Relative of key management personnel		Total	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
- Shriram Insight Share Brokers Limited	-	-	0.03	0.02	-	-	-	-	-	-	-	-	0.03	0.02
- Shriram Fortune Solutions Limited	-	-	0.92	1.04	-	-	-	-	-	-	-	-	0.92	1.04
Reimbursement of expenses														
- Shriram Capital Limited	0.01	-	-	-	-	-	-	-	-	-	-	-	0.01	-
Sale of Property, Plant & Equipment														
- Novac Technology Solutions (P) Limited	-	-	0.00	-	-	-	-	-	-	-	-	-	0.00	-
Rent & electricity														
- Shriram Capital Limited	0.17	0.16	-	-	-	-	-	-	-	-	-	-	0.17	0.16
- Shriram Automall India Limited	-	-	-	-	4.18	4.67	-	-	-	-	-	-	4.18	4.67
Commission														
- Shriram General Insurance Company Limited	-	-	33.08	50.80	-	-	-	-	-	-	-	-	33.08	50.80
- Shriram Life Insurance Company Limited	-	-	16.52	20.66	-	-	-	-	-	-	-	-	16.52	20.66
Non-convertible debenture (secured)														
- Shriram Life Insurance Company Limited	-	-	-	35.00	-	-	-	-	-	-	-	-	-	35.00
Fixed deposit														
- Key management personnel	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- Mrs. Kishori Udeshi	-	-	-	-	-	-	-	-	0.25	0.93	-	-	0.25	0.93
- Mr. Pradeep Kumar Panja	-	-	-	-	-	-	-	-	-	0.05	-	-	-	0.05
- Mr. S. Sridhar	-	-	-	-	-	-	-	-	-	0.10	-	-	-	0.10
- Mr. Hardeep Singh Tur	-	-	-	-	-	-	-	-	0.01	-	-	-	0.01	-
- Relative of key management personnel	-	-	-	-	-	-	-	-	-	-	0.97	0.08	0.97	0.08
- Shriram Asset Management Company Limited	-	-	15.63	12.30	-	-	-	-	-	-	-	-	15.63	12.30
- Shriram Automall India Limited	-	-	-	-	54.00	20.00	-	-	-	-	-	-	54.00	20.00
- Cartradeexchange Solutions Private Limited	-	-	-	-	11.50	-	-	-	-	-	-	-	11.50	-
Unsecured loan and advances repaid														
- Shriram Automall India Limited	-	-	-	-	-	15.06	-	-	-	-	-	-	-	15.06
Received towards right issue														
- Shriram Capital Limited	-	425.22	-	-	-	-	-	-	-	-	-	-	-	425.22
- Shriram Financial Ventures (Chennai) Private Limited	-	-	-	0.39	-	-	-	-	-	-	-	-	-	0.39
- Relative of key management personnel	-	-	-	-	-	-	-	-	-	-	-	0.00	-	0.00
Received towards preferential issue														
- Shriram Capital Limited	250.00	-	-	-	-	-	-	-	-	-	-	-	250.00	-

50 RELATED PARTY DISCLOSURES (Contd.)

Particulars	Promoter		Promoter group		Associates		Employees' benefit plan		Key management personnel		Relative of key management personnel		Total	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
Received towards convertible warrants														
- Shriram Capital Limited	250.00	-	-	-	-	-	-	-	-	-	-	-	250.00	-
Inter-corporate deposit														
- Shriram Automall India Limited	-	-	-	-	62.75	102.30	-	-	-	-	-	-	62.75	102.30
TOTAL	500.19	425.39	66.18	120.27	133.02	142.50	-	-	0.26	1.08	0.97	0.08	700.63	689.32

Income /expenses are presented excluding GST

Amounts less than Rs. 1.00 lac are presented as Rs. 0.00 crores in the above statement.

The Company has not granted loans or advances to promoters, directors, KMPs and the related parties (as defined under the Companies Act, 2013), either severally or jointly with any other person, that is repayable on demand or without specifying any terms or period of repayment for the financial years ended March 31, 2022 and March 31, 2021.

Breakup of related party transactions

Particulars	Promoter		Promoter group		Associates		Employees' benefit plan		Key management personnel		Relative of key management personnel		Total	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
Balance outstanding at the year end														
Share capital														
- Relative of key management personnel	-	-	-	-	-	-	-	-	-	-	0.00	0.00	0.00	0.00
- Key management personnel	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- Mr. Parag Sharma	-	-	-	-	-	-	-	-	0.05	-	-	-	0.05	-
- Mr. S. Sunder	-	-	-	-	-	-	-	-	0.00	-	-	-	0.00	-
- Mr. P. Sridharan	-	-	-	-	-	-	-	-	0.00	-	-	-	0.00	-
- Mr. Sudarshan Holla	-	-	-	-	-	-	-	-	0.00	-	-	-	0.00	-
- Mr. U. Balasundara Rao	-	-	-	-	-	-	-	-	0.00	-	-	-	0.00	-
- Shriram Capital Limited	70.44	66.96	-	-	-	-	-	-	-	-	-	-	-	-
- Shriram Financial Ventures (Chennai) Private Limited	-	-	-	0.06	-	-	-	-	-	-	-	-	70.44	66.96
- Shriram Value Services Limited	-	-	1.06	-	-	-	-	-	-	-	-	-	-	0.06
Investment in equity shares														
- Shriram Automall India Limited	-	-	-	-	13.37	13.37	-	-	-	-	-	-	13.37	13.37
Unsecured loan and advances payable														
- Shriram Automall India Limited	-	-	-	-	0.91	1.23	-	-	-	-	-	-	0.91	1.23
Commission receivable														
- Shriram General Insurance Company Limited	-	-	3.21	6.10	-	-	-	-	-	-	-	-	3.21	6.10
- Shriram Life Insurance Company Limited	-	-	1.46	2.06	-	-	-	-	-	-	-	-	1.46	2.06

50 RELATED PARTY DISCLOSURES (Contd.)

Particulars	Promoter		Promoter group		Associates		Employees' benefit plan		Key management personnel		Relative of key management personnel		Total	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
	(Rs. in crores)													
Prepaid for insurance premium														
- Shriram General Insurance Company Limited	-	-	-	1.71	-	-	-	-	-	-	-	-	-	1.71
- Shriram Life Insurance Company Limited	-	-	-	1.02	-	-	-	-	-	-	-	-	-	1.02
Outstanding expenses														
- Shriram Capital Limited	11.41	11.16	-	-	-	-	-	-	-	-	-	-	11.41	11.16
- Shriram Value Services Limited	-	-	77.85	50.35	-	-	-	-	-	-	-	-	77.85	50.35
- Novac Technology Solutions (P) Limited	-	-	1.96	8.19	-	-	-	-	-	-	-	-	1.96	8.19
- Shriram Fortune Solutions Limited	-	-	6.37	11.05	-	-	-	-	-	-	-	-	6.37	11.05
- Shriram Financial Products Solutions (Chennai) Private Limited	-	-	1.85	2.17	-	-	-	-	-	-	-	-	1.85	2.17
- Shriram Insight Share Brokers Limited	-	-	0.65	1.03	-	-	-	-	-	-	-	-	0.65	1.03
- Adroit Inspection Service Private Limited	-	-	-	-	-	0.03	-	-	-	-	-	-	-	0.03
- Shriram Wealth Limited	-	-	0.08	0.17	-	-	-	-	-	-	-	-	0.08	0.17
- Way2wealth Securities Private Limited	-	-	0.08	-	-	-	-	-	-	-	-	-	0.08	-
Fixed deposit														
- Key management personnel	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- Mrs. Kishori Udeshi	-	-	-	-	-	-	-	-	1.27	1.55	-	-	1.27	1.55
- Mr. Pradeep Kumar Panja	-	-	-	-	-	-	-	-	0.06	0.05	-	-	0.06	0.05
- Mr. S. Sridhar	-	-	-	-	-	-	-	-	0.11	0.10	-	-	0.11	0.10
- Mr. Parag Sharma	-	-	-	-	-	-	-	-	0.00	-	-	-	0.00	-
- Mr. Hardeep Singh Tur	-	-	-	-	-	-	-	-	0.03	-	-	-	0.03	-
- Relative of key management personnel	-	-	-	-	-	-	-	-	-	-	1.55	0.19	1.55	0.19
- Shriram Asset Management Company Limited	-	-	29.57	14.34	-	-	-	-	-	-	-	-	29.57	14.34
- Shriram Automall India Limited	-	-	-	-	77.45	20.00	-	-	-	-	-	-	77.45	20.00
- Cartradeexchange Solutions Private Limited	-	-	-	-	11.92	-	-	-	-	-	-	-	11.92	-
Non-convertible debenture (secured)														
- Key management personnel	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- Mr. Umesh Revankar	-	-	-	-	-	-	-	-	-	2.49	-	-	-	2.49
- Mr. S. Sridhar	-	-	-	-	-	-	-	-	-	0.13	-	-	-	0.13
- Mr. Pradeep Kumar Panja	-	-	-	-	-	-	-	-	0.13	0.24	-	-	0.13	0.24

50 RELATED PARTY DISCLOSURES (Contd.)																
(Rs. in crores)																
Particulars	Promoter		Promoter group		Associates		Employees' benefit plan		Key management personnel		Relative of key management personnel		Total			
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021		
Relative of key management personnel	-	-	-	-	-	-	-	-	-	-	0.09	-	0.09	-		
Shriram Life Insurance Company Limited	-	-	36.71	36.71	-	-	-	-	-	-	-	-	36.71	36.71		
Shriram Asset Management Company Limited	-	-	2.50	15.85	-	-	-	-	-	-	-	-	2.50	15.85		
Shriram Insight Share Brokers Limited	-	-	0.08	0.63	-	-	-	-	-	-	-	-	0.08	0.63		
Shriram Automall India Limited	-	-	-	-	17.86	23.17	-	-	-	-	-	-	17.86	23.17		
Subordinated debt																
Shriram Life Insurance Company Limited	-	-	149.04	126.63	-	-	-	-	-	-	-	-	149.04	126.63		
Shriram General Insurance Company Limited	-	-	367.03	368.73	-	-	-	-	-	-	-	-	367.03	368.73		
Inter-corporate deposit																
Shriram Automall India Limited	-	-	-	-	27.45	49.59	-	-	-	-	-	-	27.45	49.59		

Income /expenses are presented excluding GST

Amounts less than Rs. 1.00 lac are presented as Rs. 0.00 crores in the above statement.

The Company has not granted loans or advances to promoters, directors, KMPs and the related parties (as defined under the Companies Act, 2013), either severally or jointly with any other person, that is repayable on demand or without specifying any terms or period of repayment for the financial years ended March 31, 2022 and March 31, 2021.

50 RELATED PARTY DISCLOSURES (Contd.)

Disclosure pursuant to Schedule V of Clause A.2 of Regulation 34 (3) and Regulation 53(f) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

I. Disclosures relating Loans and Advances /Investments

(Rs. in crores)

Sl No.	Loans and Advances in the nature of Loans	Maximum Amount Outstanding during the year March 2022	Maximum Amount Outstanding during the year March 2021
A)	To Associate		
	- Shriram Automall India Limited	-	0.38

II. Shriram Transport Finance Company Limited (STFC) holds 44.56 % of equity shares of the company. Disclosure relating to transactions with STFC is given above.

51 CAPITAL MANAGEMENT

The Company maintains an actively managed capital base to cover risks inherent in the business which includes issued equity capital, share premium and all other equity reserves attributable to equity holders of the Company.

As an NBFC, the RBI requires us to maintain a minimum capital to risk weighted assets ratio ("CRAR") consisting of Tier I and Tier II capital of 15% of our aggregate risk weighted assets. Further, the total of our Tier II capital cannot exceed 100% of our Tier I capital at any point of time. The capital management process of the Company ensures to maintain a healthy CRAR at all the times. Refer note 82 and 92 for the Company's Capital ratios.

The primary objectives of the Company's capital management policy are to ensure that the Company complies with externally imposed capital requirements and maintains strong credit ratings and healthy capital ratios in order to support its business and to maximise shareholder value.

The Company manages its capital structure and makes adjustments to it according to changes in economic conditions and the risk characteristics of its activities. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividend payment to shareholders, return capital to shareholders or issue capital securities. No changes have been made to the objectives, policies and processes from the previous years except those incorporated on account of regulatory amendments. However, they are under constant review by the Board. The Company has complied with the notification RBI/2019-20/170 DOR (NBFC).CC.PD.No.109/22.10.106/2019-20 "Implementation of Indian Accounting Standards"

52 FAIR VALUE MEASUREMENT
52.01: Valuation principle

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e., an exit price), regardless of whether that price is directly observable or estimated using a valuation technique. In order to show how fair values have been derived, financial instruments are classified based on a hierarchy of valuation techniques, as explained in Note 6.1 (xiii).

52.02: Fair value hierarchy of assets and liabilities

The following table shows an analysis of financial instruments recorded at fair value by level of the fair value hierarchy:

As at March 31, 2022

(Rs. in crores)

Assets measured at fair value on a recurring basis	Level-1	Level-2	Level-3	Total
<i>Derivative financial instruments</i>				
Forward contracts	-	97.84	-	97.84
Currency swaps	-	(276.95)	-	(276.95)
Interest rate swaps	-	3.18	-	3.18
Cross currency interest rate swaps	-	364.13	-	364.13
Interest rate caps	-	13.20	-	13.20
Total derivative financial instruments	-	201.40	-	201.40

52 FAIR VALUE MEASUREMENT (Contd.)

(Rs. in crores)

Assets measured at fair value on a recurring basis	Level-1	Level-2	Level-3	Total
<i>Financial assets held for trading</i>				
Mutual funds	1,523.02	-	-	1,523.02
Equity instruments	-	-	23.89	23.89
Certificate of deposits	-	822.29	-	822.29
Venture capital fund	-	1.53	-	1.53
Total financial assets held for trading	1,523.02	823.82	23.89	2,370.73
Total assets measured at fair value on a recurring basis	1,523.02	1,025.22	23.89	2,572.13
Assets measured at fair value on a non-recurring basis				
Non-current assets and disposals held for sale	-	-	-	-
Total assets measured at fair value on a non-recurring basis	-	-	-	-
Total assets measured at fair value	1,523.02	1,025.22	23.89	2,572.13

(Rs. in crores)

Liabilities measured at fair value on a recurring basis	Level-1	Level-2	Level-3	Total
Total financial liabilities measured at fair value on a recurring basis	-	-	-	-
Liabilities measured at fair value on a non-recurring basis				
Non-current liabilities and disposals held for sale	-	-	-	-
Total financial liabilities measured at fair value on a non-recurring basis	-	-	-	-
Total liabilities measured at fair value	-	-	-	-

As at March 31, 2021

(Rs. in crores)

Assets measured at fair value on a recurring basis	Level-1	Level-2	Level-3	Total
<i>Derivative financial instruments</i>				
Forward contracts	-	79.37	-	79.37
Currency swaps	-	(103.23)	-	(103.23)
Interest rate swaps	-	9.72	-	9.72
Cross currency interest rate swaps	-	181.54	-	181.54
Interest rate caps	-	1.85	-	1.85
Total derivative financial instruments	-	169.25	-	169.25
<i>Financial assets held for trading</i>				
Mutual funds	-	-	-	-
Equity instruments	-	-	6.74	6.74
Venture capital fund	-	1.54	-	1.54
Total financial assets held for trading	-	1.54	6.74	8.28
Total assets measured at fair value on a recurring basis	-	170.79	6.74	177.53
Assets measured at fair value on a non-recurring basis				
Non-current assets and disposals held for sale	-	-	-	-
Total assets measured at fair value on a non-recurring basis	-	-	-	-
Total assets measured at fair value	-	170.79	6.74	177.53

52 FAIR VALUE MEASUREMENT (Contd.)

	(Rs. in crores)			
	Level-1	Level-2	Level-3	Total
Liabilities measured at fair value on a recurring basis				
Total financial liabilities measured at fair value on a recurring basis	-	-	-	-
Liabilities measured at fair value on a non-recurring basis				
Non-current liabilities and disposals held for sale	-	-	-	-
Total financial liabilities measured at fair value on a non-recurring basis	-	-	-	-
Total liabilities measured at fair value	-	-	-	-

52.03: Valuation techniques

Fair values of financial assets, other than those which are subsequently measured at amortised cost, have been arrived at as under:

Investments in Mutual Funds / Equity instruments

Investment in units of mutual funds are measured based on their published net asset value (NAV), taking into account redemption and/or other restrictions. Such instruments are generally Level 1. Equity instruments in non-listed entities are initially recognised at transaction price and re-measured (to the extent information is available) and valued on a case-by-case and classified as Level 3.

Derivative Financial Instruments

Foreign exchange contracts include foreign exchange forward and swap contracts, interest rate swaps and over-the-counter foreign exchange options. These instruments are valued by either observable foreign exchange rates, observable or calculated forward points and option valuation models. With the exception of contracts where a directly observable rate is available which are disclosed as Level 1, the Company classifies derivative financial instruments as Level 2 financial instruments when no unobservable inputs are used for their valuation or the unobservable inputs used are not significant to the measurement (as a whole).

Certificate of deposits (CDs)

Certificate of deposits are short-term financial instruments issued by Banks. Financial Benchmark India Private Ltd (FBIL) has developed the FBIL-CD, a new benchmark for the money market based on traded CDs reported on the FIMMDA Trade Reporting and Confirmation System (FTRAC) platform of The Clearing Corporation of India Ltd (CCIL). FBIL-CD is announced for seven tenors of 14 days, 1 month, 2 months, 3 months, 6 months, 9 months and 12 months. For valuation, the Company uses FBIL-CD benchmark and based on that benchmark the Company interpolates and calculates CD prices corresponding to their residual maturities and such instruments are classified as Level 2.

52.04: Transfer between fair value hierarchy levels

During the year there were no transfers between level 1 and level 2. Similarly, there were no transfers from or transfer to level 3.

52.05: Movements in Level 3 financial instruments measured at fair value

The following tables show a reconciliation of the opening and closing amounts of Level 3 financial assets and liabilities which are recorded at fair value. Transfers from Level 3 to Level 2 occur when the market for some securities became more liquid, which eliminates the need for the previously required significant unobservable valuation inputs. Since the transfer, these instruments have been valued using valuation models incorporating observable market inputs. Transfers into Level 3 reflect changes in market conditions as a result of which instruments become less liquid. Therefore, the Company requires significant unobservable inputs to calculate their fair value.

52 FAIR VALUE MEASUREMENT (Contd.)

The following tables show the reconciliation of the opening and closing amounts of Level 3 financial assets and liabilities measured at fair value:

Particulars	(Rs. in crores)	
	Equity instruments	
	As at March 31, 2022	As at March 31, 2021
Opening balance	6.74	3.36
Purchase	-	-
Sales	-	-
Issuances	-	-
Settlements	-	-
Transfers into level 3	-	-
Transfers from level 3	-	-
Net interest income, net trading income and other income	-	-
Other comprehensive income	-	-
Unrealised gains and losses related to balances held at the end of the year	17.15	3.38
Closing balance	23.89	6.74

52.06: Impact of changes to key assumptions on fair value of level 3 financial instruments measured at fair value

The table summarises the valuation techniques together with the significant unobservable inputs used to calculate the fair value of the Company's level 3 assets and liabilities. The range of values indicates the highest and lowest level input used in the valuation technique and, as such, only reflects the characteristics of the instruments as opposed to the level of uncertainty to their valuation. Relationships between unobservable inputs have not been incorporated in this summary.

Particulars	Fair value		Valuation technique	Significant unobservable inputs
	Level 3 assets	Level 3 assets		
	As at March 31, 2022	As at March 31, 2021		
Equity instruments	23.89	6.74	Based on the discounted cashflow	Based on the discounted cashflow

52.07: Sensitivity of fair value measurements to changes in unobservable market data

The table below describes the effect of changing the significant unobservable inputs to reasonable possible alternatives. All changes would be reflected in the Statement of profit and loss. Sensitivity data are calculated using a number of techniques, including analysing price dispersion of different price sources, adjusting model inputs to reasonable changes within the fair value methodology.

The ranges are not comparable or symmetrical as the model inputs are usually not in the middle of the favourable/unfavourable range.

The table below shows data in relation to level 3 inputs that are already aggregated on the underlying product levels without assuming any potential diversification effect, but including potential off-sets from economic or accounting hedge relationships in place. The Company is of the opinion that, whilst there may be some diversification benefits, incorporating these would not be significant to the analysis.

Particulars	As at March 31, 2022		As at March 31, 2021	
	Favourable changes 5% increase	Unfavourable changes 5% decrease	Favourable changes 5% increase	Unfavourable changes 5% decrease
Equity instruments based on the discounted cashflow	25.03	22.64	7.11	6.39

52 FAIR VALUE MEASUREMENT (Contd.)

52.08: Fair value of financial instruments not measured at fair value

Set out below is a comparison, by class, of the carrying amounts and fair values of the Company's financial instruments that are not carried at fair value in the financial statements. This table does not include the fair values of non-financial assets and non-financial liabilities.

(Rs. in crores)

As at March 31, 2022	Carrying amount	Fair value			
		Level-1	Level-2	Level-3	Total
Financial assets:					
Cash and cash equivalents	10,662.44	5,953.99	4,701.32	-	10,655.31
Bank balance other than cash and cash equivalents	5,692.72	9.72	5,126.81	-	5,136.53
Trade receivables	5.35	-	-	5.35	5.35
Other receivables	192.67	-	-	192.67	192.67
Loans (excluding impairment loss allowance)	125,699.03	-	-	124,404.71	124,404.71
Investments at amortised cost (excluding impairment loss allowance)	4,461.06	3,155.70	-	1,082.12	4,237.82
Other investments	13.37	-	-	13.37	13.37
Other financial assets	51.45	-	-	42.70	42.70
Total financial assets	146,778.09	9,119.41	9,828.13	125,740.92	144,688.46
Financial liabilities:					
Trade payables	166.03	-	-	166.03	166.03
Other payables	2.67	-	-	2.67	2.67
Debt securities	41,256.55	-	40,467.60	-	40,467.60
Borrowings (other than debt securities)	46,676.93	-	47,147.82	-	47,147.82
Deposits	21,948.98	-	-	23,963.34	23,963.34
Subordinated liabilities	4,614.25	-	4,962.46	-	4,962.46
Lease liabilities	349.43	-	-	349.43	349.43
Other financial liabilities	859.64	-	-	859.64	859.64
Total financial liabilities	115,874.48	-	92,577.88	25,341.11	117,918.99
Off-balance sheet items					
Other commitments	92.43	-	-	92.43	92.43
Total off-balance sheet items	92.43	-	-	92.43	92.43

(Rs. in crores)

As at March 31, 2021	Carrying amount	Fair value			
		Level-1	Level-2	Level-3	Total
Financial assets:					
Cash and cash equivalents	11,050.93	7,599.40	3,449.44	-	11,048.84
Bank balance other than cash and cash equivalents	5,390.89	161.65	5,126.81	-	5,288.46
Trade receivables	8.92	-	-	8.92	8.92
Other receivables	49.90	-	-	49.90	49.90
Loans (excluding impairment loss allowance)	116,191.59	-	-	114,238.50	114,238.50
Investments at amortised cost (excluding impairment loss allowance)	3,214.21	2,159.91	-	903.27	3,063.18
Other investments	13.37	-	-	13.37	13.37
Other financial assets	49.03	-	-	39.68	39.68
Total financial assets	135,968.84	9,920.96	8,576.25	115,253.64	133,750.85
Financial liabilities:					
Trade payables	152.52	-	-	152.52	152.52

52 FAIR VALUE MEASUREMENT (Contd.)

(Rs. in crores)					
As at March 31, 2021	Carrying amount	Fair value			
		Level-1	Level-2	Level-3	Total
Other payables	0.91	-	-	0.91	0.91
Debt securities	40,061.87	-	47,326.64	-	47,326.64
Borrowings (other than debt securities)	45,281.37	-	51,089.94	-	51,089.94
Deposits	16,232.41	-	-	16,559.97	16,559.97
Subordinated liabilities	4,620.76	-	6,265.88	-	6,265.88
Lease liabilities	349.49	-	-	349.49	349.49
Other financial liabilities	1,149.82	-	-	1,149.82	1,149.82
Total financial liabilities	107,849.15	-	104,682.46	18,212.71	122,895.17
Off-balance sheet items					
Other commitments	148.66	-	-	148.66	148.66
Total off-balance sheet items	148.66	-	-	148.66	148.66

Note:

The management assessed that cash and cash equivalents, trade receivables, trade payables, other receivables, other payables, bank overdrafts and other financial liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

52.09: Valuation methodologies of financial instruments not measured at fair value

Below are the methodologies and assumptions used to determine fair values for the above financial instruments which are not recorded and measured at fair value in the Company's financial statements. These fair values were calculated for disclosure purposes only. The below methodologies and assumptions relate only to the instruments in the above tables.

Short-term financial assets and liabilities

For financial assets and financial liabilities that have a short-term maturity (less than twelve months), the carrying amounts, which are net of impairment, are a reasonable approximation of their fair value. Such instruments include: trade receivables, other receivables, balances other than cash and cash equivalents and trade payables without a specific maturity.

Loans and advances to customers

The fair values of loans and receivables are estimated by discounted cash flow models based on contractual cash flows using actual yields.

Pass through certificates

These instruments include asset backed securities. The market for these securities is not active. Therefore, the Company uses a variety of valuation techniques to measure their fair values. Expected cash flow levels are estimated by using quantitative and qualitative measures regarding the characteristics of the underlying assets including prepayment rates, default rates and other economic drivers such as loan-to-value ratios, emergence period estimation, indebtedness and rental income levels. Instruments with no comparable instruments or valuation inputs are classified as Level 3.

Investment in associate at cost

Investment in associate: As per Ind AS 28 Interest in associate are recognised at cost and not adjusted to fair value at the end of each reporting period. Cost represents amount paid for acquisition of the said investments. Loan and other similar arrangements with subsidiaries which are probable to be settled for a fixed number of equity share of the borrower for a fixed price are classified as equity investment. The Company assesses at the end of each reporting period, if there are any indications that the said investments may be impaired. If so, the Company estimates the recoverable value/amount of the investment and provides for impairment, if any i.e. the deficit in the recoverable value over cost.

Investment in government securities at amortised cost

The fair values financial assets held-to-maturity investments are estimated using a discounted cash flow model based on contractual cash flows using actual or estimated yields and discounting by yields incorporating the counterparties' credit risk.

52 FAIR VALUE MEASUREMENT (Contd.)

Issued debt and borrowings

The fair value of issued debt is estimated by a discounted cash flow model incorporating interest rate from market-observable data such as secondary prices for its traded debt.

Deposits

The fair value of public deposits and deposit from corporates is estimated by discounting the future cash flows considering the interest rate applicable on the reporting date for deposits of similar tenure and scheme (cumulative/non-cumulative). Inter-corporate deposits are estimated at their carrying amounts due to the short-term maturities of these deposits.

Off-balance sheet positions

Estimated fair values of off-balance sheet positions are based on the carrying amounts due to the short-term maturities of these positions.

53 RISK MANAGEMENT

Whilst risk is inherent in the Company's activities, it is managed through an integrated risk management framework including ongoing identification, measurement and monitoring, subject to risk limits and other controls. This process of risk management is critical to the Company's continuing profitability and each individual within the Company is accountable for the risk exposures relating to his or her responsibilities. The Company is exposed to credit risk, liquidity risk and market risk. It is also subject to various operating and business risks.

53.01: Introduction and risk profile

53.01.01: Risk management structure

The Board of Directors are responsible for the overall risk management approach and for approving the risk management strategies and principles.

The Board has constituted the Risk Management Committee which is responsible for monitoring the overall risk process within the Company.

The Risk Management Committee has the overall responsibility for the development of the risk strategy and implementing principles, frameworks, policies and limits. The Risk Management Committee is responsible for managing risk decisions and monitoring risk levels.

The Chief Risk officer is responsible for implementing and maintaining risk related procedures to ensure an independent control process is maintained. The Risk owners within each department will report to the Risk Committee.

The Risk owners are responsible for monitoring compliance with risk principles, policies and limits across the Company. Each department has its Risk owner who is responsible for the control of risks, including monitoring the actual risk of exposures against authorised limits and the assessment of risks.

The Company's Treasury is responsible for managing its assets and liabilities and the overall financial structure. It is also primarily responsible for the funding and liquidity risks of the Company.

The Company's policy is that risk management processes throughout the Company are audited annually by the Internal Audit function, which examines both the adequacy of the procedures and the Company's compliance with the procedures. Internal Audit discusses the results of all assessments with management, and reports its findings and recommendations to Risk Management Committee.

53.01.02: Risk mitigation and risk culture

As part of its overall risk management, the Company can use derivatives and other instruments to manage exposures resulting from changes in interest rates and foreign currencies associated with foreign currency transactions.

53.01.03: Risk measurement and reporting systems

The Company's risks are measured using a method that reflects both the expected loss likely to arise in normal circumstances and unexpected losses, which are an estimate of the ultimate actual loss. The models make use of probabilities derived from historical experience, adjusted to reflect the economic environment, as necessary.

The Company's policy is to measure and monitor the overall risk-bearing capacity in relation to the aggregate risk exposure across all risk types and activities.

Information compiled from all the departments is examined and processed in order to analyse, control and identify risks on a timely basis. This information is presented and explained to the Risk Management Committee and the head of each department.

53 RISK MANAGEMENT (Contd.)

The Risk Management Committee receives a comprehensive risk report once a quarter which is designed to provide all the necessary information to assess and conclude on the risks of the Company.

It is the Company's policy to ensure that a robust risk awareness is embedded in its organisational risk culture. Employees are expected to take ownership and be accountable for the risks the Company is exposed to that they decide to take on. The Company's continuous training and development emphasises that employees are made aware of the Company's risk appetite and they are supported in their roles and responsibilities to monitor and keep their exposure to risk within the Company's risk appetite limits. Compliance breaches and internal audit findings are important elements of employees' annual ratings and remuneration reviews.

53.01.04: Excessive risk concentration

Concentrations arise when a number of counterparties are engaged in similar business activities, or activities in the same geographical region, or have similar economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions.

In order to avoid excessive concentrations of risk, the Company's policies and procedures include specific guidelines to focus on spreading its lending portfolio across all the states with a cap on maximum limit of exposure for a state and also for an individual/Group.

53.02: Credit risk

Credit risk is the risk that the Company will incur a loss because its customers or counterparties fail to discharge their contractual obligations. The Company manages and controls credit risk by setting limits on the amount of risk it is willing to accept for individual counterparties and for geographical concentrations, and by monitoring exposures in relation to such limits.

Credit risk is monitored by the credit department of the Company. It is their responsibility to review and manage credit risk, including environmental and social risk for all types of counterparties. Credit risk consists of line credit managers who are responsible for their business lines and manage specific portfolios and experts who support both the line credit manager, as well as the business with tools like credit risk systems, policies, models and reporting.

The Company has established a credit quality review process to provide early identification of possible changes in the creditworthiness of counterparties.

The credit quality review process aims to allow the Company to assess the potential loss as a result of the risks to which it is exposed and take corrective actions.

The Company's internal credit rating grades on days past due(dpd) basis:

Internal rating grade	Internal rating description
Performing	
High grade	0 dpd
Standard grade	1 to 30 dpd
Sub-standard grade	31 to 60 dpd
Past due but not impaired	61 to 90 dpd
Non-performing	90+ dpd

53.02.01: Derivative financial instruments

Credit risk arising from derivative financial instruments is, at any time, limited to those with positive fair values, as recorded on the balance sheet.

With gross-settled derivatives, the Company is also exposed to a settlement risk, being the risk that the Company honours its obligation, but the counterparty fails to deliver the counter value.

53.02.02: Impairment assessment

The references below show where the Company's impairment assessment and measurement approach is set out in this report. It should be read in conjunction with the Summary of significant accounting policies.

The Company's definition and assessment of default (Note 53.02.02.01).

- How the Company defines, calculates and monitors the probability of default, exposure at default and loss given default (Notes 53.02.02.02 to 53.02.02.04)
- When the Company considers there has been a significant increase in credit risk of an exposure (Note 53.02.02.05)
- The Company's policy of segmenting financial assets where ECL is assessed on a collective basis (Note 53.02.02.07)
- The details of the ECL calculations for stage 1, stage 2 and stage 3 assets (Note 6.1(xi))

53 RISK MANAGEMENT (Contd.)

53.02.02.01: Definition of default

The Company considers a financial instrument defaulted and therefore stage 3 (credit-impaired) for ECL calculations in all cases when the borrower becomes 90 days past due on its contractual payments.

As a part of a qualitative assessment of whether a customer is in default, the Company also considers a variety of instances that may indicate unlikelihood to pay. When such events occur, the Company carefully considers whether the event should result in treating the customer as defaulted and therefore assessed as stage 3 for ECL calculations or whether stage 2 is appropriate. Such events include:

- The borrower requesting emergency funding from the Company.
- A material decrease in the underlying collateral value where the recovery of the loan is expected from the sale of the collateral.
- A covenant breach not waived by the Company.
- The debtor (or any legal entity within the debtor's Company) filing for bankruptcy application/protection.
- All the facilities of a borrower are treated as stage 3 when one of his facility becomes 90 days past due i.e. credit impaired.
- The restructuring of a loan or advance by the Company on terms that the Company would not consider otherwise.

53.02.02.02: PD estimation process

It is an estimate of the likelihood of default over a given time horizon. PD estimation process is done based on historical internal data available with the Company. While arriving at the PD, the Company also ensures that the factors that affects the macro economic trends are considered to a reasonable extent, wherever necessary. Company calculates the 12 month PD by taking into account the past historical trends of the portfolio and its credit performance. In case of assets where there is a significant increase in credit risk, lifetime PD has been applied which is computed based on survival analysis. For credit impaired assets, a PD of 100% has been applied.

53.02.02.03: Exposure at Default (EAD)

The exposure at default (EAD) represents the gross carrying amount of the financial instruments subject to the impairment calculation, addressing both the ability to increase its exposure while approaching default and potential early repayments too.

To calculate the EAD for a Stage 1 loan, the Company assesses the possible default events within 12 months for the calculation of the 12 months ECL.

For stage 2 and stage 3 financial assets, the exposure at default is considered for events over the lifetime of the instruments.

In case of undrawn loan commitments, a credit conversion factor of 100% is applied for expected drawdown.

53.02.02.04: Loss Given Default (LGD)

LGD is an estimate of the loss arising in case where a default occurs. It is based on the difference between the contractual cash flows due and those that the Company would expect to receive, including from the realisation of any security.

53.02.02.05: Significant increase in credit risk(SICR)

The Company continuously monitors all assets subject to ECLs in order to determine whether an instrument or a portfolio of instruments is subject to 12 month ECL or lifetime ECL. The Company assesses whether there has been an event which could cause a significant increase in the credit risk of the underlying asset or the customers' ability to pay and accordingly change the 12 month ECL to a lifetime ECL.

In certain cases, the Company may also consider that events explained in Note 53.02.02.01 are a significant increase in credit risk as opposed to a default. Regardless of the above, if contractual payments are more than 30 days past due, the credit risk is deemed to have increased significantly since initial recognition.

When estimating ECLs on a collective basis for a Company of similar assets (as set out in Note 53.02.02.07), the Company applies the same principles for assessing whether there has been a significant increase in credit risk since initial recognition.

53 RISK MANAGEMENT (Contd.)

53.02.02.06: Forward looking information

The Company has incorporated forward looking information and macro-economic factors while calculating PD and LGD rate. Refer note 63 for impact of COVID-19 on estimate of PD, LGD and SICR.

53.02.02.07: Grouping financial assets measured on a collective basis

As explained in Note 6.1.(xi) dependent on the factors below, the Company calculates ECLs only on a collective basis.

The Company segments the exposure into smaller homogeneous portfolios, based on a combination of internal and external characteristics of the loans as described below.

1. New vehicle finance
2. Pre owned vehicle finance
3. Business Loans

53.02.03: Analysis of risk concentration

The maximum credit exposure to any individual client or counterparty as of March 31, 2022 was Rs. 61.13 crores (March 31, 2021: Rs. 52.22 crores).

Credit risk exposure analysis

(Rs. in crores)

Particulars	As at March 31, 2022			
	Stage 1 collective	Stage 2 collective	Stage 3 collective	Total
Credit risk exposure	103,492.98	13,318.50	8,887.55	125,699.03

53.03: Liquidity risk and funding management

In assessing the company's liquidity position, consideration shall be given to: (1) present and anticipated asset quality (2) present and future earnings capacity (3) historical funding requirements (4) current liquidity position (5) anticipated future funding needs, and (6) sources of funds. The Company maintains a portfolio of marketable assets that are assumed to be easily liquidated and undrawn cash credit limits which can be used in the event of an unforeseen interruption in cash flow. The Company also enters into securitisation deals (direct assignment as well as pass through certificates) of their loan portfolio, the funding from which can be accessed to meet liquidity needs. In accordance with the Company's policy, the liquidity position is assessed under a variety of scenarios, giving due consideration to stress factors relating to both the market in general and specifically to the Company. Net liquid assets consist of cash, short-term bank deposits and investments in mutual fund available for immediate sale, less issued securities and borrowings due to mature within the next month. Borrowings from banks and financial institutions, issue of debentures and bonds and acceptance of public deposits are considered as important sources of funds to finance lending to customers. They are monitored using the advances to borrowings ratio, which compares loans and advances to customers as a percentage of secured and unsecured borrowings.

The Board of Directors also approves constitution of Asset Liability Committee (ALCO), Asset Liability Management Committee(ALCO) reviews or monitors Asset Liability Management (ALM) mismatch. ALCO conducts periodic reviews relating to the liquidity position and stress test assuming various what if scenarios. The ALCO is responsible for ensuring adherence to the limits set by the Board as well as for deciding the business strategy of the Company in line with the Company's budget and decided risk management objectives. The ALCO is a decision-making unit responsible for balance sheet planning from risk-return perspective including strategic management of interest rate and liquidity risks. The ALCO also evaluates the Borrowing Plan of subsequent quarters on the basis of previous borrowings of the company. The ALCO will be responsible for ensuring the adherence to the target set by the Board of Directors. The meetings of ALCO are held at quarterly intervals. The ALM Support Groups consisting of operating staff are responsible for analysing, monitoring and reporting the risk profiles to the ALCO. ALCO support group meets every fortnight. The minutes of ALCO meetings are placed before the RMC and the Board of Directors in its next meeting for its ratification.

53 RISK MANAGEMENT (Contd.)

53.03.01: Analysis of financial assets and liabilities by remaining maturities

The table below summarises the maturity profile of the Company's financial assets and liabilities as at March 31. All derivatives used for hedging and natural hedges are shown by maturity. Repayments which are subject to notice are treated as if notice were to be given immediately. However, the Company expects that many customers will not request repayment on the earliest date it could be required to pay and the table does not reflect the expected cash flows indicated by its deposit retention history.

Maturity pattern of assets and liabilities as on March 31, 2022:

(Rs. in crores)

Particulars	Less than 3 months	Over 3 months & upto 6 months	Over 6 months & upto 1 year	Over 1 year & upto 3 years	Over 3 years & upto 5 years	Over 5 years	Total
Financial assets							
Cash and cash equivalents	10,662.44	-	-	-	-	-	10,662.44
Bank balance other than above	2,784.30	1,031.15	1,317.79	559.48	-	-	5,692.72
Derivative assets	-	-	-	63.56	137.84	-	201.40
Financial assets at fair value through profit and loss	2,345.31	-	-	-	-	25.42	2,370.73
Loans *	15,723.90	14,546.00	26,984.78	71,816.77	17,558.94	1,792.34	148,422.73
Financial investments at amortised cost	326.03	113.89	158.46	641.28	565.38	2,656.02	4,461.06
Trade receivables	5.35	-	-	-	-	-	5.35
Other receivables	29.03	27.62	46.59	81.92	7.51	-	192.67
Other financial assets	-	-	-	-	-	51.45	51.45
Total undiscounted financial assets	31,876.36	15,718.66	28,507.62	73,163.01	18,269.67	4,525.23	172,060.55
Financial liabilities							
Deposits *	1,940.42	2,127.66	3,645.55	12,642.21	5,526.91	-	25,882.75
Debt securities *	2,556.00	808.00	10,135.48	21,192.82	5,692.14	8,960.67	49,345.11
Borrowings (other than debt securities) *	8,178.50	4,948.26	9,511.65	24,057.35	5,307.19	50.61	52,053.56
Subordinated liabilities *	137.00	152.00	466.40	3,323.50	521.20	1,606.00	6,206.10
Trade payables	165.72	-	-	0.31	-	-	166.03
Other payables	2.67	-	-	-	-	-	2.67
Lease liabilities	26.48	25.72	48.42	155.57	89.58	99.69	445.46
Other financial liabilities	643.75	53.30	58.01	99.19	5.39	-	859.64
Total undiscounted financial liabilities	13,650.54	8,114.94	23,865.51	61,470.95	17,142.41	10,716.97	134,961.32
Net undiscounted financial assets/ (liabilities)	18,225.82	7,603.72	4,642.11	11,692.06	1,127.26	(6,191.74)	37,099.23

* includes future interest

53 RISK MANAGEMENT (Contd.)

Maturity pattern of assets and liabilities as on March 31, 2021:

Particulars	Less than 3 months	Over 3 months & upto 6 months	Over 6 months & upto 1 year	Over 1 year & upto 3 years	Over 3 years & upto 5 years	Over 5 years	Total
(Rs. in crores)							
Financial assets							
Cash and cash equivalents	11,050.93	-	-	-	-	-	11,050.93
Bank balance other than above	2,250.28	1,543.15	1,093.35	450.85	53.26	-	5,390.89
Derivative assets	-	-	100.51	38.26	-	30.48	169.25
Financial assets at fair value through profit and loss	-	-	-	-	-	8.28	8.28
Loans *	13,358.17	15,198.43	24,695.47	66,062.15	18,404.12	3,131.92	140,850.26
Financial investments at amortised cost	153.19	134.26	235.76	832.05	169.15	1,689.80	3,214.21
Trade receivables	8.92	-	-	-	-	-	8.92
Other receivables	49.90	-	-	-	-	-	49.90
Other financial assets	2.07	-	-	-	-	46.96	49.03
Total undiscounted financial assets	26,873.46	16,875.84	26,125.09	67,383.31	18,626.53	4,907.44	160,791.67
Financial liabilities							
Deposits *	920.83	1,541.32	3,817.22	9,090.96	3,814.50	-	19,184.83
Debt securities *	3,433.09	4,954.30	5,893.54	24,240.95	3,320.04	5,428.64	47,270.56
Borrowings (other than debt securities) *	6,348.78	5,469.99	11,980.12	23,455.05	4,790.82	365.83	52,410.59
Subordinated liabilities *	86.83	86.23	341.79	1,493.08	2,828.52	1,880.28	6,716.73
Trade payables	152.22	-	0.30	-	-	-	152.52
Other payables	0.54	-	-	-	-	-	0.54
Lease liabilities	25.98	25.26	49.72	161.50	92.89	91.87	447.23
Other financial liabilities	925.01	8.02	81.94	99.85	30.91	4.09	1,149.82
Total undiscounted financial liabilities	11,803.95	12,078.19	22,152.11	58,505.60	14,859.35	7,753.77	127,332.82
Net undiscounted financial assets/ (liabilities)	15,069.51	4,797.65	3,972.98	8,877.71	3,767.18	(2,846.33)	33,458.85

* includes future interest

53 RISK MANAGEMENT (Contd.)

The table below shows the expiry by maturity of the Company's contingent liabilities and commitments: Each undrawn loan commitment is included in the time band containing the earliest date it can be drawn down.

(Rs. in crores)

Particulars	Less than 3 months	Over 3 months & upto 6 months	Over 6 months & upto 1 year	Over 1 year & upto 3 years	Over 3 years & upto 5 years	Over 5 years	Total
As at March 31, 2022							
In respect of Income tax demands where the Company has filed appeal before various authorities	-	-	-	-	-	175.17	175.17
VAT demand where the Company has filed appeal before various appellates	-	-	-	-	-	117.21	117.21
Service tax demands where the Company has filed appeal before various authorities	-	-	-	-	-	1,976.41	1,976.41
Penalty levied for Contravention of provisions of Section 6(3)(b) of FEMA, 1999 read with Regulation 4 of Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000	-	-	-	-	-	5.00	5.00
Estimated amount of contracts remaining to be executed on capital account, net of advances	11.45	-	-	-	-	-	11.45
Commitments related to loans sanctioned but undrawn	92.43	-	-	-	-	-	92.43
Total commitments	103.88	-	-	-	-	2,273.79	2,377.67
As at March 31, 2021							
In respect of Income tax demands where the Company has filed appeal before various authorities	-	-	-	-	-	133.64	133.64
VAT demand where the Company has filed appeal before various appellates	-	-	-	-	-	117.21	117.21
Service tax demands where the Company has filed appeal before various authorities	-	-	-	-	-	1,976.41	1,976.41
Penalty levied for Contravention of provisions of Section 6(3)(b) of FEMA, 1999 read with Regulation 4 of Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000	-	-	-	-	-	5.00	5.00
Estimated amount of contracts remaining to be executed on capital account, net of advances	3.53	-	-	-	-	-	3.53
Commitments related to loans sanctioned but undrawn	148.66	-	-	-	-	-	148.66
Total commitments	152.19	-	-	-	-	2,232.26	2,384.45

53 RISK MANAGEMENT (Contd.)

53.04: Market Risk

Market risk that the fair value or future cash flows of financial instruments will fluctuate due to changes in market variables such as interest rates, foreign exchange rates and equity prices. The Company classifies exposures to market risk into either trading or non-trading portfolios and manages each of those portfolios separately.

Interest rate risk

The Company's exposure to changes in interest rates relates to the Company's outstanding floating rate liabilities. Most of the Company's outstanding liability is on fixed rate basis and hence not subject to interest rate risk. Some of the borrowings of the Company are linked to rate benchmarks such as Bank Marginal Cost of Funds based Lending Rate (MCLR) or London Inter-bank Offered Rate (LIBOR) and Mumbai Inter-Bank Offer Rate (MIBOR) and hence subject to interest rate risk. The Company hedges interest rate risks of foreign currency borrowings through derivative transactions. The sensitivity of the Company's floating rate borrowings to change in interest rate (assuming all other variables constant) is given below:

As at March 31, 2022

(Rs. in crores)

Particulars	Carrying amount	Favourable change 1% increase	Unfavourable change 1% decrease
Debt instrument	2,446.80	237.64	(294.97)
Term loans	11,198.93	1,356.11	(1,801.15)
Total floating rate borrowings	13,645.73	1,593.75	(2,096.12)

As at March 31, 2021

(Rs. in crores)

Particulars	Carrying amount	Favourable change 1% increase	Unfavourable change 1% decrease
Debt instrument	5,776.24	572.78	(644.49)
Term loans	9,723.08	707.21	(665.36)
Total floating rate borrowings	15,499.32	1,279.99	(1,309.85)

Fair value sensitivity analysis for fixed rate instruments

The Company's fixed rate instruments are carried at amortised cost and are not measured for interest rate risk, as neither the carrying amount nor the future cash flows will fluctuate because of changes in market interest rates.

Inter-bank Offered Rate (IBOR) reform

The table below shows the Company's exposure at the year end to significant IBORs subject to reform that have yet to transition to alternative Risk Free Rates (RFRs). These exposures will remain outstanding until the IBOR ceases and will therefore transition in future and the table excludes exposures to IBOR that will expire before transition is required. The derivative hedging instruments provide a close approximation to the extent of the risk exposure the Company manages through hedging relationships.

(Rs. in crores)

Particulars	As at March 31, 2022			As at March 31, 2021		
	Rate of interest	Notional Amounts	Maturity date	Rate of interest	Notional Amounts	Maturity date
Currency derivatives:						
- Spots and forwards	3 months LIBOR + 1.95%	22.19	June 10, 2022 to August 10, 2023	3 months LIBOR + 1.95%	37.05	June 10, 2022 to August 10, 2023
- Cross currency interest rate swaps	3 months LIBOR + 1.95%	2,402.33	August 10, 2023	3 months LIBOR + 1.95%	2,402.33	August 10, 2023
- Cross currency interest rate swaps	6 months LIBOR + 2.50%	133.64	June 13, 2022 to December 11, 2026	6 months LIBOR + 2.50%	147.00	December 13, 2021 to December 11, 2026
TOTAL		2,558.16			2,586.38	

53 RISK MANAGEMENT (Contd.)

Foreign Currency risk

Foreign Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. The Company is exposed to foreign currency fluctuation risk for its foreign currency borrowing. The Company's borrowings in foreign currency are governed by RBI Master Direction External Commercial Borrowings, Trade Credits and Structured Obligations dated March 26, 2019 (as and when updated) which requires entities raising External Commercial Borrowings (ECB) for an average maturity of less than 5 years to hedge minimum 70% of the its ECB exposure. The Company hedges its entire ECB and external commercial bond exposure as per Board approved hedging policy and resource mobilisation policy. The Company manages foreign currency risk by entering in to cross currency swaps and forward contract. When a derivative is entered in to for the purpose of being a hedge, the Company negotiates the terms of those derivatives to match with the terms of the hedge exposure. The Company holds derivative financial instruments such as Cross currency interest rate swap to mitigate risk of changes in exchange rate in foreign currency and floating interest rate. The Counterparty for these contracts is generally a bank. These derivative financial instruments are valued based on quoted prices for similar assets and liabilities in active markets or inputs that are directly or indirectly observable in market place. Refer Note 22 B - External commercial bond (ED) Secured and 23 C-External commercial borrowing, respectively for terms and conditions of external commercial bonds and external commercial borrowings.

Exposure to currency risk

The summary quantitative data about exposure to Currency risk (based on Notional amounts) as reported :

(Amount in crores)

Particulars	As at March 31, 2022				As at March 31, 2021			
	Contracts in EURO		Contracts in USD		Contracts in EURO		Contracts in USD	
	EURO	INR	USD	INR	EURO	INR	USD	INR
Total foreign currency exposure in respect of recognised assets and liabilities	8.65	685.38	536.60	36,134.01	10.58	837.69	479.50	35,593.99
Cross currency Interest rate swap / Forward exchange contracts	8.65	685.38	536.60	36,134.01	10.58	837.69	479.50	35,593.99
Net Exposure	-	-	-	-	-	-	-	-

Movement in Cash flow hedge reserve

(Rs. in crores)

Cash flow hedge reserve	As at March 31, 2022			As at March 31, 2021		
	Realised	Unrealised	Total	Realised	Unrealised	Total
Balance at the beginning of the year	-	(93.02)	(93.02)	-	-	-
Add: Changes in the fair value during the year	-	(160.87)	(160.87)	-	(124.31)	(124.31)
Less: Income tax relating to items that will be reclassified to profit or loss	-	40.49	40.49	-	31.29	31.29
Less: Amounts reclassified to Statement of profit and loss	-	-	-	-	-	-
Balance at the end of the year	-	(213.40)	(213.40)	-	(93.02)	(93.02)

Nature and terms and conditions of outstanding derivative contracts

(Rs. in crores)

Particulars	As at March 31, 2022				As at March 31, 2021			
	Rate of interest	Maturity date	Notional Amounts	Fair Value - Assets	Rate of interest	Maturity date	Notional Amounts	Fair Value - Assets
(i) Currency derivatives:								
- Spots and forwards	3 months LIBOR + 1.95%	June 10, 2022 to August 10, 2023	22.19	(0.56)	3 months LIBOR + 1.95%	June 10, 2021 to August 10, 2023	37.05	(0.30)
- Spots and forwards	4.15% to 5.95%	June 15, 2022 to June 15, 2027	17,018.41	98.39	4.15% to 5.95%	June 15, 2021 to June 15, 2027	13,789.85	79.67
- Currency swaps	4.15% to 5.10%	July 14, 2023 to July 18, 2025	2,320.47	(276.95)	4.40% to 5.10%	July 14, 2023 to March 13, 2024	2,320.38	(103.23)
- Cross currency interest rate swaps	3 months LIBOR + 1.95%	August 10, 2023	2,402.33	197.16	3 months LIBOR + 1.95%	August 10, 2023	2,402.33	32.81

53 RISK MANAGEMENT (Contd.)

(Rs. in crores)

Particulars	As at March 31, 2022				As at March 31, 2021			
	Rate of interest	Maturity date	Notional Amounts	Fair Value - Assets	Rate of interest	Maturity date	Notional Amounts	Fair Value - Assets
- Cross currency interest rate swaps	6 months EURIBOR + 1.15%	April 26, 2022 to April 25, 2026	685.38	155.82	6 months EURIBOR + 1.15%	April 25, 2026	837.69	49.24
- Cross currency interest rate swaps	6 months LIBOR + 2.50%	June 13, 2022 to December 11, 2026	133.64	5.50	6 months LIBOR + 2.50%	December 13, 2021 to December 11, 2026	147.00	(1.76)
- Cross currency interest rate swaps	-	-	-	-	5.70%	February 28, 2022	2,849.90	101.25
- Cross currency interest rate swaps	SOFR + 2.10%	December 03, 2024	187.35	5.66	-	-	-	-
(ii) Interest rate derivatives:								
- Interest rate swaps	4.15% to 5.95%	October 24, 2022 to July 18, 2025	14,049.63	3.18	4.40% to 5.95%	October 24, 2022 to March 13, 2024	14,047.48	9.72
- Interest rate caps	6 months EURIBOR + 1.15%	April 26, 2022 to April 25, 2026	-	13.20	6 months EURIBOR + 1.15%	April 26, 2021 to April 25, 2026	-	1.85
TOTAL			36,819.40	201.40			36,431.68	169.25

Price-risk

The Company's hedging policy only allows for effective hedge relationships to be established. Hedge effectiveness is determined at the inception of the hedge relationship, and through periodic prospective effectiveness assessments to ensure that an economic relationship exists between the hedged item and hedging instrument. The Company enters into hedge relationships where the critical terms of the hedging instrument match exactly with the terms of the hedged item, and so a qualitative assessment of effectiveness is performed. If changes in circumstances affect the terms of the hedged item such that the critical terms no longer match exactly with the critical terms of the hedging instrument, the Company uses the hypothetical derivative method to assess effectiveness.

Ineffectiveness is recognised on a cash flow hedge where the cumulative change in the designated component value of the hedging instrument exceeds on an absolute basis the change in value of the hedged item attributable to the hedged risk. In such cases, ineffectiveness may arise if:

- The critical terms of the hedging instrument and the hedged item differ (i.e. nominal amounts, timing of the forecast transaction, interest resets changes from what was originally estimated), or
- differences arise between the credit risk inherent within the hedged item and the hedging instrument.

There were no ineffectiveness recognised in the statement of profit and loss.

There were no other sources of ineffectiveness in these hedge relationships.

54 DISCLOSURE UNDER THE MSME ACT 2006, (AS PER THE INTIMATION RECEIVED FROM THE VENDOR)

Based on the intimation received by the Company, some of the suppliers have confirmed to be registered under "The Micro, Small and Medium Enterprises Development ('MSMED') Act, 2006". Accordingly, the disclosures relating to amounts unpaid as at the year ended together with interest paid /payable are furnished below:

(Rs. in crores)

Particulars	As at March 31, 2022	As at March 31, 2021
The principal amount remaining unpaid to supplier as at the end of the year	1.48	0.37
The interest due thereon remaining unpaid to supplier as at the end of the year	-	-
The amount of interest paid in terms of Section 16, along with the amount of payment made to the supplier beyond the appointed day during the year	-	-

54 DISCLOSURE UNDER THE MSME ACT 2006, (AS PER THE INTIMATION RECEIVED FROM THE VENDOR) (Contd.)

Particulars	(Rs. in crores)	
	As at March 31, 2022	As at March 31, 2021
The amount of interest due and payable for the year of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this Act	-	-
The amount of interest accrued during the year and remaining unpaid at the end of the year	-	-
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	-	-

55 DISCLOSURE REGARDING AUDITORS REMUNERATION DISCLOSED UNDER LEGAL AND PROFESSIONAL FEES

In addition to the auditors remuneration shown in note 42 Other expenses, the Company has also incurred auditors remuneration in connection with audit and related statutory services to be performed by auditors in connection with issue of senior secured notes of Rs. 0.54 crores (March 31, 2021: Rs. 0.34 crores) shown under Legal and professional fees in note 42 Other expenses.

56 DISCLOSURE REGARDING AUDITORS REMUNERATION DISCLOSED UNDER SHARE ISSUE EXPENSES

In addition to the auditors remuneration shown in note 42 Other expenses, the Company has also incurred auditors remuneration in connection with audit and related statutory services to be performed by auditors in connection with issue of Qualified institutional placement and preferential issue of equity shares of Rs. 0.33 crores (March 31, 2021: Rs. Nil) netted off against Securities premium under Other equity in note 31 Other equity.

57 DISCLOSURE REGARDING AUDITORS REMUNERATION DISCLOSED UNDER RIGHT ISSUE EXPENSES

In addition to the auditors remuneration shown in note 42 Other expenses, the Company has also incurred auditors remuneration in connection with audit and related statutory services to be performed by auditors in connection with issue of Right Shares of Rs. Nil crores (March 31, 2021: Rs. 0.27 crores) netted off against Securities premium under Other equity in note 31 Other equity.

58 SEGMENT REPORTING

The Company is primarily engaged in the business of financing and there are no separate reportable segments identified as per the Ind AS 108 - Operating Segments.

59 TRANSFER OF FINANCIAL ASSETS

Note 59.01: Transferred financial assets that are not derecognised in their entirety

The following table provides a summary of financial assets that have been transferred in such a way that part or all of the transferred financial assets do not qualify for derecognition, together with the associated liabilities.

Particulars	(Rs. in crores)	
	As at March 31, 2022	As at March 31, 2021
Securitisation		
Carrying amount of transferred assets measured at amortised cost (held as collateral)	21,120.76	25,890.69
Carrying amount of associated liabilities (Borrowings (other than debt securities)- measured at amortised cost)	19,538.08	23,403.60
Fair value of assets	21,105.47	25,756.51
Fair value of associated liabilities	19,765.43	23,960.23
Net position at fair value	1,340.04	1,796.28

59 TRANSFER OF FINANCIAL ASSETS (Contd.)

Note 59.02: Transferred financial assets that are derecognised in their entirety

The Company has assigned loans (earlier measured at amortised cost) by way of direct assignment. As per the terms of these deals, since substantial risk and rewards related to these assets were transferred to the extent of 90% of the assets transferred to the buyer, the assets have been de-recognised from the Company's Balance Sheet. The table below summarises the carrying amount of the derecognised financial assets :

	(Rs. in crores)	
Particulars	As at March 31, 2022	As at March 31, 2021
Direct assignment		
Carrying amount of transferred assets measured at amortised cost	1,599.67	1,300.31
Carrying amount of exposures retained by the Company at amortised cost	159.97	130.03

Note 59.03: Transferred financial assets that are derecognised in their entirety but where the Company has continuing involvement

The Company has not transferred any assets that are derecognised in their entirety where the Company continues to have continuing involvement.

60 EXPENDITURE IN FOREIGN CURRENCY (ACCRUAL BASIS)

	(Rs. in crores)	
Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Resource mobilisation	36.63	23.03
Total	36.63	23.03

Remittances in foreign currencies

	(Rs. in crores)	
Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Right issue expenses	-	0.26
Total	-	0.26

61 DETAILS OF CSR EXPENSES

	(Rs. in crores)	
Particulars	Year ended March 31, 2022	Year ended March 31, 2021
a) Gross amount required to be spent by the Company during the year	69.12	62.91
b) Amount spent during the year		
- On purposes other than construction/acquisition of any asset		
Paid in cash	69.72	64.96
Yet to be paid in cash	-	-
Total	69.72	64.96

There is no shortfall in the CSR amount required to be spent by the Company as per section 135(5) of the Act for the financial years ended March 31, 2022 and March 31, 2021.

CSR activities include Education, Preservation of Art, Culture and Heritage, Preventive Healthcare, Scholarship Scheme, Training and Skill Development, Road Safety Awareness Program, Contribution towards Primary, Secondary and Higher Education and other activities which are specified under Schedule VII of Companies Act, 2013.

The Company has neither made any CSR Contributions towards its related parties nor recorded any provision for CSR expenditure during the financial years ended March 31, 2022 and March 31, 2021.

62 MOVEMENT IN PROVISIONS

(Rs. in crores)

Particulars	As at March 31, 2021	Additional provision made during the year	Utilisation/reversal during the year	As at March 31, 2022
Provision for taxes- contested	92.75	-	1.82	90.93

(Rs. in crores)

Particulars	As at April 01, 2020	Additional provision made during the year	Utilisation/reversal during the year	As at March 31, 2021
Provision for taxes- contested	92.75	-	-	92.75

The above provisions relate to disputed tax demands in relation to VAT and Service tax. Due to the very nature of such provisions and the litigations involved, it is not possible to estimate the timing/ uncertainties relating to their outflows.

63 NOTE ON COVID

The significant increase in economic activities post easing of lockdown by the state governments due to COVID-19 had resulted in improvement in business operations of the Company. As a matter of prudence, during the financial year ended March 31, 2022, the Company has written off Rs. 799.92 crores by utilising the ECL provision created as management overlay on account of COVID-19. The ECL provision of Rs. 2,052.58 crores is retained by the company as at March 31, 2022 towards management overlay on account of COVID-19.

The additional ECL provision retained on account of COVID-19 is based on the Company's historical experience, collection efficiencies post lockdown, internal assessment and other emerging forward looking factors on account of the pandemic. However, the actual impact may vary due to prevailing uncertainty caused by the pandemic. The Company's management is continuously monitoring the situation and the economic factors affecting the operations of the Company.

64 EVENTS AFTER REPORTING DATE

There have been no events after the reporting date.

65 FLOATING CHARGE ON INVESTMENT IN GOVERNMENT SECURITIES

In accordance with the Master Direction - Non-Banking Financial Companies Acceptance of Public Deposits (Reserve Bank) Directions, 2016 dated August 25, 2016, the Company has created a floating charge on the statutory liquid assets comprising of investment in government securities (face value) to the extent of Rs. 3,354.44 crores (March 31, 2021: Rs. 2,003.76 crores) in favour of trustees representing the public deposit holders of the Company.

- 66** The Company invoked resolution plans to relieve COVID-19 pandemic related stress to eligible borrowers. The resolution plans are based on the parameters laid down in the resolution policy approved by the Board of Directors of the Company and in accordance with the guidelines issued by the RBI on August 6, 2020 and May 5, 2021. The staging of accounts and provisioning for the eligible accounts where the resolution plans are invoked and implemented is in accordance with the Board Approved Policy in this regard.

66.01 Disclosure on Resolution Framework 2.0 implemented in terms of RBI notification no. RBI/2020-21/16 DOR. NO.BP.BC/3/21.04.048/2020-21 dated August 6, 2020 and RBI/2021-22/31/DOR.STR.REC.11/21.04.048/2021-22 dated May 05, 2021

(Rs. in crores)

Type of borrower	(A)	(B)	(C)	(D)	(E)
	Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at the end of the previous half-year (A)	Of (A), aggregate debt that slipped into NPA during the half-year	Of (A) amount written off during the half-year	Of (A) amount paid by the borrowers during the half-year	Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at the end of this half-year
Personal Loans #	974.96	40.01	1.98	162.95	770.01
Corporate persons*	-	-	-	-	-
Of which, MSMEs	-	-	-	-	-
Others	-	-	-	-	-
Total	974.96	40.01	1.98	162.95	770.01

*As defined in Section 3(7) of the Insolvency and Bankruptcy Code, 2016

pertains to automobile loans

66.02 Disclosure as per the format prescribed as per the notification no. RBI/2020-21/17 DOR.NO.BPBC/4/21.04.048/2020-21 on "Micro, Small and Medium Enterprises (MSME) sector – Restructuring of Advances" having exposure less than or equal to Rs. 25 crores:

(Rs. in crores)

No. of accounts restructured	Amount
2,131	64.32

67 Hon'ble Supreme Court, in a public interest litigation (Gajendra Sharma vs. Union of India & Anr.) vide an interim order dated September 3, 2020, has directed that accounts which were not declared NPA till August 31, 2020 shall not be declared as NPA till further orders. However, such accounts had been classified as stage 3 in accordance with Note No.63 and provision had been made accordingly. The interim order stood vacated on March 23, 2021 vide the judgement of the Hon'ble Supreme Court in the matter of Small Scale Industrial manufacturers Association v/s UOI & Ors. and other connected matters. In accordance with the instructions in paragraph 5 of the RBI circular no. RBI/2021-22/17 DOR. STR. REC. 4/ 21.04.048/ 2021-22, dated April 07, 2021 issued in this connection, the Company was already classifying the NPA accounts as Stage 3 and provision was made accordingly, without considering the above mentioned asset classification benefit for accounting purpose, there is no change in asset classification on account of the interim order dated March 23, 2021.

68 The Company had credited an ex-gratia amount of Rs. 231.28 crores for the payment of difference between the compound interest and simple interest to the accounts of borrowers in specified loan accounts between March 1, 2020 and August 31, 2020 as per the eligibility criteria and other features as mentioned in the notification dated October 23, 2020 issued by Government of India, Ministry of Finance, Department of Financial Services. The Company had filed a claim with the State Bank of India for reimbursement of the said ex-gratia amount as specified in the notification and same was received on March 31, 2021.

69 In accordance with the instructions in aforementioned RBI circular dated April 07, 2021, and the Indian Banks' Association ('IBA') advisory letter dated April 19, 2021, the Company had put in place a Board approved policy to refund/ adjust the interest on interest charged during the moratorium period of March 01, 2020 to August 31, 2020 to the eligible borrowers under the abovementioned circular and advisory during the financial year ended March 31, 2021. The Company had estimated the benefit to be extended to the eligible borrowers at Rs. 36.54 crores and created a liability / credited the Borrower's account towards the estimated interest relief and reduced the same from the interest income of the financial year March 31, 2021.

70 Refer note 6.2.i. Revenue from operations for the circumstances in which revenue recognition has been postponed pending uncertainty of realisation.

71 The Code on Social Security, 2020 (the Code) has been enacted, which would impact contribution by the Company towards Provident Fund and Gratuity. The effective date from which changes are applicable is yet to be notified and the rules thereunder are yet to be announced. The actual impact on account of this change will be evaluated and accounted for when notification becomes effective.

72 REGISTRATION OF CHARGES OR SATISFACTION WITH REGISTRAR OF COMPANIES (ROC)

All charges or satisfaction are registered with ROC within the statutory period for the financial years ended March 31, 2022 and March 31, 2021. No charges or satisfactions are yet to be registered with ROC beyond the statutory period.

73 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 for the financial years ended March 31, 2022 and March 31, 2021.

74 COMPLIANCE WITH APPROVED SCHEME(S) OF ARRANGEMENTS

The Board of Directors of the Company in its meeting held on December 13, 2021 had approved a Composite Scheme of Arrangement and Amalgamation ("Scheme"), inter alia, involving amalgamation of Shriram Capital Limited (after de-merger of few undertakings from the said Shriram Capital Limited) and Shriram City Union Finance Limited with the Company under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013. The said Scheme is effective upon approval of shareholders, creditors, Hon'ble National Company Law Tribunal, Reserve Bank of India and other regulatory and statutory approvals as applicable with an appointed date as of April 01, 2022. The Company has already initiated process for the approval of the Scheme by various statutory authorities. The Company has already received Observation letters dated March 15, 2022 and March 16, 2022 from BSE Limited (designated Stock Exchange) and National Stock Exchange of India Ltd. respectively. The financial statements are for the year ended March 31, 2022, which is prior to the appointed date i.e. April 01, 2022 and as such the approval/implementation of Scheme has no implications on these financial statements.

75 UTILISATION OF BORROWED FUNDS AND SHARE PREMIUM

The Company, as part of its normal business, grants loans and advances, makes investment, provides guarantees to and accept deposits and borrowings from its customers, other entities and persons. These transactions are part of Company's normal non-banking finance business, which is conducted ensuring adherence to all regulatory requirements.

Other than the transactions described above, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in party identified by or on behalf of the Company (Ultimate Beneficiaries). The Company has also not received any fund from any parties (Funding Party) with the understanding that the Company shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

76 UNDISCLOSED INCOME

There are no transactions not recorded in the books of accounts.

77 POLICY FOR SALES OUT OF AMORTISED COST BUSINESS MODEL PORTFOLIOS

The Company's policy for sales out of amortised cost business model portfolios is given at note 6.1.x. of significant accounting policies.

78 CHANGE IN POLICY FOR IMPAIRMENT OF FINANCIAL INSTRUMENTS

The Company had been fully providing for the underlying loans net of its estimated realisable value in respect of which collaterals had been repossessed and not sold for more than 12 months till June 30, 2021. During the quarter ended September 30, 2021, the Company had revised its policy to fully provide for the underlying loans net of its estimated realisable value in respect of which collaterals had been repossessed and not sold for more than 6 months. Had it continued to follow the earlier policy, impairment of financial instruments for the year ended March 31, 2022 would have been lower by Rs. 30.49 crores and profit before tax for the same period would have been higher by Rs. 30.49 crores.

79 CHANGE IN THE PROCESS OF NPA CLASSIFICATION

Pursuant to RBI circular RBI/2021-22/125 DOR/STR/REC.68/21.04.048/2021-22 dated November 12, 2021, on Prudential norms on Income Recognition, Asset Classification and Provisioning pertaining to Advances – Clarifications, the Company has revised its process of NPA classification to flagging of the borrower accounts as overdue as part of the day-end processes for the due date. Had the Company followed the earlier method, the profit before tax for the year ended on March 31, 2022 would have been higher by Rs. 407.65 crores.

80 PREVIOUS YEAR COMPARATIVES

Previous year's figures have been regrouped/reclassified wherever necessary, to conform to current year's classification.

81 TITLE DEEDS OF IMMOVABLE PROPERTIES NOT HELD IN NAME OF THE COMPANY

The Company does not possess any immovable property (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) whose title deeds are not held in the name of the Company during the financial year ended March 31, 2022 and March 31, 2021.

82 ANALYTICAL RATIOS

(Rs. in crores)						
Particulars	As at March 31, 2022			As at March 31, 2021	% Variance	Reasons for variance (if above 25%)
	Numerator	Denominator	Ratio	Ratio		
Capital to risk-weighted assets ratio (CRAR)	25,898.33	112,756.33	22.97%	22.50%	2.08%	NA
Tier I CRAR	23,335.32	112,756.33	20.70%	19.94%	3.79%	NA
Tier II CRAR	2,563.01	112,756.33	2.27%	2.56%	-11.21%	NA
Liquidity Coverage Ratio	2,577.66	1,733.49	148.70%	482.97%	-69.21%	The reason for variance above 25% is the change in methodology for calculation of LCR as mentioned in note 88

83 DETAILS OF CRYPTO CURRENCY OR VIRTUAL CURRENCY

The Company has not traded or invested in Crypto currency or Virtual currency during the financial years ended March 31, 2022 and March 31, 2021.

84 DETAILS OF BENAMI PROPERTY HELD

No proceedings have been initiated or pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder in the financial years ended March 31, 2022 and March 31, 2021.

85 WILFUL DEFAULTER

The Company has not been declared as a wilful defaulter by any bank or financial institution or other lender in the financial years ended March 31, 2022 and March 31, 2021.

86 RELATIONSHIP WITH STRUCK OFF COMPANIES

Transactions with companies whose names have been struck off under section 248 of Companies Act, 2013 or section 560 of Companies Act, 1956 in the financial years ended March 31, 2022 and March 31, 2021 are given below:

Name of the struck off company	(Rs. in crores)		Relationship with the Struck off company
	Balance outstanding as at March 31, 2022*	March 31, 2021*	
Receivables (Loans outstanding)			
ARRR Constructions Chennai Private Limited	0.02	0.04	Borrower
Kanta Tours and Travels Private Limited	-	0.14	Borrower
Pulse Electrical Solutions India Private Limited	-	0.01	Borrower
Rentacomfort Tours N Travels Private Limited	-	0.23	Borrower
Swift Equipments Private Limited	0.95	1.00	Borrower
Skilltech Services Private Limited	0.02	0.08	Borrower
VMK Infrastructure Projects India Private Limited	-	0.12	Borrower
Payables (Borrowings outstanding)			
Intercon Overseas Pvt Ltd	-	0.15	Deposit holder
Shares held by struck off company**			
Nasik Capital And Financial Services Private Limited	0.00	0.00	Equity shareholder
Rasi Leasing Company Private Limited	0.00	0.00	Equity shareholder

*0.00 denotes amounts less than Rs. 1.00 lacs

**In the financial years ended March 31, 2022 and March 31, 2021, the Company did not have any transaction with above equity shareholders, being the companies whose names have been struck off under section 248 of Companies Act, 2013 or section 560 of Companies Act, 1956. Our Company has not allotted any Equity share to the said companies. The shareholding data is as per the record of beneficiary position downloaded by the Registrar and Transfer Agent of the Company from the database maintained by the depositories and reported to us for the purpose of this disclosure.

87 DISCLOSURE OF RESTRUCTURED ACCOUNTS

(Rs. in crores)

Sr. No.	Type of restructuring Financial year	Others									
		Year ended March 31, 2022					Year ended March 31, 2021				
		Standard	Sub-standard	Doubtful	Loss	Total	Standard	Sub-standard	Doubtful	Loss	Total
1	Restructured accounts as on April 1	8,626	21,229	4,517	763	35,135	6,163	15,660	2,508	576	24,907
	Amount outstanding	271.50	767.88	425.87	81.86	1,547.11	229.66	693.72	269.97	39.53	1,232.88
	Provision thereon	43.40	329.99	173.41	31.62	578.42	19.68	238.22	92.97	12.91	363.78
2	Fresh restructuring during the year	-	38,956	701	38	39,695	-	20,796	541	67	21,404
	Amount outstanding	-	1,191.55	61.56	4.00	1,257.11	-	756.37	45.67	6.13	808.17
	Provision thereon	-	517.79	28.75	1.75	548.29	-	321.10	19.31	2.59	343.00
3	Upgradation	13,490	(12,338)	(1,076)	(76)	-	8,626	(8,136)	(391)	(99)	-
	Amount outstanding	459.10	(397.93)	(56.64)	(4.53)	-	327.92	(294.90)	(26.60)	(6.42)	-
	Provision thereon	197.90	(171.95)	(24.10)	(1.85)	-	108.48	(96.89)	(9.33)	(2.26)	-
4	Restructured standard advances which cease to attract higher provisioning and/or additional risk weight at the end of the year and hence need not be shown as restructured advances at the beginning of the next year	(4,355)	-	-	-	(4,355)	(4,563)	-	-	-	(4,563)
	Amount outstanding	(167.18)	-	-	-	(167.18)	(184.32)	-	-	-	(184.32)
	Provision thereon	(23.77)	-	-	-	(23.77)	(13.67)	-	-	-	(13.67)
5	Downgradation of restructured accounts during the year	-	(1,082)	696	386	-	-	(3,148)	2,735	413	-
	Amount outstanding	-	(71.00)	22.73	48.27	-	-	(244.77)	194.27	50.50	-
	Provision thereon	-	(29.60)	10.57	19.03	-	-	(83.85)	66.76	17.09	-
6	Write-offs of restructured accounts during the year	(4,271)	(8,200)	(2,282)	(363)	(15,116)	(1,600)	(3,943)	(876)	(194)	(6,613)
	Amount outstanding	(206.55)	(294.98)	(219.85)	(32.58)	(753.96)	(101.76)	(142.54)	(57.44)	(7.88)	(309.62)
	Provision thereon	(171.83)	(118.89)	(56.10)	3.99	(342.83)	(71.09)	(48.59)	3.70	1.29	(114.69)
7	Restructured accounts as on March 31	13,490	38,565	2,556	748	55,359	8,626	21,229	4,517	763	35,135
	Amount outstanding	356.87	1,195.52	233.67	97.02	1,883.08	271.50	767.88	425.87	81.86	1,547.11
	Provision thereon	45.70	527.34	132.53	54.54	760.11	43.40	329.99	173.41	31.62	578.42

Note:

- The outstanding amount and number of borrowers as at March 31, 2022 and March 31, 2021 is after considering recoveries during the period.
- Additional facilities availed by borrowers or addition in outstanding balance in existing restructured accounts and partial repayments in existing restructured accounts are adjusted and disclosed under "Write-offs of restructured accounts", however, for the purpose of arithmetical accuracy the number of existing borrowers availing additional facility or partial repayments have been ignored.
- The Company has classified all the restructured accounts under stage 3 for ECL Calculations under Ind AS and Provision for Impairment Loss on all the restructured accounts have been provided in the books accordingly.
- Since the disclosure of restructured accounts pertains to section "Others", the first two sections namely "Under CDR Mechanism" and "Under SME Debt Restructuring Mechanism" as per the format prescribed in the Master Directions - Non-Banking Financial Company - Systemically Important Non-Deposit taking company and Deposit Taking Company (Reserve Bank) Directions 2016 as amended are not included above.
- For the purpose of arithmetical accuracy, movement in provisions in the existing restructured account as compared to balance of provision as disclosed in opening balance and fresh restructuring on account sale/recovery/settlement (for any change in provision) is adjusted and disclosed under "Write-offs of restructured accounts" during the year.
- The above disclosure does not include one-time restructuring implemented as prescribed in the notification no. RBI/2020-21/16 DOR.NO.BP/BC/3/21.04.048/2020-21 Resolution Framework for COVID-19-related Stress and RBI/2021-22/31/DOR.STR.REC.11/21.04.048/2021-22 Resolution Framework - 2.0: Resolution of Covid-19 related stress of Individuals and Small Businesses dated May 05, 2021.

LIQUIDITY COVERAGE RATIO DISCLOSURE

Disclosure as per the circular no. RBI/2019-20/88 DOR.NBFC (PD) CC. No.102/03.10.001/2019-20 dated November 04, 2019 issued by Reserve Bank of India on "Liquidity Coverage Ratio (LCR)"

Particulars	As at March 31, 2022			As at December 31, 2021			As at September 30, 2021			As at June 30, 2021			As at March 31, 2021		
	Total	Unweighted value (average)*	Weighted value (average)#	Total	Unweighted value (average)*	Weighted value (average)#	Total	Unweighted value (average)*	Weighted value (average)#	Total	Unweighted value (average)*	Weighted value (average)#	Total	Unweighted value (average)*	Weighted value (average)#
High Quality Liquid Assets															
1 Total High Quality Liquid Assets (HQLA)	3,155.38		2,577.66	2,753.06		2,238.25	2,593.71		2,110.32	2,462.56		2,034.76	6,678.54		6,285.05
Cash Outflows															
2 Deposits (for deposit taking companies)	715.45		822.77	672.05		772.86	606.86		697.89	430.17		494.69	380.69		437.80
3 Unsecured wholesale funding	52.65		60.55	558.05		641.76	525.91		604.80	474.56		545.74	101.72		116.98
4 Secured wholesale funding	4,659.14		5,358.01	2,833.38		3,258.39	4,220.16		4,853.18	3,809.07		4,380.43	3,307.37		3,803.47
5 Additional requirements, of which	-		-	-		-	-		-	-		-	-		-
(i) Outflows related to derivative exposures and other collateral requirements	-		-	-		-	-		-	-		-	-		-
(ii) Outflows related to loss of funding on debt products	-		-	-		-	-		-	-		-	-		-
(iii) Credit and liquidity facilities	-		-	-		-	-		-	-		-	-		-
6 Other contractual funding obligations	474.20		545.34	538.14		618.87	412.82		474.74	449.33		516.73	583.14		670.61
7 Other contingent funding obligations	128.07		147.28	117.03		134.59	125.68		144.53	139.05		159.91	153.43		176.45
8 TOTAL CASH OUTFLOWS	6,029.51		6,933.95	4,718.65		5,426.47	5,891.43		6,775.14	5,302.18		6,097.50	4,526.35		5,205.31
Cash Inflows															
9 Secured lending	-		-	-		-	-		-	-		-	-		-
10 Inflows from fully performing exposures	3,865.47		2,899.10	3,660.64		2,745.48	3,574.32		2,680.74	3,539.03		2,654.27	3,978.22		2,983.67
11 Other cash inflows	10,829.56		8,122.17	11,372.63		8,529.47	10,038.38		7,528.79	10,084.04		7,563.03	2,731.08		2,048.31
12 TOTAL CASH INFLOWS	14,695.03		11,021.27	15,033.27		11,274.95	13,612.70		10,209.53	13,623.07		10,217.30	6,709.30		5,031.98
13 TOTAL HQLA			2,577.66			2,238.25			2,110.32			2,034.76			6,285.05
14 TOTAL NET CASH OUTFLOWS			1,733.49			1,356.62			1,693.79			1,524.38			1,301.33
15 LIQUIDITY COVERAGE RATIO (%)			148.70%			164.99%			124.59%			133.48%			482.97%

88 LIQUIDITY COVERAGE RATIO DISCLOSURE (Contd.)

*Unweighted values calculated as outstanding balances maturing or callable within 30 days (for inflows and outflows).

Weighted values calculated after the application of respective haircuts (for HQLA) and stress factors on inflow and outflow.

Classification of inflows and outflows for determining the run off factors is based on the same estimates and assumptions as used by the Company for compiling the return submitted to the RBI, which has been relied upon by the auditors.

Qualitative disclosure around Liquidity Coverage Ratio (LCR)

The Reserve Bank of India has prescribed Guidelines on Maintenance of Liquidity Coverage Ratio (LCR). All non-deposit taking NBFCs with asset size of Rs.10,000 crore and above, and all deposit taking NBFCs irrespective of their asset size, is required to maintain a liquidity buffer in terms of LCR which will promote resilience of NBFCs to potential liquidity disruptions by ensuring that they have sufficient High Quality Liquid Asset (HQLA) to survive any acute liquidity stress scenario lasting for 30 days. The stock of HQLA to be maintained by the NBFCs shall be minimum of 100% of total net cash outflows over the next 30 calendar days.

The LCR requirement was applicable from December 1, 2020 with the minimum HQLAs to be held being 50% of the LCR, progressively reaching a level upto 60%, 70%, 85% and 100% by December 1, 2021, December 1, 2022, December 1, 2023, December 1, 2024 respectively. The Company has implemented the LCR framework and has maintained LCR well above the regulatory threshold for all the quarters.

LCR comprises of HQLAs as numerator and net cash outflows in 30 days as denominator.

The average LCR for the quarter ended March 31, 2021 is computed as simple averages of monthly observations over the previous quarter (i.e. average of three months ie. January 2021, February 2021 and March 2021 for the quarter ended March 31, 2021).

The average LCR for the quarter ended June 30, 2021 onwards is computed as simple averages of daily observations over the previous quarter (i.e. daily average of the quarter ended June 30, 2021, September 30, 2021, December 31, 2021 and March 31, 2022).

89 ASSET CLASSIFICATION AS PER RBI NORMS

Disclosure pursuant to Reserve Bank of India notification DOR (NBFC).CC.PD.No.109 /22.10.106/2019-20 dated March 13, 2020 pertaining to Asset classification as per RBI Norms:

Asset classification as per RBI Norms		Asset classification as per Ind AS 109	For the year ended March 31, 2022					For the year ended March 31, 2021				
			Gross carrying amount as per Ind AS	Loss allowances (Provisions) as required under Ind AS 109	Net carrying amount	Provisions required as per IRACP norms	Difference between Ind AS 109 provisions and IRACP norms	Gross carrying amount as per Ind AS	Loss allowances (Provisions) as required under Ind AS 109	Net carrying amount	Provisions required as per IRACP norms	Difference between Ind AS 109 provisions and IRACP norms
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(7)	(3)	(4)	(5)	(6)	(7)
Performing assets												
Standard	Stage 1	103,492.98	3,381.35	100,111.63	429.51	2,951.84		93,915.66	3,046.35	90,869.31	382.15	2,664.20
	Stage 2	13,318.50	1,211.03	12,107.47	107.54	1,103.49		13,983.12	1,356.07	12,627.05	111.52	1,244.55
Subtotal		116,811.48	4,592.38	112,219.10	537.05	4,055.33		107,898.78	4,402.42	103,496.36	493.67	3,908.75
Non-Performing Assets (NPA)												
Substandard	Stage 3	6,863.72	3,171.79	3,691.93	672.60	2,499.19		5,249.54	2,247.21	3,002.33	514.44	1,732.77
Doubtful - up to 1 year	Stage 3	632.27	368.08	264.19	259.34	108.74		1,460.22	607.31	852.91	539.43	67.88
1 to 3 years	Stage 3	465.30	307.09	158.21	265.23	41.86		385.78	154.63	231.15	194.19	(39.56)
More than 3 years	Stage 3	-	-	-	-	-		-	-	-	-	-
Subtotal for doubtful		1,097.57	675.17	422.40	524.57	150.60		1,846.00	761.94	1,084.06	733.62	28.32
Loss	Stage 3	926.26	594.54	331.72	846.52	(251.98)		1,197.27	476.98	720.29	1,051.73	(574.75)
Subtotal for NPA		8,887.55	4,441.50	4,446.05	2,043.69	2,397.81		8,292.81	3,486.13	4,806.68	2,299.79	1,186.34
Other items such as guarantees, loan commitments, etc. which are in the scope of Ind AS 109 but not covered under current Income Recognition, Asset Classification and Provisioning (IRACP) norms	Stage 1	1,196.69	42.70	1,153.99	-	42.70		1,301.27	48.71	1,252.56	-	48.71
	Stage 2	-	-	-	-	-		-	-	-	-	-
	Stage 3	3.00	3.00	-	-	3.00		2.39	2.39	-	-	2.39
Subtotal		1,199.69	45.70	1,153.99	-	45.70		1,303.66	51.10	1,252.56	-	51.10
Total	Stage 1	104,689.67	3,424.05	101,265.62	429.51	2,994.54		95,216.93	3,095.06	92,121.87	382.15	2,712.91
	Stage 2	13,318.50	1,211.03	12,107.47	107.54	1,103.49		13,983.12	1,356.07	12,627.05	111.52	1,244.55
	Stage 3	8,890.55	4,444.50	4,446.05	2,043.69	2,400.81		8,295.20	3,488.52	4,806.68	2,299.79	1,188.73
	Total	126,898.72	9,079.58	117,819.14	2,580.74	6,498.84		117,495.25	7,939.65	109,555.60	2,793.46	5,146.19

90 LIQUIDITY RISK

Public Disclosure on Liquidity Risk for the year ended March 31, 2022 pursuant to RBI circular dated November 04, 2019 on Liquidity Risk Management Framework for Non-Banking Financial Companies and Core Investment Companies

(i) Funding concentration based on significant counterparty¹ (both deposits and borrowings)

Particulars	Number of significant counterparties	Amount (Rs. in crores)*	% of Total deposits	% of Total liabilities ³
As at March 31, 2022	13	39,594.35	180.39%	34.08%
As at March 31, 2021	15	41,422.30	255.18%	38.31%

*Includes securitisation liabilities exposure

(ii) Top 20 large deposits (amount in Rs. in crore and % of total deposits)

Particulars	As at March 31, 2022	As at March 31, 2021
Total amount of top 20 large deposits	1,793.23	960.78
Percentage of amount of top 20 large deposits to total deposits	8.17%	5.92%

(iii) Top 10 borrowings (amount in Rs. in crore and % of total borrowings)

Particulars	As at March 31, 2022	As at March 31, 2021
Total amount of top 10 borrowings *	35,696.58	33,619.61
Percentage of amount of top 10 borrowings to total borrowings	31.18%	31.66%

*Includes securitisation liabilities exposure

(iv) Funding concentration based on significant instrument/product²

Sr. No.	Name of the instrument/product	As at March 31, 2022		As at March 31, 2021	
		Amount	% of Total liabilities ³	Amount	% of Total liabilities ³
1	Redeemable non-convertible debentures (secured and unsecured)	21,353.86	18.38%	21,393.97	19.79%
2	External commercial bond	19,011.29	16.36%	17,779.55	16.45%
3	Term loan from banks	16,755.62	14.42%	13,304.70	12.31%
4	Term loan from financial institutions/ corporates	5,685.24	4.89%	3,783.20	3.50%
5	External commercial borrowing	4,243.13	3.65%	4,122.49	3.81%
6	Other loans - Securitisation liabilities	19,538.08	16.82%	23,403.60	21.65%
7	Deposits	21,948.98	18.89%	15,790.71	14.61%
8	Subordinated debts	4,614.25	3.97%	4,620.76	4.27%

(v) Stock ratios:

Sr. No.	Particulars	As at March 31, 2022			As at March 31, 2021		
		as a % of Total public funds ⁴	as a % of Total liabilities ³	as a % of Total assets	as a % of Total public funds ⁴	as a % of Total liabilities ³	as a % of Total assets
(a)	Commercial papers	-	-	-	-	-	-
(b)	Non-convertible debentures (original maturity of less than one year)	-	-	-	-	-	-
(c)	Other short-term liabilities ⁵	4.66%	4.58%	3.75%	4.27%	4.19%	3.49%

90 LIQUIDITY RISK (Contd.)

(vi) Institutional set-up for liquidity risk management

Refer note 53.01.01: Risk management structure and 53.03: Liquidity risk and funding management for institutional set-up for liquidity risk management.

***Notes:**

- 1) Significant counterparty is defined as a single counterparty or group of connected or affiliated counterparties accounting in aggregate for more than 1% of the NBFC-NDSI's, NBFC-Ds total liabilities as defined in RBI Circular RBI/2019-20/88 DOR.NBFC (PD) CC.No.102/03.10.001/2019-20 dated November 4, 2019 on Liquidity Risk Management Framework for Non-Banking Financial Companies and Core Investment Companies.
- 2) Significant instrument/product is defined as a single instrument/product of group of similar instruments/products which in aggregate amount to more than 1% of the NBFC-NDSI's, NBFC-Ds total liabilities, as defined in RBI Circular RBI/2019-20/88 DOR.NBFC (PD) CC.No.102/03.10.001/2019-20 dated November 4, 2019 on Liquidity Risk Management Framework for Non-Banking Financial Companies and Core Investment Companies.
- 3) Total Liabilities has been computed as sum of all liabilities (Total of Balance Sheet less Total Equity).
- 4) Public funds include funds raised either directly or indirectly through public deposits, inter-corporate deposits (except from associate), deposits from corporates (except from associate), bank finance and all funds received from outside sources such as funds raised by issue of Commercial Papers, debentures etc. but excludes funds raised by issue of instruments compulsorily convertible into equity shares within a period not exceeding 5 years from the date of issue, as defined in Master Direction - Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Direction, 2016.
- 5) Other short-term liabilities include all short-term borrowings other than Commercial papers and Non-convertible debentures with original maturity less than one year.
- 6) The amount stated in this disclosure is based on the audited financial statements for the year ended March 31, 2022 and March 31, 2021.

Additional disclosures required by the Reserve Bank of India (RBI)

91 RATINGS ASSIGNED BY CREDIT RATING AGENCIES AND MIGRATION OF RATINGS DURING THE YEAR

Instruments	Credit rating agency	As at March 31, 2022	As at March 31, 2021
Bank Loan Long-term	CRISIL	CRISIL AA+/Stable	CRISIL AA+/Stable
Bank Loan Short-term	CRISIL	CRISIL A1+	CRISIL A1+
Commercial Paper	India Ratings & Research Private Limited	IND A1+	IND A1+
Commercial Paper	CARE Ratings Ltd	CARE A1+	CARE A1+
Commercial Paper	CRISIL	CRISIL A1+	CRISIL A1+
Dual Recourse Bond	India Ratings & Research Private Limited	IND AAA (CE)/Stable	IND AAA (CE)/Stable
Fixed deposit	CRISIL	CRISIL FAAA/ Stable	CRISIL FAAA/ Stable
Fixed deposit	ICRA	MAA+ with Stable outlook	MAA+ with Stable outlook
Local Currency Long Term Issuer Default Rating	Fitch Ratings	BB/ Stable Outlook	BB/ Negative Outlook
Long Term Principal Protected Market Linked Debentures	CRISIL	CRISIL PPMLD AA+r/ Stable	CRISIL PPMLD AA+r/Stable
Long-Term Issuer Credit Rating	Standard & Poor's Ratings	BB-/ Stable	BB-/ Stable
Long-Term Issuer Default Rating	Fitch Ratings	BB/ Stable Outlook	BB/ Negative Outlook
Non-convertible debentures	CARE Ratings Ltd	CARE AA+/Stable	CARE AA+/Stable
Non-convertible debentures	CRISIL	CRISIL AA+/Stable	CRISIL AA+/Stable
Non-convertible debentures	India Ratings & Research Private Limited	IND AA+/Stable	IND AA+/Stable
Non-convertible debentures	ICRA	-	Provisional [ICRA] AAA (CE) (Stable)
Offshore Rupee Denominated Bond (Masala Bond)	Standard & Poor's Ratings	BB-	BB-
Offshore Rupee Denominated Bond (Masala Bond)	Fitch Ratings	BB	BB

91 RATINGS ASSIGNED BY CREDIT RATING AGENCIES AND MIGRATION OF RATINGS DURING THE YEAR (Contd.)

Instruments	Credit rating agency	As at March 31, 2022	As at March 31, 2021
Principal Protected Market Linked Debentures (Dual Recourse)	India Ratings & Research Private Limited	IND PP-MLD AAA(CE) emr'/ Stable	IND PP-MLD AAA(CE)emr'/ Stable
Short-Term Issuer Credit Rating	Standard & Poor's Ratings	B	B
Short-Term Issuer Default Rating	Fitch Ratings	B	B
Structured Non-Convertible Debentures	India Ratings & Research Private Limited	-	Provisional IND AAA (CE)/Stable
Subordinated debt	CARE Ratings Ltd	CARE AA+/Stable	CARE AA+/Stable
Subordinated debt	India Ratings & Research Private Limited	IND AA+/Stable	IND AA+/Stable
Subordinated debt	CRISIL	CRISIL AA+/Stable	CRISIL AA+/Stable
U.S. Dollar Senior Secured Notes	Standard & Poor's Ratings	BB-	BB-
U.S. Dollar Senior Secured Notes	Fitch Ratings	BB	BB

92 CAPITAL ADEQUACY RATIO

(Rs. in crores unless otherwise stated)

Particulars	As at March 31, 2022	As at March 31, 2021
i) Tier I Capital	23,335.32	18,878.91
ii) Tier II Capital	2,563.01	2,426.58
iii) Total Capital	25,898.33	21,305.49
iv) Total Risk Weighted Assets	112,756.33	94,657.78
v) CRAR (%)	22.97	22.50
vi) CRAR - Tier I capital (%)	20.70	19.94
vii) CRAR - Tier II capital (%)	2.27	2.56
viii) Amount of subordinated debt raised as Tier-II capital*	4,676.10	4,726.10
ix) Amount raised by issue of Perpetual debt instruments	-	-

"Tier I capital", "Tier II capital", "Owned fund" and Capital adequacy ratio are calculated as defined in Master Direction - Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016 and notification RBI/2019-20/170 DOR (NBFC).CC.PD.No.109/22.10.106/2019-20 "Implementation of Indian Accounting Standards" issued by RBI on March 13, 2020.

* Note:

Discounted value of Rs. 2,640.62 crores (March 31, 2021: Rs. 3,283.04 crores) considered for Tier II capital against the book value of Rs. 4,676.10 crores (March 31, 2021: Rs. 4,726.10 crores).

93 INVESTMENTS

(Rs. in crores)

Particulars	As at March 31, 2022	As at March 31, 2021
(1) Value of investments		
(i) Gross value of investments		
(a) In India	6,845.16	3,235.86
(b) Outside India,	-	-
(ii) Provisions for depreciation		
(a) In India	36.00	38.01
(b) Outside India,	-	-
(iii) Net value of investments		
(a) In India	6,809.16	3,197.85
(b) Outside India,	-	-
(2) Movement of provisions held towards depreciation on investments		
(i) Opening balance	38.01	42.23
(ii) Add : Provisions made during the year	-	14.22
(iii) Less : Write-off/write-back of excess provisions during the year	2.00	18.44
(iv) Closing balance	36.00	38.01

94 DERIVATIVES

94.01: Forward rate agreement/Interest rate swap

(Rs. in crores)

Particulars	As at March 31, 2022	As at March 31, 2021
(i) The notional principal of swap agreements	36,819.39	36,431.68
(ii) Losses which would be incurred if counterparties failed to fulfill their obligations under the agreements	-	-
(iii) Collateral required by the NBFC upon entering into swaps	-	-
(iv) Concentration of credit risk arising from the swap	-	-
(v) The fair value of the swap book	201.40	169.25

94.02: Exchange traded interest rate (IR) derivatives : Nil

94.03: Disclosures on risk exposure of derivative

Qualitative disclosures

The Company has a Board approved policy in dealing with derivative transactions. Derivative transaction consists of hedging of foreign exchange transactions, which includes interest rate and currency swaps, interest rate options and forwards. The Company undertakes derivative transactions for hedging on-balance sheet assets and liabilities. Such outstanding derivative transactions are accounted on accrual basis over the life of the underlying instrument. The Asset Liability Management Committee and Risk Management Committee closely monitors such transactions and reviews the risks involved.

The Company has entered into derivative agreement to mitigate the foreign exchange risk and interest rate risk pertaining to external commercial borrowings and foreign currency bonds. The description of risk policies and risk mitigation strategies are disclosed in note 53 of the financial statements.

Quantitative Disclosures

(Rs. in crores)

Particulars	As at March 31, 2022		As at March 31, 2021	
	Currency derivatives	Interest rate derivatives	Currency derivatives	Interest rate derivatives
(i) Derivatives (Notional principal amount)				
For hedging	22,769.76	14,049.63	22,384.20	14,047.48
(ii) Marked to market positions				
a) Asset (+)	185.02	16.38	157.68	11.57
b) Liability (-)	-	-	-	-
(iii) Credit exposure	-	-	-	-
(iv) Unhedged exposures	-	-	-	-

95 DISCLOSURES RELATING TO SECURITISATION/DIRECT ASSIGNMENT

95.01: Disclosure as per Master Direction – Reserve Bank of India (Securitisation of Standard Assets) Directions, 2021 dated September 24, 2021

The information on securitisation of the Company as an originator is given below:

(Rs. in crores)

Sl. No.	Particulars	Non-STC Transactions		STC Transactions #	
		As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
1	No. of SPEs holding assets for securitisation transactions originated by the originator	86	84	1	-
2	Total amount of securitised assets as per books of the SPEs	19,061.78	23,754.07	765.73	-
3	Total amount of exposures retained by the originator to comply with MRR as on the date of balance sheet	3,781.95	3,808.17	84.46	-
	a) Off-balance sheet exposures				
	• First loss	111.31	132.30	-	-
	• Others	-	-	-	-
	b) On-balance sheet exposures				
	• First loss	2,713.36	2,652.30	46.17	-
	• Others	1,068.59	1,155.87	38.29	-
4	Amount of exposures to securitisation transactions other than MRR	-	-	-	-
	a) Off-balance sheet exposures				
	i) Exposure to own securitisations				
	• First loss	-	-	-	-
	• Others	346.25	726.77	-	-
	ii) Exposure to third party securitisations				
	• First loss	-	-	-	-
	• Others	-	-	-	-
	b) On-balance sheet exposures				
	i) Exposure to own securitisations				
	• First loss	-	-	-	-
	• Others	1,953.01	1,925.73	54.02	-
	ii) Exposure to third party securitisations				
	• First loss	-	-	-	-
	• Others	-	-	-	-
5	Sale consideration received for the securitised assets	11,950.46	12,956.41	923.43	-
	Gain/loss on sale on account of securitisation	2,331.79	2,012.63	131.45	-
6	Form and quantum (outstanding value) of services provided by way of, liquidity support, post-securitisation asset servicing, etc.	-	-	-	-
7	Performance of facility provided				
	Credit enhancement (14.11%)				
	(a) Amount paid	1,675.08	2,137.53	146.47	-
	(b) Repayment received	1,674.02	959.33	7.99	-
	(c) Outstanding amount	5,734.96	5,733.90	138.48	-

95 DISCLOSURES RELATING TO SECURITISATION/DIRECT ASSIGNMENT (Contd.)

(Rs. in crores)

Sl. No.	Particulars	Non-STC Transactions		STC Transactions #	
		As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
8	Average default rate of portfolios observed in the past.				
	Vehicle Loans	7.56	8.01	7.56	-
	Others	-	-	-	-
9	Amount and number of additional/top up loan given on same underlying asset.				
	Vehicle Loans	-	-	-	-
	Others	-	-	-	-
10	Investor complaints				
	(a) Directly/Indirectly received	-	-	-	-
	(b) Complaints outstanding	-	-	-	-

Simple, transparent and comparable (STC) securitisations as defined in RBI Master Direction – Reserve Bank of India (Securitisation of Standard Assets) Directions, 2021 dated September 24, 2021.

95.02: Disclosure as per Master Direction – Reserve Bank of India (Transfer of Loan Exposures) Directions, 2021 dated September 24, 2021*

Details of transfer through assignment in respect of loans not in default during the year ended March 31, 2022:

Count of loans accounts assigned	53,252
Amount of loan accounts assigned (Rs. in crores)	1,267.08
Weighted average maturity (in months)	39
Weighted average holding period (in months)	13
Retention of beneficial economic interest	10.00%
Coverage of tangible security	100.00%
Rating wise distribution of rated loans	Not rated

The Company has not acquired any loans not in default through assignment during the financial year ended March 31, 2022.

The Company has neither acquired nor transferred any stressed loans during the year ended March 31, 2022.

*Disclosures are provided for the financial year ended March 31, 2022 as the Master Direction is effective from September 24, 2021.

96 ASSET LIABILITY MANAGEMENT MATURITY PATTERN OF CERTAIN ITEMS OF ASSETS AND LIABILITIES

As at March 31, 2022

Particulars	Upto 0 - 7 days	Upto 8 - 14 days	Upto 15 - 30 days	Over 1 month upto 2 months	Over 2 months upto 3 months	Over 3 months & upto 6 months	Over 6 months & upto 1 year	Over 1 year & upto 3 years	Over 3 years & upto 5 years	Over 5 years	Total
Deposits *	230.91	119.21	342.61	579.91	607.03	1,901.57	3,056.24	10,673.39	4,520.04	-	22,030.91
Advances **	2,068.41	693.90	1,497.28	3,436.81	3,416.21	10,358.59	19,977.17	57,703.76	15,753.24	1,759.78	116,665.15
Investments	49.98	106.48	1,310.10	442.19	762.58	113.89	158.46	641.28	529.38	2,694.82	6,809.16
Borrowings ***	703.79	1,531.30	1,442.41	1,785.22	4,116.35	4,725.37	11,358.56	29,829.09	5,463.83	8,366.53	69,322.45
Foreign currency assets	-	-	-	-	-	-	-	-	-	-	-
Foreign currency liabilities	-	-	243.02	-	85.35	326.71	5,791.35	12,638.18	4,121.61	48.20	23,254.42

As at March 31, 2021

Particulars	Upto 0 - 7 days	Upto 8 - 14 days	Upto 15 - 30 days	Over 1 month upto 2 months	Over 2 months upto 3 months	Over 3 months & upto 6 months	Over 6 months & upto 1 year	Over 1 year & upto 3 years	Over 3 years & upto 5 years	Over 5 years	Total
Deposits *	154.48	45.49	160.57	205.06	311.49	1,357.74	3,317.24	7,689.84	3,047.65	-	16,289.56
Advances **	1,939.49	589.73	1,477.93	3,206.84	3,165.73	9,676.92	17,873.55	51,397.49	15,938.33	3,037.03	108,303.04
Investments	-	15.02	29.69	58.78	49.69	134.26	235.76	794.04	169.15	1,711.46	3,197.85
Borrowings ***	595.52	1,538.23	1,034.91	2,356.37	2,963.32	8,894.36	12,004.44	24,324.08	8,484.54	5,915.78	68,111.55
Foreign currency assets	-	-	-	-	-	-	-	-	-	-	-
Foreign currency liabilities	-	-	246.67	-	22.09	228.76	2,991.55	17,562.32	535.03	315.62	21,902.04

* includes deposits from corporates and unclaimed matured deposit.

** net of impairment loss allowance.

*** excludes deposits which are shown separately and external commercial borrowings and external commercial bond which are shown separately under Foreign currency liabilities.

97 EXPOSURES

97.01: Exposure to real estate sector

The Company has no exposure to real estate sector.

97.02: Exposure to capital market

		(Rs. in crores)	
Particulars		As at March 31, 2022	As at March 31, 2021
(i)	Direct investment in equity shares, convertible bonds, convertible debentures and units of equity-oriented mutual funds the corpus of which is not exclusively invested in corporate debt;	37.26	20.11
(ii)	Advances against shares/bonds/debentures or other securities or on clean basis to individuals for investment in shares (including IPOs/ESOPs), convertible bonds, convertible debentures, and units of equity-oriented mutual funds;	-	-
(iii)	Advances for any other purposes where shares or convertible bonds or convertible debentures or units of equity oriented mutual funds are taken as primary security;	-	-
(iv)	Advances for any other purposes to the extent secured by the collateral security of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds i.e. where the primary security other than shares/convertible bonds/convertible debentures/units of equity oriented mutual funds 'does not fully cover the advances;	-	-
(v)	Secured and unsecured advances to stockbrokers and guarantees issued on behalf of stockbrokers and market makers;	-	-
(vi)	Loans sanctioned to corporates against the security of shares/bonds/debentures or other securities or on clean basis for meeting promoter's contribution to the equity of new companies in anticipation of raising resources;	-	-
(vii)	Bridge loans to companies against expected equity flows/issues;	-	-
(viii)	All exposures to Venture Capital Funds (both registered and unregistered)	1.53	1.54
Total exposure to capital market		38.79	21.65

97.03: Details of financing of parent company products

The Company does not have any Parent Company, hence not applicable.

97.04: Details of Single Borrower Limit (SGL) / Group Borrower Limit (GBL) exceeded by the NBFC

The Company has not exceeded the prudential exposure limits for Single Borrower Limit (SGL) / Group Borrower Limit (GBL) during the years ended March 31, 2022 and March 31, 2021.

97.05: Unsecured advances

The Company has not granted unsecured advances against collateral of intangible securities such as charge over the rights, licenses or authority.

98 ADDITIONAL DISCLOSURES

98.01: Provisions and contingencies

		(Rs. in crores)	
Break up of 'Provisions and contingencies' shown under the head expenditure in Profit and Loss account		Year ended March 31, 2022	Year ended March 31, 2021
Provisions for depreciation on investment		-	-
Provision towards NPA#		2,560.65	1,298.89
Provision made towards income tax ##		841.32	790.75
Provision for Standard Assets ###		-	-
Other Provision and contingencies		-	-
Provision towards impairment of financial instruments other than provision for stage 3 assets		1,300.21	1,819.51

Provision for stage 3 assets

Provision made towards income tax comprises of current tax, deferred tax and tax adjustment for earlier years.

Provision for standard assets is included in provision towards impairment of financial instruments other than provision for stage 3 assets.

98 ADDITIONAL DISCLOSURES (Contd.)

98.02: Draw down from reserves

The draw down from reserves was Rs. Nil.

98.03: Concentration of Deposits, Advances, Exposures and NPAs

98.03.01: Concentration of Deposits (for deposit taking NBFCs)

(Rs. in crores)		
Particulars	As at March 31, 2022	As at March 31, 2021
Total deposits of twenty largest depositors	760.82	730.74
Percentage of deposits of twenty largest depositors to total deposits of the NBFC	3.75%	4.60%

98.03.02: Concentration of advances

(Rs. in crores)		
Particulars	As at March 31, 2022	As at March 31, 2021
Total advances to twenty largest borrowers *	308.66	323.47
Percentage of advances to twenty largest borrowers to total advances of the NBFC *	0.25%	0.28%

* Excludes retained interest on direct assignment Rs. 159.97 crores (March 31, 2021 Rs. 130.03 crores)

98.03.03: Concentration of exposures

(Rs. in crores)		
Particulars	As at March 31, 2022	As at March 31, 2021
Total exposure to twenty largest borrowers/customers *	308.66	323.47
Percentage of exposures to twenty largest borrowers/customers to total exposure of the NBFC on borrowers/customers *	0.25%	0.28%

* Excludes retained interest on direct assignment Rs. 159.97 crores (March 31, 2021 Rs. 130.03 crores)

98.03.04: Concentration of NPAs

(Rs. in crores)		
Particulars	As at March 31, 2022	As at March 31, 2021
Total exposure to top four NPA accounts**	154.79	137.21

** NPA accounts refer to stage 3 assets.

98.03.05: Sector-wise NPAs \$

		As at March 31, 2022	As at March 31, 2021
Sr. No.	Sector	Percentage of NPAs to Total Advances in that sector	Percentage of NPAs to Total Advances in that sector
1	Agriculture & allied activities	-	-
2	MSME	-	-
3	Corporate borrowers	-	-
4	Services	-	-
5	Unsecured personal loans	-	-
6	Auto loans #	6.58%	6.33%
7	Others #	26.75%	20.41%

The loans mentioned above include loans given to corporates.

\$ NPAs refer to stage 3 assets.

99 MOVEMENT OF NPAs \$

(Rs. in crores)		
Particulars	Year ended March 31, 2022	Year ended March 31, 2021
(i) Net NPAs to net advances (%)	3.67%	4.26%
(ii) Movement of NPAs (Gross)		
(a) Opening balance	8,292.81	9,177.08
(b) Additions during the year	7,575.61	5,460.70
(c) Reductions during the year	(6,980.87)	(6,344.97)
(d) Closing balance	8,887.55	8,292.81
(iii) Movement of Net NPAs		
(a) Opening balance	4,806.68	5,991.13
(b) Additions during the year	4,038.36	3,045.12
(c) Reductions during the year	(4,398.99)	(4,229.57)
(d) Closing balance	4,446.05	4,806.68
(iv) Movement of provisions for NPAs (excluding provisions on standard assets)		
(a) Opening balance	3,486.13	3,185.95
(b) Provisions made during the year	3,537.25	2,415.58
(c) Write-off/write-back of excess provisions	(2,581.88)	(2,115.40)
(d) Closing balance	4,441.50	3,486.13

\$ NPAs refer to stage 3 assets.

100 OVERSEAS ASSETS (FOR THOSE WITH JOINT VENTURES AND SUBSIDIARIES ABROAD)

The Company does not have any joint venture or subsidiary abroad, hence not applicable.

101 OFF-BALANCE SHEET SPVs SPONSORED (WHICH ARE REQUIRED TO BE CONSOLIDATED AS PER ACCOUNTING NORMS)

The Company has not sponsored any off-balance sheet SPV which are required to be consolidated as per accounting norms.

102 CUSTOMER COMPLAINTS

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
(a) Number of complaints pending at the beginning of the year	90	28
(b) Number of complaints received during the year	3,662	2,469
(c) Number of complaints redressed during the year	3,687	2,407
(d) Number of complaints pending at the end of the year	65	90

103 INFORMATION ON INSTANCES OF FRAUD

Instances of fraud for the year ended March 31, 2022: (Rs. in crores)

Nature of fraud	No. of cases	Amount of fraud	Recovery*	Amount written-off
Fraud committed by employees	2	3.14	0.01	-

* includes Rs. 0.01 crores recovered from the fraud cases reported during the year ended March 31, 2020.

103 INFORMATION ON INSTANCES OF FRAUD (Contd.)

Instances of fraud for the year ended March 31, 2021: (Rs. in crores)

Nature of fraud	No. of cases	Amount of fraud	Recovery*	Amount written-off
Fraud committed by borrowers and outsiders	3	1.05	0.46	-

* includes Rs. 0.10 crores recovered from the fraud cases reported during the year ended March 31, 2020.

104 DISCLOSURE OF PENALTIES IMPOSED BY RBI AND OTHER REGULATORS

Details of Penalties levied by various regulators:

No penalties have been levied by any regulator on the Company for the year ended March 31, 2022.

No penalties have been levied by any regulator on the Company for the year ended March 31, 2021.

However, during the financial year ended March 31, 2020, the Company had received an order no SDE/SRO/CEZO-1/02/2020(SK) dated March 4, 2020 passed by the Special Director, Directorate of Enforcement (ED), Southern Regional Office, Chennai imposing a penalty of Rs. 5.00 crores on the Company. The Company had filed a writ petition dated June 4, 2020 before the High Court of Madras, requesting for a stay on the said order dated March 04, 2020 of the ED. On July 01, 2020, the Hon'ble Madras High Court had admitted the Company's writ petition challenging the said order dated March 04, 2020 of the ED and granted interim stay order with the direction to the Company to deposit 25% of the penalty amount in the Court. The Company had deposited Rs. 1.25 crore with the Hon'ble Madras High Court on August 26, 2020. The payment was made without prejudice to the rights and entitlement to the reliefs sought by the Company through the petition filed with the Hon'ble Madras High Court. The Deputy Legal Adviser, Enforcement Directorate had filed an appeal dated October 6, 2020 before the Hon'ble Appellate Tribunal for Foreign Exchange, New Delhi ("Appellate Tribunal") against the said order dated March 4, 2020 of the Special Director of Enforcement. The Company will contest the appeal filed in the Hon'ble Appellate Tribunal in the competent forum to seek appropriate legal remedy.

As per our report of even date

For Khimji Kunverji & Co LLP

Chartered Accountants

ICAI Firm Registration No. 105146W/W-100621

For Sundaram & Srinivasan

Chartered Accountants

ICAI Firm Registration No. 004207S

For and on behalf of the Board of Directors of

Shriram Transport Finance Company Limited

Gautam Shah

Partner

Membership No. 117348

Mumbai

April 28, 2022

P Menakshi Sundaram

Partner

Membership No. 217914

Mumbai

April 28, 2022

S. Lakshminarayanan

Chairman

DIN: 02808698

Mumbai

April 28, 2022

Umesh Revankar

Vice Chairman &

Managing Director

DIN: 00141189

Mumbai

April 28, 2022

Parag Sharma

Joint Managing Director & CFO

DIN: 02916744

Mumbai

April 28, 2022

Vivek M. Achwal

Company Secretary

Mumbai

April 28, 2022

NOTES FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2022 (Contd.)

STANDALONE ACCOUNTS

As required in terms of paragraph 19 of Master Direction - Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016

Schedule to the Balance Sheet

(Rs. in crores)

Particulars	As at March 31, 2022	
Liabilities side :	Amount outstanding	Amount overdue
(1) Loans and advances availed by the NBFCs inclusive of interest accrued thereon but not paid:		
(a) Debenture : Secured	21,281.77	13.09 #
: Unsecured	85.18	Nil
(other than falling within the meaning of public deposits*)		
(b) Deferred Credits	Nil	Nil
(c) Term Loans	41,978.94	Nil
(d) Inter-corporate loans and borrowing	29.14	Nil
(e) Commercial Paper	Nil	Nil
(f) Public Deposits* @	20,301.00	110.92 #
(g) Other Loans - Subordinated debts	4,623.33	9.08 #
- Cash Credit	454.86	Nil
- Deposits from corporates	1,729.91	0.15 #
- Senior secured notes	891.40	Nil
- External commercial borrowing- Secured	4,243.13	Nil
- External commercial bond -Secured	19,011.29	Nil
@ excludes deposits from corporates		
*Please see note 1 below		
# Represent amounts unclaimed		

(Rs. in crores)

		(Rs. in crores)	
(2)	Break-up of (1)(f) above (Outstanding public deposits inclusive of interest accrued thereon but not paid):	Amount outstanding	Amount overdue
	(a) In the form of Unsecured debentures	Nil	Nil
	(b) In the form of partly secured debentures i.e debentures where there is a shortfall in the value of security	Nil	Nil
	(c) Other public deposits @	20,301.00	110.92 #
	@ excludes deposits from corporates		
	*Please see note 1 below		
	# Represent amounts unclaimed		

(Rs. in crores)

Assets side :		Amount outstanding
(3)	Break-up of loans and advances including bills receivables (other than those included in (4) below):	
	(a) Secured	123,999.00
	(b) Unsecured	1,700.03

	(Rs. in crores)
(4) Break up of Leased Assets and stock on hire and other assets counting towards asset financing activities €	Amount outstanding
(i) Lease assets including lease rentals under sundry debtors :	
(a) Financial lease	Nil
(b) Operating lease	Nil
(ii) Stock on hire including hire charges under sundry debtors :	
(a) Assets on hire	Nil
(b) Repossessed Assets	Nil
(iii) Other loans counting towards asset financing activities : €	
(a) Loans where assets have been repossessed	Nil
(b) Loans other than (a) above	Nil

€ The Company has not disclosed amount outstanding under assets financing activities under note 4(iii) and included entire loan amount outstanding under note 3 as RBI has merged Asset Financing Companies, Loan Companies and Investment companies in to a new category "NBFC - Investment and Credit Company" vide its circular no. DNBR (PD) CC. No. 097/03.10.001/2018-19 dated February 22, 2019.

	(Rs. in crores)
(5) Break-up of investments : \$	Amount outstanding
Current investments :	
1. Quoted :	
(i) Shares : (a) Equity	Nil
(b) Preference	Nil
(ii) Debenture and bonds	Nil
(iii) Units of mutual funds	Nil
(iv) Government securities	Nil
(v) Others (Please specify)	Nil
2. Unquoted :	
(i) Shares: (a) Equity	Nil
(b) Preference	Nil
(ii) Debentures and bonds	Nil
(iii) Units of mutual funds	Nil
(iv) Government securities	Nil
(v) Others (Please specify)	Nil
Long term investments :	
1. Quoted :	
(i) Shares : (a) Equity	Nil
(b) Preference	Nil
(ii) Debentures and bonds	Nil
(iii) Units of mutual funds	Nil
(iv) Government securities	3,154.39
(v) Others (Please specify)	Nil
2. Unquoted :	
(i) Shares: (a) Equity	37.26
(b) Preference	Nil
(ii) Debentures and bonds	Nil
(iii) Units of mutual funds	1,523.02
(iv) Government securities	Nil
(v) Others - Venture capital fund	1.53
Investment in PTC	1,070.88
Investment in certificate of deposits	822.29
Investment in commercial papers	199.79

\$ The Company has not disclosed the breakup of investment into Long term investment and current investment as the classification is not required under Indian Accounting Standards issued by MCA for NBFCs.

(6) Borrower group-wise classification of assets, financed as in (3) and (4) above :

Please see note 2 below

		(Rs. in crores)	
Category		Amount (Net of provisions)	
		Secured	Unsecured
1.	Related Parties **		
	(a) Subsidiaries	Nil	Nil
	(b) Companies in the same group	Nil	Nil
	(c) Other related parties	Nil	Nil
2.	Other than related parties	115,266.44	1,398.71
	Total	115,266.44	1,398.71

(7) Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted): \$

Please see note 3 below

		(Rs. in crores)	
Category		Market Value / Break up or fair value or NAV*	Book Value (Net of Provisions)
1.	Related Parties **		
	(a) Subsidiaries	Nil	Nil
	(b) Companies in the same group	74.02	13.37
	(c) Other related parties	Nil	Nil
2.	Other than related parties	6,608.55	6,795.79
	Total	6,682.57	6,809.16

* Disclosure is made in respect of available information.

** As per Indian Accounting Standard issued by MCA (Please see note 3)

\$ The Company has not disclosed the breakup of investment into Long term investment and current investment as the classification is not required under Indian Accounting Standards issued by MCA.

(8) Other information

(Rs. in crores)

Sr. No.	Particulars	Amount
(i)	Gross non-performing assets ₹	
	(a) Related parties	Nil
	(b) Other than related parties	8,887.55
(ii)	Net non-performing assets ₹	
	(a) Related parties	Nil
	(b) Other than related parties	4,446.05
(iii)	Assets acquired in satisfaction of debt	Nil

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

Notes :

- As defined in point xxvii of paragraph 3 of Chapter II of Master Direction - Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016.
- Provisioning norms shall be applicable as prescribed in Indian Accounting Standards by MCA.
- All notified Accounting Standards and Guidance Notes issued by ICAI are applicable including for valuation of investments and other assets as also assets acquired in satisfaction of debt. However, market value in respect of quoted investments and break up / fair value / NAV in respect of unquoted investments shall be disclosed irrespective of whether they are classified as amortised cost or at fair value (5) above.

FORM AOC-1

(Pursuant to first proviso to sub- section (3) of Section 129 read with Rule 5 of Companies (Accounts) Rules, 2014)
 Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

Part A: Subsidiaries

The Company does not have any subsidiary.

Part B: Associates and joint venture (Refer note 45)

Sr. No.	Particulars - Associate	Shriram Automall India Limited
1	Latest Audited Balance Sheet Date	March 31, 2022
2	Shares of associate held by the Company on the year end	
	No.	13,369,565
	Amount of investment in associate (Rs. in crores)	13.37
	Extent of holding %	44.56
3	Description of how there is significant influence	By virtue of holdings being 20% or more - Associate Company
4	Reason why the associate is not consolidated	N.A.
5	Networth attributable to shareholding as per latest audited Balance Sheet (Rs. in crores)*	184.41
6	Profit/(Loss) for the year (Rs. in crores)*	
	i Considered in consolidation	13.17
	ii Not Considered in consolidation	16.39

The Company does not have any joint venture.

*on consolidated basis

For and on behalf of the Board of Directors of
Shriram Transport Finance Company Limited

S. Lakshminarayanan
 Chairman

DIN: 02808698
 Mumbai
 April 28, 2022

Umesh Revankar
 Vice Chairman &
 Managing Director
 DIN: 00141189
 Mumbai
 April 28, 2022

Parag Sharma
 Joint Managing Director & CFO
 DIN: 02916744
 Mumbai
 April 28, 2022

Vivek M. Achwal
 Company Secretary
 Mumbai
 April 28, 2022

M M Nissim & Co LLP
Chartered Accountants

Barodawala Mansion,
B wing, 3rd Floor,
81, Dr. Annie Besant Road,
Worli, Mumbai 400018

G. D. Apte & Co.
Chartered Accountants

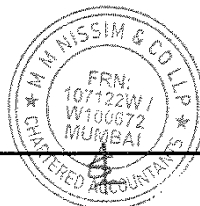
Neelkanth Business Park,
Office No. 509, 5th floor,
Nathani Road, Vidyavihar West
Mumbai 400086

Independent auditor's review report on Unaudited Consolidated Quarterly Financial Results of Shriram Finance Limited for the quarter and half year ended September 30, 2024, pursuant to Regulation 33 and Regulation 52 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

**To the Board of Directors of
Shriram Finance Limited (Formally, Shriram Transport Finance Company Limited)**

1. We have reviewed the accompanying Statement of Unaudited Consolidated Financial Results of Shriram Finance Limited ("the Holding Company" or "the NBFC") and its subsidiaries (the Holding Company and its subsidiaries together referred to as the "Group"), and its share of the net profit after tax and total comprehensive income of its associate for the quarter and half year ended September 30, 2024 ("the Statement") attached herewith, being submitted by the Holding Company pursuant to the requirements of Regulation 33 and Regulation 52 of the Securities and Exchange Board of India ("the SEBI") (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the Listing Regulations").
2. This Statement, which is the responsibility of the Holding Company's Management and approved by its Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 'Interim Financial Reporting' ("Ind AS 34") prescribed under Section 133 of the Companies Act, 2013 ("the Act") as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India, and in compliance with Regulation 33 and Regulation 52 of the Listing Regulations. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410- 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity', issued by the Institute of Chartered Accountants of India ("ICAI"). This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free from material misstatement. A review of interim financial information consists of making inquiries, primarily of Holding Company's personnel responsible for financial and accounting matters and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing specified under Section 143(10) of the Act, and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We also performed procedures in accordance with the circular No. CIR/CED/CMD/ 44/ 2019 dated March 29, 2019 issued by the SEBI under Regulation 33 (8) of the Listing Regulations, to the extent applicable.



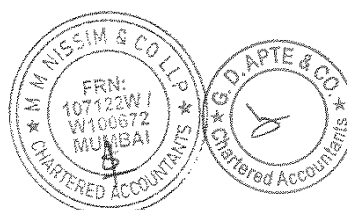
4. The Statement includes the results of the following entities:

Name of the entity	Relationship
Shriram Finance Limited (formerly known as Shriram Transport Finance Company Limited)	Holding Company
Shriram Housing Finance Limited	Subsidiary Held for Sale
Shriram Automall India Limited	Associate

5. Based on our review conducted and procedures performed as stated in paragraph 3 above and based on the consideration of the review report of the other auditors referred to in paragraph 7 below, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the Ind AS 34 prescribed under Section 133 of the Act, as amended read with relevant rules issued thereunder and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 and Regulation 52 of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.
6. We did not review the interim financial results of a subsidiary included in the Statement, whose interim financial results reflect total assets of ₹ 13,393.09 Crore as at September 30, 2024; net profit after tax from discontinued operations of ₹ 78.63 Crore and ₹ 127.51 Crore for the quarter and half year ended September 30, 2024, respectively; other comprehensive income of ₹ 0.69 Crore and ₹ 0.74 Crore for the quarter and half year ended September 30, 2024, respectively and cash inflow of ₹ 141.14 Crore for the half year ended September 30, 2024, as considered in the Statement. Those interim financial results have been reviewed by other auditors whose report have been furnished to us by the Management and our conclusion on the Statement, in so far as it relates to the amounts and disclosures included in respect of this subsidiary, is based solely on the report of the other auditors and the procedures performed by us as stated in paragraph 3 above.

The Statement also includes the Group's share of net profit after tax (net) of ₹ 3.38 Crore and ₹ 4.55 Crore and other comprehensive income of ₹ Nil and ₹ 0.04 Crore for the quarter and half year ended September 30, 2024, respectively, as considered in the Statement, in respect of an associate. These interim financial information have been reviewed by other auditor whose report has been furnished to us by the Management and our conclusion on the Statement, in so far as it relates to the amounts and disclosures included in respect of this associate, is based solely on the report of the other auditors and the procedures performed by us as stated in paragraph 3 above.

Our conclusion on the Statement is not modified in respect of these matters.

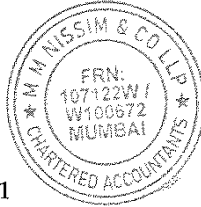


7. As described in note 18 to the Statement, the figures for the quarter ended June 30, 2024 and for the quarter and half year ended September 30, 2023 as reported in this Statement were reviewed by predecessor joint auditors who expressed an unmodified conclusion on those Consolidated Financial Results vide their Review Report dated July 26, 2024 and October 26, 2023 respectively. Figures for the year ended March 31, 2024 as reported in this Statement were audited by predecessor joint auditor who expressed an unmodified opinion on those annual Consolidated Financial Results vide their audit report dated April 26, 2024.

Our conclusion on the Statement is not modified in respect of this matter.

For M M Nissim & Co LLP
Chartered Accountants
Firm Registration Number: 107122W/W100672


Manish Singhania
Partner
Membership Number: 155411
ICAI UDIN: 24155411BKGYEK1953



Place: Mumbai
Date: October 25, 2024

For G. D. Apte & Co.
Chartered Accountants
Firm Registration Number: 100515W


Umesh S. Abhyankar
Partner
Membership Number: 113053
ICAI UDIN: 24113053BKBFJ5938

Place: Mumbai
Date: October 25, 2024



SHRIRAM FINANCE LIMITED (formerly Shriram Transport Finance Company Limited)

CIN: L65191TN1979PLC007874

Regd. Office: Sri Towers, 14A, South Phase, Industrial Estate, Guindy, Chennai – 600 032, Tamil Nadu.

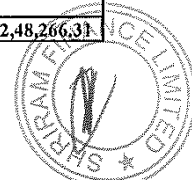
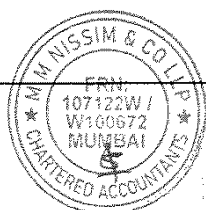
Tel. No: +91 44 4852 4666, Fax: +91 44 4852 5666. Website-www.shriramfinance.in, email-secretarial@shriramfinance.in

Notes:

1. Statement of consolidated assets and liabilities

(Rs. in crores)

Sr. No.	Particulars	As at 30.09.2024 (Unaudited)	As at 31.03.2024 (Audited)
	ASSETS		
(1)	Financial assets		
(a)	Cash and cash equivalents	11,028.98	6,182.36
(b)	Bank balance other than (a) above	6,125.23	4,990.44
(c)	Derivative financial instruments	309.86	326.48
(d)	Receivables		
(I)	Trade receivables	24.27	51.63
(II)	Other receivables	292.27	340.53
(e)	Loans	2,24,654.73	2,18,695.61
(f)	Investments	11,615.70	9,471.82
(g)	Other financial assets	70.99	370.56
	Total financial assets	2,54,122.03	2,40,429.44
(2)	Non-financial assets		
(a)	Current tax assets (net)	687.39	593.03
(b)	Deferred tax assets (net)	3,303.00	3,069.38
(c)	Investment property	0.00	0.99
(d)	Property, plant and equipment	920.76	941.07
(e)	Intangible assets under development	3.72	-
(f)	Goodwill	1,406.73	1,740.94
(g)	Other intangible assets	883.57	1,034.87
(h)	Other non-financial assets	365.31	456.59
	Total non-financial assets	7,570.48	7,836.87
(3)	Investment property held for sale	0.97	-
(4)	Assets associated with Subsidiary held for sale	13,393.09	-
	Total assets	2,75,086.57	2,48,266.31
	LIABILITIES AND EQUITY		
	Liabilities		
(1)	Financial liabilities		
(a)	Derivative financial instruments	0.07	-
(b)	Payables		
(I)	Trade payables		
(i)	total outstanding dues of micro enterprises and small enterprises	-	0.02
(ii)	total outstanding dues of creditors other than micro enterprises and small enterprises	297.79	245.86
(II)	Other payables		
(i)	total outstanding dues of micro enterprises and small enterprises	0.58	2.25
(ii)	total outstanding dues of creditors other than micro enterprises and small enterprises	1.19	3.16
(c)	Debt securities	56,147.09	46,450.68
(d)	Borrowings (other than debt securities)	98,464.28	1,00,152.44
(e)	Deposits	50,196.41	44,443.66
(f)	Subordinated liabilities	3,011.84	4,449.30
(g)	Other financial liabilities	1,890.51	2,030.64
	Total financial liabilities	2,10,009.76	1,97,778.01
(2)	Non-financial liabilities		
(a)	Current tax liabilities (net)	500.76	237.79
(b)	Provisions	316.73	304.78
(c)	Other non-financial liabilities	110.18	269.04
	Total non-financial liabilities	927.67	811.61
	Total liabilities	2,10,937.43	1,98,589.62
(3)	Liabilities associated with Subsidiary held for sale	11,006.90	-
(4)	Equity		
(a)	Equity share capital	375.99	375.79
(b)	Other equity	52,015.71	48,571.38
	Total equity	52,391.70	48,947.17
	Non-controlling interest	750.54	729.52
	Total liabilities and equity	2,75,086.57	2,48,266.31



SHRIRAM FINANCE LIMITED (formerly Shriram Transport Finance Company Limited)

CIN: L65191TN1979PLC007874

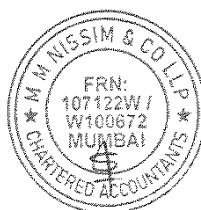
Regd. Office: Sri Towers, 14A, South Phase, Industrial Estate, Guindy, Chennai – 600 032, Tamil Nadu.

Tel. No: +91 44 4852 4666, Fax: +91 44 4852 5666, Website-www.shriramfinance.in, email-secretarial@shriramfinance.in

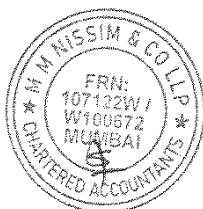
STATEMENT OF UNAUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND HALF-YEAR ENDED SEPTEMBER 30, 2024

(Rs. in crores)

Sr. No.	Particulars	Quarter Ended			Half Year Ended		Year Ended
		30.09.2024 (Unaudited)	30.06.2024 (Unaudited)	30.09.2023 (Unaudited)	30.09.2024 (Unaudited)	30.09.2023 (Unaudited)	31.03.2024 (Audited)
	Revenue from operations						
(i)	Interest income	9,814.50	9,362.79	8,216.56	19,177.29	15,904.51	33,599.66
(ii)	Dividend income	1.69	-	1.45	1.69	1.45	1.45
(iii)	Rental income	-	-	0.06	-	0.12	0.13
(iv)	Fees and commission income	114.26	103.77	106.51	218.03	173.28	457.38
(v)	Net gain on fair value changes	15.06	(12.64)	1.56	2.42	72.80	95.65
(vi)	Net gain on derecognition of financial instruments under amortised cost category	47.02	43.27	112.52	90.29	189.37	324.65
(vii)	Other operating income	97.01	95.15	116.82	192.16	216.78	485.49
(I)	Total revenue from operations	10,089.54	9,592.34	8,555.48	19,681.88	16,558.31	34,964.41
(II)	Other income	7.14	4.73	8.97	11.87	14.15	33.20
(III)	Total income (I+II)	10,096.68	9,597.07	8,564.45	19,693.75	16,572.46	34,997.61
	Expenses						
(i)	Finance costs	4,350.42	4,128.91	3,621.86	8,479.33	7,109.40	14,806.12
(ii)	Fees and commission expenses	146.78	101.33	104.01	248.11	188.29	428.69
(iii)	Impairment on financial instruments	1,234.99	1,187.55	1,128.55	2,422.54	2,007.16	4,518.34
(iv)	Employee benefits expenses	906.67	868.35	790.38	1,775.02	1,580.77	3,215.59
(v)	Depreciation, amortisation and impairment	158.86	153.48	136.78	312.34	268.65	568.83
(vi)	Other expenses	547.43	490.86	430.59	1,038.29	818.29	1,776.40
(IV)	Total expenses	7,345.15	6,930.48	6,212.17	14,275.63	11,972.56	25,313.97
(V)	Profit before exceptional items and tax (III - IV)	2,751.53	2,666.59	2,352.28	5,418.12	4,599.90	9,683.64
(VI)	Exceptional items	-	-	-	-	-	-
(VII)	Profit before tax from continuing operations (V + VI)	2,751.53	2,666.59	2,352.28	5,418.12	4,599.90	9,683.64
(VIII)	Tax expense:						
(1)	Current tax	815.19	995.29	808.81	1,810.48	1,526.88	3,400.06
(2)	Deferred tax	(134.92)	(309.29)	(207.37)	(444.21)	(353.26)	(906.90)
(IX)	Profit for the period from continuing operations (VII - VIII)	2,071.26	1,981.76	1,753.40	4,051.85	3,429.89	7,190.48
(X)	Share of profit/ (loss) of associate	3.38	1.17	2.56	4.55	3.61	7.78
(XI)	Net profit after taxes and share of profit/ (loss) of associate from continuing operations (IX+X)	2,074.64	1,981.76	1,753.40	4,056.40	3,429.89	7,198.26
(XII)	Discontinued operations: (Refer note 7 & 19)						
	Profit before tax from discontinued operations	97.24	64.22	51.88	161.46	104.82	276.53
	Tax expenses of discontinued operations	18.61	15.34	13.45	33.95	30.69	75.90
	Net profit after tax for the period from discontinued operations	78.63	48.88	38.43	127.51	74.13	200.63
(XIII)	Net profit after tax for the period from total operations (XI + XII)	2,153.27	2,030.64	1,791.83	4,183.91	3,504.02	7,398.89
(XIV)	Other comprehensive income						
	From continuing operations						
(A)	(i) Items that will not be reclassified to profit or loss						
	Remeasurement gain/(loss) on defined benefit plan	(8.10)	(0.96)	(14.51)	(9.06)	(27.71)	(78.09)
	Gain / (loss) on Fair valuation of quoted investments in equity shares	(3.45)	3.07	(1.45)	(0.38)	12.72	16.49
	Share of other comprehensive income from associates	(0.01)	0.06	0.04	0.05	(0.08)	(0.08)
	(ii) Income tax relating to items that will not be reclassified to profit or loss	2.91	(0.53)	4.01	2.38	3.77	15.50
	Tax on share of other comprehensive income from associates	0.01	(0.02)	(0.01)	(0.01)	0.02	0.02
	Subtotal (A)	(8.64)	1.62	(11.92)	(7.02)	(11.28)	(46.16)
(B)	(i) Items that will be reclassified to profit or loss						
	Cash flow hedge reserve						
	Gain/(loss) on effective portion of hedging instruments in a cash flow hedge	101.24	8.53	148.33	109.77	44.77	(56.12)
	(ii) Income tax relating to items that will be reclassified to profit or loss	(25.48)	(2.15)	(37.33)	(27.63)	(11.27)	14.12
	Subtotal (B)	75.76	6.38	111.00	82.14	33.50	(42.00)
	Other comprehensive income from continuing operations (A + B)	67.12	8.00	99.08	75.12	22.22	(88.16)



Sr. No.	Particulars	Quarter Ended			Half Year Ended		(Rs. in crores)
		30.09.2024	30.06.2024	30.09.2023	30.09.2024	30.09.2023	31.03.2024
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
	From discontinued operations						
(C)	(i) Items that will not be reclassified to profit or loss						
	Remeasurement gain/(loss) on defined benefit plan	(0.66)	(0.66)	(0.01)	(1.32)	(0.36)	(0.34)
	(ii) Income tax relating to items that will not be reclassified to profit or loss	0.16	0.17	0.00	0.33	0.09	0.17
	Subtotal (C)	(0.50)	(0.49)	(0.01)	(0.99)	(0.27)	(0.17)
(D)	(i) Items that will be reclassified to profit or loss						
	Cash flow hedge reserve						
	Gain/(loss) on effective portion of hedging instruments in a cash flow hedge	1.60	(1.26)	(0.64)	0.34	(0.65)	0.14
	(ii) Income tax relating to items that will be reclassified to profit or loss	(0.41)	0.32	0.16	(0.09)	0.16	(0.04)
	Subtotal (D)	1.19	(0.94)	(0.48)	0.25	(0.49)	0.10
	Other comprehensive income from discontinued operations (C+ D)	0.69	(1.43)	(0.49)	(0.74)	(0.76)	(0.07)
(XV)	Total comprehensive income for the period (XIII + XIV)	2,221.08	2,037.21	1,890.42	4,258.29	3,525.48	7,310.66
(XVI)	Profit / (Loss) for the period attributable to						
	- Owners of the Company	2,140.40	2,022.80	1,786.10	4,163.20	3,491.34	7,366.38
	- Non - Controlling Interests	12.87	7.84	5.73	20.71	12.68	32.51
(XVII)	Other comprehensive income / (loss) for the period attributable to						
	- Owners of the Company	67.78	6.72	98.67	74.50	21.58	(88.25)
	- Non - Controlling Interests	0.03	(0.15)	(0.08)	(0.12)	(0.12)	0.02
(XVIII)	Total comprehensive income / (loss) for the period attributable to						
	- Owners of the Company	2,208.18	2,029.52	1,884.77	4,237.70	3,512.92	7,278.13
	- Non - Controlling Interests	12.90	7.69	5.65	20.59	12.56	32.53
(XIX)	Paid-up equity share capital (face value Rs. 10/- per share)	375.99	375.91	375.35	375.99	375.35	375.79
(XX)	Other equity						48,571.38
(XXI)	Earnings per equity share (Not annualised for the interim periods)						
	Continuing Operations:						
	Basic (Rs.)	55.18	52.73	46.74	107.91	91.50	191.84
	Diluted (Rs.)	55.10	52.64	46.58	107.74	91.13	191.23
	Discontinued Operations:						
	Basic (Rs.)	1.75	1.09	0.87	2.84	1.64	4.48
	Diluted (Rs.)	1.75	1.09	0.87	2.84	1.63	4.47
	Total Operations:						
	Basic (Rs.)	56.93	53.82	47.61	110.75	93.14	196.32
	Diluted (Rs.)	56.85	53.73	47.45	110.57	92.76	195.69



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Notes:

2. Consolidated cash flow statement

(Rs in crores)

Particulars	Half-Year Ended	
	30.09.2024 (Unaudited)	30.09.2023 (Unaudited)
A. Cash flow from operating activities		
Profit before tax from continuing operations	5,418.12	4,599.90
Profit before tax from discontinued operations	161.46	104.82
Adjustments for:		
Depreciation, amortisation and impairment	312.34	268.65
Share based payments to employees	-	9.30
Interest income on loans	(18,591.77)	(15,363.32)
Finance costs	8,479.33	7,109.40
Loss/(profit) on sale of property plant and equipments (net)	2.27	(3.50)
Fair value adjustments to investments	(0.17)	1.00
Fair value adjustments related to subsidiary interest income on account of consolidation	-	19.57
Fair value adjustment related to subsidiary finance cost on account of consolidation	-	0.11
Dividend Income	(1.69)	(1.45)
Impairment on loans	2,400.47	1,998.90
Impairment on investments	10.56	10.23
Impairment on undrawn loan commitment	11.53	(6.67)
Impairment on other assets	(0.02)	4.70
Unwinding of security deposit	(2.86)	2.44
Net (gain)/loss on fair value changes on derivatives	0.07	-
Net (gain)/loss on fair value changes on investment	(36.02)	(95.46)
Net (gain)/loss on fair value changes on direct assignment	33.53	22.66
Net gain on derecognition of financial instruments under amortised cost category	(90.29)	(189.37)
Cash inflow from interest on loans	17,911.58	14,852.29
Cash outflow towards finance costs	(6,222.78)	(5,678.10)
Cash flow from discontinued operations of operating nature	(17.61)	(47.63)
Operating profit before working capital changes	9,778.05	7,618.47
Movements in working capital:		
Decrease/(increase) in loans	(18,445.60)	(16,676.08)
Decrease/(increase) in investments	(2,311.68)	(387.94)
Decrease/(increase) in receivables	124.78	90.80
Decrease/(increase) in bank deposits	(1,325.96)	1,276.49
Decrease/(increase) in other financial assets	(2.73)	(2.99)
Decrease/(increase) in other non-financial assets	(8.90)	20.55
Increase/(decrease) in payables	86.04	26.66
Increase/(decrease) in other financial liabilities	4.11	246.69
Increase/(decrease) in non-financial liabilities	(157.12)	(105.50)
Increase/(decrease) other provision	(0.07)	21.93
Movement in working capital in discontinued operations	(983.03)	(1,893.73)
Cash used in operations	(13,242.11)	(9,764.64)
Direct taxes paid (net of refunds)	(1,662.39)	(1,428.78)
Direct taxes paid (net of refunds) of discontinued operations	(44.35)	(29.95)
Net cash flows from/(used in) operating activities (A)	(14,948.85)	(11,223.38)



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Notes:

2. Consolidated cash flow statement

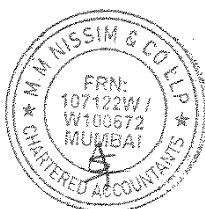
(Rs in crores)

Particulars	Half-Year Ended	
	30.09.2024 (Unaudited)	30.09.2023 (Unaudited)
B. Cash flow from investing activities		
Purchase of property, plant and equipment	(103.30)	(70.56)
Proceeds from sale of property, plant and equipment	2.61	1.81
Purchase of intangible assets under development	(3.72)	-
Purchase of other intangible assets	(30.05)	(50.89)
Proceeds from sale of investment property	-	4.72
Cash flow from discontinued operations of investing nature	(15.88)	(6.76)
Net cash generated from/(used in) investing activities (B)	(150.34)	(121.68)
C. Cash flow from financing activities		
Proceeds from issue of share capital and share application pending allotment (including share premium)	4.19	19.83
Proceeds/(repayment) on settlement of derivative contracts	20.62	382.42
Increase / (decrease) in fixed deposits (net)	5,103.50	4,148.03
Amounts received from debt securities	19,256.10	6,342.50
Repayments of debt securities	(8,936.46)	(9,107.85)
Proceeds/(repayment) of subordinated debts	(1,379.57)	(236.54)
Amounts received from borrowings other than debt securities	46,550.60	34,260.64
Repayments of borrowings other than debt securities	(40,732.65)	(29,329.42)
Payment of lease liabilities	(106.28)	(103.43)
Dividend paid	(564.66)	(749.94)
Cash flow from discontinued operations of financing nature	1,040.55	1,802.60
Net cash flows from financing activities (C)	20,255.94	7,428.84
Net increase in cash and cash equivalents (A+B+C)	5,156.75	(3,916.21)
Cash and cash equivalents at the beginning of the year	6,182.36	9,932.84
Less: Cash and cash equivalents of discontinued operations	(310.13)	(376.58)
Cash and cash equivalents at the end of the period	11,028.98	5,640.05

Components of cash and cash equivalents

(Rs. in crores)

Cash and cash equivalents at the end of the period	As at	
	30.09.2024 (Unaudited)	30.09.2023 (Unaudited)
i) Cash on hand	145.82	140.39
ii) Cheques on hand	3.66	3.23
iii) Balances with banks (of the nature of cash and cash equivalents)	3,685.73	3,675.09
iv) Call money (CBLO)	999.82	-
v) Bank deposit with original maturity upto three months or less	6,193.95	1,821.34
Total	11,028.98	5,640.05



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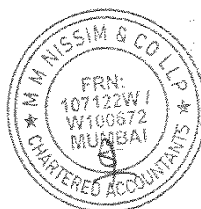
Notes:

- 3 The above results have been reviewed by the Audit Committee and subsequently approved by the Board of Directors in their respective meetings held on October 25, 2024.
- 4 The Consolidated Financial Results (the 'Statement' or 'Results') of Shriram Finance Limited (the 'Parent' or the 'Company') and its subsidiary (the Parent and its subsidiary together referred to as 'the Group') and its associate Shriram Automall India Limited, together with the Results for the comparative reporting periods have been prepared in accordance with recognition and measurement principles laid down in Indian Accounting Standard ('Ind AS') 34 - Interim Financial Reporting and as prescribed under Section 133 of the Companies Act, 2013 ('the Act') read with Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time and the other accounting principles generally accepted in India and in compliance with Regulation 33 and 52 read with Regulation 63 (2) of Securities and Exchange Board of India ('SEBI') (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the 'Listing Regulations'). The entities consolidated in the results of the company are as under -

Name of the Company	% Shareholding and voting power of Shriram Finance Limited	Consolidated as
Shriram Housing Finance Limited	83.76%	Subsidiary Held for Sale
Shriram Automall India Limited	44.56%	Associate

These consolidated financial results would be available on the website of the Company (www.shriramfinance.in) and on the website of BSE Limited (www.bseindia.com) and National Stock Exchange of India Limited (www.nseindia.com).

- 5 The Group has applied its material accounting policies in the preparation of this Statement consistent with those followed in the Consolidated financial statements for the year ended March 31, 2024. Any application of guidance/ clarification/ directions issued by RBI or other regulations are implemented prospectively when they become applicable.
- 6 The consolidated financial results for the quarter and half year ended September 30, 2024 have been reviewed by the joint statutory auditors, viz. M M Nissim & Co LLP, Chartered Accountants and G. D. Apte & Co., Chartered Accountants.
- 7 The Board of Directors of the Company in its meeting held on May 13, 2024 had approved the proposal for disinvestment of the Company's entire stake in Shriram Housing Finance Limited (SHFL), a debt-listed non-material subsidiary of the Company and in this regard, the Company has entered into the share purchase agreement with Mango Crest Investment Ltd (an affiliate of Warburg Pincus). Approvals from Competition Commission of India (CCI) and RBI have been received. The approval from RBI is subject to compliance of certain conditions by the buyer. The management believes that the sale is highly probable and accordingly, the assets and liabilities in SHFL have been classified as held for sale in accordance with Ind AS 105. The same have been measured at lower of carrying value and fair value less cost to sell.
- 8 The Board of Directors of the Company in its meeting held on April 26, 2024 had approved acquisition of 100% equity stake in Shriram Overseas Investments Private Limited from Shriram Investments Holdings Private Limited, subject to approval of Reserve Bank of India (RBI).
- 9 The Board of Directors in their meeting held on October 25, 2024 declared interim dividend of (220%) Rs. 22/- per equity share of face value of Rs. 10/- each fully paid up for the financial year 2024-25. The record date for payment of interim dividend is November 07, 2024. The interim dividend will be paid to eligible Members on or before November 24, 2024 subject to deduction of tax at source as per the applicable rate(s) to the eligible shareholders.
- 10 Pursuant to the final dividend for the financial year 2023-24 approved by the shareholders at the 45th Annual General Meeting held on July 30, 2024, the Company paid the final dividend of (150%) Rs. 15/- per equity share of face value of Rs. 10/- each fully paid up aggregating to Rs. 5,638,967,235/- (gross) subject to deduction of tax at source as per the applicable rate(s) to all the eligible shareholders. The record date for payment of final dividend was July 23, 2024 and the payment was made on August 09, 2024. With this, the total dividend paid for the financial year 2023-24 was Rs. 45/- per equity share (i.e. 450%).
- 11 The Board of Directors of the Company at its meeting held on October 25, 2024, has considered, approved and recommended sub-division/ split of 1 (one) fully paid equity share of face value of Rs.10/- (Rupees ten only) each held by shareholders of the Company into 5 (Five) fully paid equity shares of face value of Rs. 2 (Rupees Two only) each, by alteration of the Capital Clause of the Memorandum of Association of the Company. The sub-division/ split will be subject to approval of Members of the Company.
- 12 During the quarter ended September 30, 2024, the Company allotted 77,656 equity shares of face value of Rs. 10/- each fully paid up at an exercise price of Rs. 193.55 per equity share (including premium of Rs. 183.55 per equity share) under the Shriram Finance Limited Employee Stock Option Scheme 2023 (No. 1) on various dates.
- 13 On September 30, 2024, the Company issued and allotted US\$500,000,000 6.15% senior secured notes due 2028 in offshore market (Social Bonds) for a sum of Rs.41,83,45,81,650/- under USD 3.5 Billion Global Medium Term Note Programme. The said Social Bonds were listed on Global Securities Market - India International Exchange (INX) on October 7, 2024.



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Notes:

- 14 The Group invoked resolution plans to relieve COVID-19 pandemic related stress to eligible borrowers. The resolution plans were based on the parameters laid down in the resolution policy approved by the Board of Directors of the Company and in accordance with the guidelines issued by the RBI on August 6, 2020 and May 5, 2021.

Disclosure as per the format prescribed as per the notification no. RBI/2020-21/16 DOR.NO.BP.BC/3/21.04.048/2020-21 dated August 6, 2020 and RBI/2021-22/31/DOR.STR.REC.11 /21.04.048/2021-22 dated May 05, 2021 :

Details pertaining to the Company are as follows -

(Rs. in crores)

Type of borrower	(A) Exposure to accounts classified as Standard consequent to implementation of Resolution Plan – Position as at the end of the	(B) Of (A), aggregate debt that slipped into NPA during the half-year	(C) Of (A) amount written off during the half-year	(D) Of (A) amount paid by the borrowers during the half-year	(E) Exposure to accounts classified as Standard consequent to implementation of Resolution Plan – Position as at the end of this half-year
Personal Loans #	285.04	7.34	1.13	94.55	182.02
Corporate persons*	-	-	-	-	-
Of which, MSMEs	-	-	-	-	-
Others	-	-	-	-	-
Total	285.04	7.34	1.13	94.55	182.02

*As defined in Section 3(7) of the Insolvency and Bankruptcy Code, 2016.

pertains to automobile loans.

Details pertaining to the subsidiary held for sale are as follows -

(Rs. in crores)

Type of borrower	(A) Exposure to accounts classified as Standard consequent to implementation of Resolution Plan – Position as at the end of the	(B) Of (A), aggregate debt that slipped into NPA during the half-year	(C) Of (A) amount written off during the half-year	(D) Of (A) amount paid by the borrowers during the half-year	(E) Exposure to accounts classified as Standard consequent to implementation of Resolution Plan – Position as at the end of this half-year
Personal Loans #	52.24	4.81	-	6.34	41.09
Corporate persons*	11.05	-	10.79	-	0.26
Of which, MSMEs	-	-	-	-	-
Others	-	-	-	-	-
Total	63.29	4.81	10.79	6.34	41.35

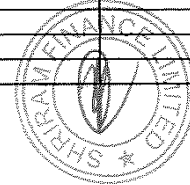
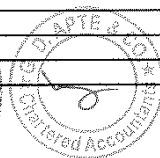
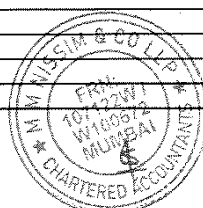
- 15 Disclosure pertaining to RBI Master Direction - RBI/DOR/2021-22/86 DOR.STR.REC.51/21.04.048/2021-22 Reserve Bank of India (Transfer of Loan Exposures) Directions, 2021 dated September 24, 2021

- a (i) Details of Loans not in default transferred by the company through assignment during the half year ended September 30, 2024:

Particulars	As at Sept 30, 2024
Count of loans accounts assigned	13,949
Amount of loan accounts assigned (Rs. in crores)	1,034
Weighted average maturity (in months)	41
Weighted average holding period (in months)	8
Retention of beneficial economic interest (%)	100%
Coverage of tangible security	100%
Rating wise distribution of rated loans	Not rated

Details of transfer through assignment by the subsidiary held for sale in respect of loans not in default; during the half-year ended on September 30, 2024 :

Particulars	As at Sept 30, 2024
Count of loans accounts assigned	3,202
Amount of loan accounts assigned (Rs. in crores)	646
Weighted average maturity (in months)	135
Weighted average holding period (in months)	8
Retention of beneficial economic interest (%)	12
Coverage of tangible security (%)	48
Rating wise distribution of rated loans	Not rated



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Notes:

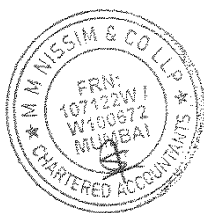
- (ii) Details of transfer done by the subsidiary held for sale through PTC in respect of loans not in default; during the half-year ended on September 30, 2024 :

Particulars	As at Sept 30, 2024
Count of loans accounts assigned	2,669
Amount of loan accounts assigned (Rs. in crores)	675
Weighted average maturity (in months)	213
Weighted average holding period (in months)	11
Retention of beneficial economic interest (%)	-
Coverage of tangible security	64
Rating wise distribution of rated loans	Series A1 PTCs- AAA (SO)

- (ii) Details of transfer done by the subsidiary held for sale through Co-Lending in respect of loans not in default; during the half-year ended on September 30, 2024 :

Particulars	As at Sept 30, 2024
Count of loans accounts Co-Lent	1,450
Amount of loan accounts Co-lent (Rs. in crores)	306
Weighted average maturity (in months)	152
Weighted average holding period (in months)	3
Retention of beneficial economic interest (%)	20.00
Coverage of tangible security	53.14
Rating wise distribution of rated loans	Not rated

- b The Group has not acquired any loans not in default through assignment during the half year ended September 30, 2024.
- c The Group has not transferred any stressed loans during the half year ended September 30, 2024.
- d The Group has not acquired any stressed loans during the half year ended September 30, 2024.
- 16 Information as required by Regulation 52(4) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 is attached in Annexure 1.
- 17 The Company and its subsidiary held for sale Shriram Housing Finance Limited are in the business of financing and there are no separate reportable segments identified as per Ind AS 108-Operating segments. The Group operates in a single domestic geographical segment. Further its associate is primarily engaged in the business of facilitation service.
- 18 Figures for quarter ended June 30, 2024 and for the quarter and half year ended September 30, 2023 and year ended March 31, 2024 were reviewed/audited, as the case may be, by the predecessor joint statutory auditors of the Parent Company.



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Notes:

- 19 Summary results of the discontinued operations are given below - (refer note no.7)

(Rs. in crores)

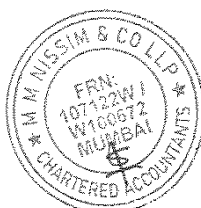
Sr. No.	Particulars	Quarter Ended			Half Year Ended		Year Ended
		30.09.2024 (Unaudited)	30.06.2024 (Unaudited)	30.09.2023 (Unaudited)	30.09.2024 (Unaudited)	30.09.2023 (Unaudited)	31.03.2024 (Audited)
1	Revenue from operations	458.66	433.59	328.26	892.25	616.20	1,415.11
2	Other income	0.01	0.01	0.28	0.02	0.27	0.27
3	Total income	458.67	433.60	328.54	892.27	616.47	1,415.38
4	Total expenses	361.43	369.38	276.66	730.81	511.65	1,138.85
5	Profit before tax from discontinued operations	97.24	64.22	51.88	161.46	104.82	276.53
6	Tax expenses	18.61	15.34	13.45	33.95	30.69	75.90
7	Profit after tax from discontinued operations	78.63	48.88	38.43	127.51	74.13	200.63
8	Other comprehensive income from discontinued operations	0.69	(1.43)	(0.49)	(0.74)	(0.76)	(0.07)
9	Total comprehensive income from discontinued operations	79.32	47.45	37.95	126.77	73.37	200.56

- 20 The figures for the previous periods have been regrouped/ rearranged wherever necessary to conform to the current period/ year presentation.

For Shriram Finance Limited
(formerly Shriram Transport Finance Company Limited)


Y.S. Chakravarti
Managing Director & CEO
DIN: 00052308

Place: Mumbai
Date: October 25, 2024



To
the Members of

Shriram Finance Limited (formerly known as Shriram Transport Finance Company Limited)

REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Opinion

1. We have audited the accompanying Consolidated Financial Statements of Shriram Finance Limited (formerly known as Shriram Transport Finance Company Limited) ('the Parent') and its subsidiary (the parent and its subsidiary together referred to as 'the Group'), its associate, which comprise the Consolidated Balance Sheet as at 31 March 2024 and the Consolidated Statement of Profit (including Other Comprehensive Income/loss), the Consolidated Statement of Changes in Equity and Consolidated Statement of Cash Flows for the year ended on that date, and notes to the Consolidated Financial Statements, including a summary of material accounting policy information and other explanatory information ('the Consolidated Financial Statements').
2. In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditor on separate financial statements of such subsidiary as were audited by the other auditor, 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 prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ('Ind AS') and other accounting principles generally accepted in India, of the Consolidated State of Affairs of the Group and its associate as at 31 March 2024, and its Consolidated Profit And Other Comprehensive Income/loss, Consolidated Changes in Equity and its Consolidated Cash Flows for the year ended on that date.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing ('SAs') specified under section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group and its associate in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') together with the ethical requirements that are relevant to our audit of the Consolidated Financial Statements under the provisions of the Act, and the rules 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 along with the consideration of audit reports of the other auditor referred to in the 'Other Matters' paragraph below is sufficient and appropriate to provide a basis for our opinion on the Consolidated Financial Statements.

Key Audit Matters

4. 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 year. 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.
5. 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 our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying Consolidated Financial statement.

Key Audit Matter	How the matter was addressed in our audit						
Impairment Loss Allowance of loans and advances (Reference to Note 13 read with Statement of Accounting Policies Note 7.1(ix) forming part of Consolidated Financial Statements– Schedule to the Consolidated Financial Statements). (in INR Crores) <table> <tr> <td>Gross Advances</td><td>232,509.69</td></tr> <tr> <td>Provisions*</td><td>13,814.08</td></tr> <tr> <td>Net Advances</td><td>218,695.61</td></tr> </table> Significant estimates and judgment involved Key Audit Matter Reserve Bank of India has issued Master circular and other clarifications on Income Recognition and Asset Classification and Provisioning pertaining to Advances ("IRAC"). These guidelines prescribe the prudential norms for identifying and classifying of advances as Stage 3 / NPAs. The Company has applied significant judgement to determine the identification and classification of such assets as Stage 3 / NPAs by applying quantitative as well as qualitative factors. The risk of identification of such assets as Stage 3 / NPAs is affected by factors like stress and liquidity concerns of such assets. Impairment loss allowance of loans and advances ("Impairment loss allowance") is a Key Audit Matter as the Company has significant credit risk exposure considering the large loan portfolio across a wide geographical range. The value of loans and advances on the balance sheet is significant and there is a high degree of complexity and judgment involved in estimating individual and collective credit impairment provisions, write-offs against these loans and to additionally determine the asset quality and provision of the Company. The Company's model to calculate expected credit loss ("ECL") is inherently complex and judgment is applied in determining the correct construction of the three-stage impairment model ("ECL Model") including the selection and input of forward looking information. ECL provision calculation require the use of large volumes of data. The completeness and reliability of data can significantly impact accuracy of the modelled impairment provisions. The accuracy of data flows and the implementation of related controls are critical for the integrity of the estimated impairment provisions.	Gross Advances	232,509.69	Provisions*	13,814.08	Net Advances	218,695.61	Audit Procedures included but were not limited to the following: Auditors of one subsidiary and we have started our audit procedures with understanding of the internal control environment related to Impairment loss allowance. Our procedures over internal controls focused on recognition and measurement of impairment loss allowance. We assessed the design and tested the operating effectiveness of the selected key controls implemented by the Company. Auditors of one subsidiary and we also assessed whether the impairment methodology used by the Company is in accordance with the assumptions and methodology approved by the Board of Directors of the Company which is based on and in compliance with Ind AS 109 "Financial Instruments". Accordingly, Auditors of one subsidiary and we assessed the approach of the Company regarding definition of Default, Probability of Default (PD), Loss Given Default (LGD) and incorporation of forward-looking information for the calculation of ECL. For loans and advances which are assessed for impairment on a portfolio basis auditors of one subsidiary and we performed particularly the following procedures: • Read the Company's policies for identification, classification and assessing compliance for Stage 3 / NPAs customers in line with the IRAC norms; • Auditors of one subsidiary and We understood the design, reliability and operating effectiveness of key data inputs and related management controls; • Auditors of one subsidiary and We performed substantial audit procedure relating to identification and classification of Stage 3 / NPAs by the company. • Auditors of one subsidiary and We tested the identification / grouping of the loan accounts mapped with the customer code as identified by the management; • We performed analytical procedures to identify possible cases of evergreening of loans and tested these on sample basis. • Auditors of one subsidiary and We checked the stage classification as at the balance sheet date as per the definition of Default of the Company and Reserve Bank of India circulars issued from time to time; • We validated the ECL Model and its calculation by involving our Information Technology Expert; • Auditors of one subsidiary and We have checked on sample basis that the stage classification for the borrowers has been given in accordance with the Resolution Framework issued by Reserve Bank of India (the 'RBI') and the Board approved policy for ECL provisioning and stage classification with respect to such accounts; • Auditors of one subsidiary and We have verified whether the ECL provision is made in accordance with the Board Approved Policy in this regard; • Auditors of one subsidiary and We have also calculated the ECL provision manually for selected samples; • Auditors of one subsidiary and We have assessed the assumptions made by the Company in making accelerated provision considering forward looking information. For loans and advances which are written off during the year under audit, we read and understood the methodology and policy laid down and implemented by the Company in this regards along with its compliance on sample basis. We have also relied on such other audit procedures performed by the auditors of one subsidiary as disclosed under Key Audit Matter in their Independent Auditors Report.
Gross Advances	232,509.69						
Provisions*	13,814.08						
Net Advances	218,695.61						

Other Information

6. The Parent's Board of Directors are responsible for the other information. The other information comprises the information included in the Parent's annual report but does not include the Consolidated Financial Statements and our auditors' report thereon.
7. Our opinion on the Consolidated Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.
8. 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. If, based on the work we have performed and based on the work done / audit report of other auditor, we conclude that there is a material misstatement of this other information, we are required to report that fact.
9. When we read the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take appropriate action as applicable under the relevant laws and regulations.

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

10. The Parent's Board of Directors are responsible for the preparation and presentation of these Consolidated Financial Statements, that give a true and fair view of the Consolidated State of Affairs, Consolidated Profit and Other Comprehensive Income/loss, Consolidated Changes in Equity and Consolidated Cash Flows of the Group including its associate is in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended and other accounting principles generally accepted in India.
11. The respective Board of Directors of the companies included in the Group and of its associate are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and of its associate and for preventing and detecting frauds and other irregularities; selection of the appropriate accounting

software for ensuring compliance with applicable laws and regulations including those related to retention of audit logs; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring 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 Parent, as aforesaid.

12. In preparing the Consolidated Financial Statements, the respective Board of Directors of the companies included in the Group and of its associate are responsible for assessing the ability of each company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.
13. The respective Board of Directors of the companies included in the Group and of its associate are responsible for overseeing the financial reporting process of the Group and of its associate.

Auditor's responsibilities for the audit of the Consolidated Financial Statements

14. 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.
15. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional

skepticism throughout the audit. We also:

- 15.1. Identify and assess the risks of material misstatement of the Consolidated Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- 15.2. 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 Parent has adequate internal financial controls with reference to the Consolidated Financial Statements and the operating effectiveness of such controls.
- 15.3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management.
- 15.4. Conclude on the appropriateness of Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its associate to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Consolidated Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its associate to cease to continue as a going concern.
- 15.5. Evaluate the overall presentation, structure and content of the Consolidated Financial Statements, including the disclosures, and whether the Consolidated Financial Statements represent the underlying transactions and events in a manner

that achieves fair presentation.

- 15.6. Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its associate to express an opinion on the Consolidated Financial Statements. We are responsible for the direction, supervision and performance of the audit of financial statements of such entities included in the Consolidated Financial Statements of which we are the independent auditors. For the other entities included in the Consolidated Financial Statements, which have been audited by other auditor, such other auditor remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

16. We communicate with those charged with governance of the Parent and such other entities included in the Consolidated Financial Statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
17. 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.
18. 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 auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

19. We did not audit the financial statements of one subsidiary, whose financial statements reflect total

assets of Rs. 11,858.59 Crore as at 31 March 2024, total revenues of Rs. 1429.57 Crore and net cash flows amounting to Rs. 3,205.93 Crore for the year ended on that date, as considered in the Consolidated Financial Statements. These financial statements have been audited by other auditor whose reports have been furnished to us by the Management and our opinion on the Consolidated Financial Statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiary and our report in terms of section 143(3) of the Act, in so far as it relates to the aforesaid subsidiary is based solely on the reports of the other auditor.

20. These Consolidated Financial Statements also include the Group's share of net profit of Rs. 7.78 Crore for the year ended 31 March 2024, as considered in the Consolidated Financial Statements, in respect of one associate, whose financial statements have not been audited by us. These financial statements are unaudited and have been furnished to us by the Management of the Parent and our opinion on the Consolidated Financial Statements, in so far as it relates to the amounts and disclosures included in respect of this associate, and our report in terms of section 143(3) of the Act in so far as it relates to the aforesaid associate, is based solely on such unaudited financial statements. In our opinion and according to the information and explanations given to us by the Management, these financial statements are not material to the Group.
21. 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 reports of the other auditor in case of the subsidiary and on the financial statements furnished to us by the Management of the Parent in case of the associate.

Report on Other Legal and Regulatory Requirements

22. As required by section 143(3) of the Act, based on our audit and on the consideration of audit reports of the other auditor on separate financial statements of such subsidiary as were audited by other auditor and the financial statements furnished to us by the management of such associates, as noted in the 'Other Matters' paragraph, we report, to the extent applicable, that:

- 22.1. 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.
- 22.2. In our opinion, proper books of account as required by law relating to preparation of the aforesaid Consolidated Financial Statements have been kept so far as it appears from our examination of those books and the reports of the other auditor.
- 22.3. In 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 relevant books of account maintained for the purpose of preparation of the Consolidated Financial Statements.
- 22.4. In our opinion, the aforesaid Consolidated Financial Statements comply with the Ind AS specified under Section 133 of the Act read with the relevant rules thereunder.
- 22.5. On the basis of the written representations received from the directors of the Parent as on 31 March 2024, taken on record by the Board of Directors of the Parent and the reports of the statutory auditors of its subsidiary company incorporated in India, none of the directors of the Group companies incorporated in India are disqualified as on 31 March 2024 from being appointed as a director in terms of Section 164(2) of the Act.
- 22.6. With respect to the adequacy of internal financial controls with reference to the Consolidated Financial Statements of the Parent and its subsidiary company incorporated in India and the operating effectiveness of such controls, refer to our separate report in 'Annexure A'. We do not comment on the adequacy and operating effectiveness of the internal Financial controls with reference to Financial statements of the associate company, incorporated in India, whose Financial statements are unaudited, which have been furnished to us by the management of the Parent and is not material to the Group.

- 22.7. In our opinion and according to the information and explanations given to us and based on the reports of the statutory auditors of such subsidiary company incorporated in India which were not audited by us, the remuneration paid during the current year by the Parent, its subsidiary company incorporated in India to its directors is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director by the Parent and its subsidiary company incorporated in India is not in excess of the limit laid down under Section 197 of the Act.
23. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014 as amended, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of audit reports of the other auditor on separate financial statements of such subsidiary, as noted in the 'Other Matters' paragraph:
- 23.1. The Consolidated Financial Statements disclose the impact of pending litigations as at 31 March 2024 on the consolidated financial position of the Group and its associate – Refer Note 48 to the consolidated financial statements.
- 23.2. Provision has been made in the Consolidated Financial Statements, as required under the applicable law or Ind AS, for material foreseeable losses, if any, on long-term contracts including derivative contracts – Refer Note 11 to the Consolidated Financial Statements in respect of such items as it relates to the Group
- 23.3. There has been no delay in transferring amounts required to be transferred, to the Investor Education and Protection Fund by the Parent and/or its subsidiary company incorporated in India during the year ended 31 March 2024.
- 23.4. The respective managements of the Parent and its subsidiary incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditor of such subsidiary, to best of their knowledge and belief, that 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 Parent or any of such subsidiary to or in any other person(s) or entity(ies), including foreign entities ('Intermediaries'), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Parent or any of such subsidiary ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- 23.5. The respective managements of the Parent and its subsidiary which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditor of such subsidiary, to best of their knowledge and belief, that no funds have been received by the Parent or any of such subsidiary and associate from any person(s) or entity(ies), including foreign entities ('Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Parent or any of such subsidiary and associate 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.
- 23.6. Based on such audit procedures, that have been considered reasonable and appropriate in the circumstances, performed by us and those performed by auditors of the subsidiary incorporated in India whose financial statements have been audited under the Act, nothing has come to our or other auditor's notice that has caused us or other auditor to believe that the representation under para 23.4 and 23.5 contain any material misstatement.
- 23.7. In our opinion and according to the information and explanations given to us, the dividend declared and paid during the year by the Parent is in compliance with Section 123 of the Act.
- 23.8. Based on our examination which included test checks and that performed by respective auditors of the subsidiary, which are the companies incorporated in India whose financial statements

have been audited under the Act, the Parent and subsidiary have used an accounting software for maintaining its books of accounts which has a feature of recording audit trail facility (edit log) and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit, we and respective auditors of the above referred subsidiary did not come across any instance of audit trail feature being tampered with.

As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from 1 April 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 on preservation

of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended 31 March 2024.

24. With respect to the matters specified in paragraphs 3(xxi) and 4 of the Companies (Auditor's Report) Order, 2020 ('CARO') issued by Central Government in terms of Section 143(11) of the Act, to be included in Auditor's report, according to the information and explanations given to us, and based on the CARO reports issued by us for the Company and based on our consideration of CARO reports issued by respective auditors of the subsidiary included in consolidated financial statements, we report that there are no qualifications or adverse remarks in these CARO reports.

For **Sundaram & Srinivasan**
Chartered Accountants

Firm Registration Number - 004207S

P Menakshi Sundaram
Partner
ICAI Membership Number: 217914
UDIN: 24217914BKBO5Y4911
Place: Mumbai
Date: 26 April 2024

For **KKC & Associates LLP**
Chartered Accountants
(formerly Khimji Kunverji & Co LLP)
Firm Registration Number: 105146W/W100621

Devang Doshi
Partner
ICAI Membership Number: 140056
UDIN: 24140056BKFFOW7587
Place: Mumbai
Date: 26 April 2024

Annexure 'A' to the Independent Auditors' report on the Consolidated Financial Statements of Shriram Finance Limited (formerly Shriram Transport Finance Company Limited) for the year ended 31 March 2024

(Referred to in paragraph 22.6 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Report on the Internal Financial Controls with reference to the aforesaid Consolidated Financial Statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')

Opinion

1. In conjunction with our audit of the Consolidated Financial Statements of Shriram Finance Limited (formerly Shriram Transport Finance Company Limited) as of and for the year ended 31 March 2024, we have audited the internal financial controls with reference to the Consolidated Financial Statements of Shriram Finance Limited ('the Parent Company') and its subsidiary company which are companies incorporated in India, as of that date.
2. In our opinion and based on the consideration of the reports of the other auditor on internal financial controls with reference to Consolidated Financial Statements of the subsidiary company, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls with reference to the Consolidated Financial Statements and such internal financial controls were operating effectively as at 31 March 2024, based on the internal controls over financial reporting criteria established by the respective company considering the essential components of such internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ('the Guidance Note').

Management's responsibility for Internal Financial Controls

3. The respective Board of Directors of the Parent Company, its subsidiary company, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls with reference to consolidated financial statements based on the internal controls over financial reporting criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note. These responsibilities include

the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's responsibility

4. Our responsibility is to express an opinion on the Parent Company and its subsidiary which are companies incorporated in India, internal financial controls with reference to the Consolidated Financial Statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing ('SA'), prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to the Consolidated Financial Statements. These SAs and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to the Consolidated Financial Statements were established and maintained and if such controls operated effectively in all material respects.
5. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to the Consolidated Financial Statements and their operating effectiveness. Our audit of internal financial controls with reference to the Consolidated Financial Statements included obtaining an understanding of internal financial controls with reference to the Consolidated Financial Statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of the internal controls based on the assessed risk. These procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the Consolidated Financial Statements, whether due to fraud or error.
6. We believe that the audit evidence we have obtained, and the audit evidence obtained by the other auditor in terms of their reports referred to in the 'Other Matters' paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to the Consolidated Financial Statements.

Meaning of Internal Financial controls with reference to the Consolidated Financial Statements

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

For Sundaram & Srinivasan

Chartered Accountants

Firm Registration Number - 004207S

P Menakshi Sundaram

Partner

ICAI Membership Number: 217914

UDIN: 24217914BKBO5Y4911

Place: Mumbai

Date: 26 April 2024

Inherent Limitations of Internal Financial Controls with reference to the consolidated Financial Statements

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

Other Matters

9. Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls system with reference to the Consolidated Financial Statements in so far as it relates to one subsidiary company, which are companies incorporated in India, is based on the corresponding reports of the auditor of such subsidiary incorporated in India.

For KKC & Associates LLP

Chartered Accountants

(formerly Khimji Kunverji & Co LLP)

Firm Registration Number: 105146W/W100621

Devang Doshi

Partner

ICAI Membership Number: 140056

UDIN: 24140056BKFFOW7587

Place: Mumbai

Date: 26 April 2024

(Rs. in crores)			
Particulars	Note No.	As at March 31, 2024	As at March 31, 2023
ASSETS			
(1) Financial assets			
(a) Cash and cash equivalents	9	6,182.36	9,932.84
(b) Bank balance other than (a) above	10	4,990.44	6,374.11
(c) Derivative financial instruments	11	326.48	669.37
(d) Receivables	12		
(I) Trade receivables		51.63	17.00
(II) Other receivables		340.53	429.69
(e) Loans	13	218,695.61	178,685.14
(f) Investments	14	9,471.82	7,430.07
(g) Other financial assets	15	370.56	77.47
Total financial assets		240,429.44	203,615.69
(2) Non-financial assets			
(a) Current tax assets (net)	16	593.03	728.26
(b) Deferred tax assets	43	3,069.38	1,954.05
(c) Investment property	17	0.99	2.62
(d) Property, plant and equipment	18	941.07	751.49
(e) Intangible assets under development	19A	-	66.08
(f) Goodwill	19B	1,740.94	1,740.94
(g) Other intangible assets	19C	1,034.87	1,218.46
(h) Other non-financial assets	20	456.22	495.10
Total non-financial assets		7,836.50	6,957.00
Total assets		248,265.94	210,572.69
LIABILITIES AND EQUITY			
Liabilities			
(1) Financial liabilities			
(a) Payables	21		
(I) Trade payables			
(i) total outstanding dues of micro enterprises and small enterprises		0.02	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		245.89	313.19
(II) Other payables			
(i) total outstanding dues of micro enterprises and small enterprises		2.25	0.36
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		3.16	1.09
(b) Debt securities	22	46,450.68	44,924.03
(c) Borrowings (other than debt securities)	23	100,152.44	78,544.75
(d) Deposits	24	44,443.66	36,139.83
(e) Subordinated liabilities	25	4,449.30	4,593.63
(f) Other financial liabilities	26	2,030.24	1,675.90
Total financial liabilities		197,777.64	166,192.78
(2) Non-financial liabilities			
(a) Current tax liabilities (net)	27	237.79	160.89
(b) Provisions	28	304.78	214.50
(c) Other non-financial liabilities	29	269.04	204.98
Total non-financial liabilities		811.61	580.37
Total liabilities		198,589.25	166,773.15
(3) Equity			
(a) Equity share capital	30	375.79	374.43
(b) Other equity	31	48,571.38	43,138.43
Total equity		48,947.17	43,512.86
Non-controlling interest		729.52	286.68
Total liabilities and equity		248,265.94	210,572.69

See accompanying notes forming an integral part of the Consolidated Financial Statements.

As per our report of even date

For KKC & Associates LLP

(formerly Khimji Kunverji & Co LLP)

Chartered Accountants

ICAI Firm Registration No. 105146W/W100621

For Sundaram & Srinivasan

Chartered Accountants

ICAI Firm Registration No.: 004207S

For and on behalf of the Board of Directors of

Shriram Finance Limited

(formerly Shriram Transport Finance Company Limited)

Devang Doshi
Partner

Membership No.: 140056
Mumbai
April 26, 2024

P Menakshi Sundaram
Partner

Membership No.: 217914
Mumbai
April 26, 2024

Jugal Kishore Mohapatra
Chairman

DIN: 03190289
Mumbai
April 26, 2024

Y. S. Chakravarti
Managing Director &
CEO
DIN: 00052308
Mumbai
April 26, 2024

Parag Sharma
Joint Managing Director & CFO
DIN: 02916744
Mumbai
April 26, 2024

U Balasundararao
Company Secretary
Mumbai
April 26, 2024

CONSOLIDATED STATEMENT OF **PROFIT AND LOSS**

FOR THE YEAR ENDED MARCH 31, 2024

CONSOLIDATED ACCOUNTS

(Rs. in crores)			
Particulars	Note No.	Year ended March 31, 2024	Year ended March 31, 2023
Revenue from operations			
(i) Interest income	32	34,698.41	29,205.87
(ii) Dividend income		1.45	6.52
(iii) Rental income		0.14	0.24
(iv) Fees and commission income	33	542.24	266.57
(v) Net gain on fair value changes	34	144.70	363.80
(vi) Net gain on derecognition of financial instruments under amortised cost category		504.80	279.51
(vii) Other operating income	35	487.78	354.27
(I) Total Revenue from operations		36,379.52	30,476.78
(II) Other Income	36	33.47	31.61
(III) Total Income (I + II)		36,412.99	30,508.39
Expenses			
(i) Finance cost	37	15,521.76	12,931.27
(ii) Fees and commission expenses	38	441.41	314.08
(iii) Impairment on financial instruments	39	4,552.33	4,169.06
(iv) Employee benefits expenses	40	3,471.52	2,636.42
(v) Depreciation, amortisation and impairment (Refer note 17, 18 and 19)	41	587.60	600.69
(vi) Other expenses	42	1,878.20	1,643.15
(IV) Total Expenses		26,452.82	22,294.67
(V) Profit before exceptional items and tax (III - IV)		9,960.17	8,213.72
(VI) Exceptional items		-	-
(VII) Profit before tax (V + VI)		9,960.17	8,213.72
(VIII) Tax expense:			
(1) Current tax	43	3,451.04	2,922.98
(2) Deferred tax	43	(881.98)	(720.73)
(IX) Profit for the year from continuing operations (VII - VIII)		7,391.11	6,011.47
(X) Share of profit of associate		7.78	8.56
(XI) Profit for the year		7,398.89	6,020.03
(XII) Other comprehensive income			
A (i) Items that will not be reclassified to profit or loss			
Remeasurement gain/(loss) on defined benefit plan		(78.43)	(8.51)
Gain / (loss) on Fair valuation of quoted investments in equity shares		16.49	(11.80)
Share of other comprehensive income from associates		(0.08)	(0.35)
(ii) Income tax relating to items that will not be reclassified to profit or loss		15.67	5.11
Tax on share of other comprehensive income from associates		0.02	0.09
Subtotal (A)		(46.33)	(15.46)
B (i) Items that will be reclassified to profit or loss			
Cash flow hedge reserve			
Gain/(loss) on effective portion of hedging instruments in a cash flow hedge		(55.98)	(14.73)
(ii) Income tax relating to items that will be reclassified to profit or loss		14.08	3.71
Subtotal (B)		(41.90)	(11.02)
Other comprehensive income (A + B)		(88.23)	(26.48)
(XIII) Total Comprehensive income for the year (XI + XII)		7,310.66	5,993.55
(XIV) Profit / (Loss) for the period attributable to			
- Owners of the Company		7,366.38	6,011.04
- Non - Controlling Interests		32.51	8.99
(XV) Other comprehensive income / (loss) for the period attributable to			
- Owners of the Company		(88.25)	(26.42)
- Non - Controlling Interests		0.02	(0.06)
(XVI) Total comprehensive income / (loss) for the period attributable to			
- Owners of the Company		7,278.13	5,984.62
- Non - Controlling Interests		32.53	8.93
(XVII) Earnings per equity share (face value Rs. 10/- per equity share)	44		
Basic (Rs.)		196.32	160.54
Diluted (Rs.)		195.69	159.83

See accompanying notes forming an integral part of the Consolidated Financial Statements.

As per our report of even date

For KKC & Associates LLP

(formerly Khimji Kunverji & Co LLP)

Chartered Accountants

ICAI Firm Registration No. 105146W/W100621

For Sundaram & Srinivasan

Chartered Accountants

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For and on behalf of the Board of Directors of

Shriram Finance Limited

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Devang Doshi
Partner

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Joint Managing Director & CFO
DIN: 02916744
Mumbai
April 26, 2024

U Balasundararao
Company Secretary
Mumbai
April 26, 2024

A. Equity Share Capital

(1) Current Reporting Period

	(Rs. in crores)		
Balance at the beginning of the current reporting period	Changes in equity share capital during the current year	Restated balance at the beginning of the current reporting period	Balance at the end of the current reporting period
As at April 01, 2023			As at March 31, 2024
374.43	-	374.43	375.79

(2) Previous Reporting Period

	(Rs. in crores)		
Balance at the beginning of the previous reporting period	Changes in equity share capital during the previous year	Restated balance at the beginning of the previous reporting period	Balance at the end of the previous reporting period
As at April 01, 2022	(Refer Note 51)		As at March 31, 2023
270.52	103.91	270.52	374.43

B. Other Equity

(1) Current Reporting Period

Particulars		Share Application Money Pending Allotment	Capital Reserve	Securities Premium	Reserves And Surplus							Other Comprehensive Income			Total	Non Controlling Interest	
					Statutory reserve (Pursuant to Section 45-IC of the RBI Act, 1934)	Statutory reserve (Pursuant to Section 29C of the NHB Act, 1987)	Debt Redemption Reserve #	Capital Redemption Reserve	General reserve	Remeasurement gain/(loss) on defined benefit Plan	Retained Earnings	Share Options Outstanding	Amalgamation Adjustment Reserves	Gain/(loss) on fair valuation of investments in equity shares	Effective Portion of Cash Flow Hedges		
Balance at the beginning of the Current Reporting Period (As at April 01, 2023)					7,610.66	79.53	419.13	53.88	3,532.05	(17.39)	15,699.95	199.84	(1,706.81)	(8.83)	(224.42)		286.68
Changes in Accounting Policy/ Prior Period Errors					-	-	-	-	-	-	-	-	-	-	-	-	
Effects of business combination (Refer note 51)					-	-	-	-	-	-	-	-	-	-	-	-	
Restated balance at the beginning of the Current Reporting Period					7,610.66	79.53	419.13	53.88	3,532.05	(17.39)	15,699.95	199.84	(1,706.81)	(8.83)	(224.42)		286.68
Profit for the year					-	-	-	-	-	-	7,362.16	-	-	-	-	32.51	
Other Comprehensive Income for the year					-	-	-	-	-	(58.64)	-	-	-	12.34	(41.92)	(0.01)	
Total Comprehensive Income for the year					-	-	-	-	-	(58.64)	7,362.16	-	-	12.34	(41.92)	32.50	
Dividends (interim)					-	-	-	-	-	-	(1,126.55)	-	-	-	(1,126.55)	-	
Dividends Transferred to/ (from) (Refer Note 31 - Other Equity)					-	-	-	-	-	-	(749.67)	-	-	-	(749.67)	-	
Any Other Change:					-	-	(268.71)	-	719.05	-	(1,870.72)	-	1,706.81	-	37.02	0.29	
Securities Premium proceeds received on issue of Equity Shares (Refer Note 30 - Equity and Note 31 - Other Equity)					-	160.93	-	-	-	-	-	-	-	-	-	160.93	

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE PERIOD ENDED MARCH 31, 2024 (Contd.)

CONSOLIDATED ACCOUNTS

Particulars	Share Application Money Pending Allotment	Reserves And Surplus										Other Comprehensive Income		Total	Non Controlling Interest	
		Other Reserves														
		Capital Reserve	Securities Premium	Statutory reserve (Pursuant to Section 45-IC of the RBI Act, 1934)	Statutory reserve (Pursuant to Section 29C of the NHB Act, 1987)	Debt Redemption Reserve #	Capital Redemption Reserve	General reserve	Remeasurement gain/(loss) on defined benefit Plan	Retained Earnings	Share Options Outstanding	Amalgamation Adjustment Reserves	Gain/(loss) on fair valuation of investments in equity shares			Effective Portion of Cash Flow Hedges
Share Issue Expenses (Refer Note 30 - Equity and Note 31 - Other Equity)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(1.20)	
Expenses on Employee Stock Option Plan	-	-	-	-	-	-	-	-	-	10.47	-	-	-	10.47	(0.33)	
Exercise of Employee Stock Option Plan	-	-	-	-	-	-	-	-	-	(137.86)	-	-	-	(137.86)	4.03	
Movement of dilution on account of SHFL ESOP	-	-	-	-	-	-	-	-	-	-	-	-	-	-	10.07	
Share premium impact	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(0.00)	
Share application money received during the current period; pending Allotment	0.06	-	-	-	-	-	-	-	-	-	-	-	-	0.06	0.06	
Transferred to/ (from) (Refer note 31) on account of share forfeiture	-	-	-	-	-	-	-	-	0.03	-	-	-	-	0.03	-	
Transferred to/ (from) MI on account of transfer between reserves	-	-	-	-	-	-	-	-	8.04	-	-	-	-	8.04	-	
Transfer from Retained earnings / transfer (to) NHB Reserve	-	-	-	-	-	-	-	-	(43.51)	-	-	-	-	(43.51)	-	
Fresh Issue of Compulsory Convertible Debentures	-	-	-	-	-	-	-	-	-	-	-	-	-	-	397.41	
Balance at the end of the Current Reporting Period (As at March 31, 2024)	0.06	104.57	17,557.20	7,341.95	115.00	134.25	53.88	4,251.10	(76.03)	19,279.73	72.45	-	3.51	(266.34)	48,571.38	729.52

(2) Previous Reporting Period

Particulars		Share Application Money Pending Allotment	Reserves And Surplus										Other Comprehensive Income		Total	Non Controlling Interest
		Capital Reserve	Securities Premium	Statutory reserve (Pursuant to Section 45-IC of the RBI Act, 1934)	Statutory reserve (Pursuant to Section 29C of the NHB Act, 1987)	Debt Redemption Reserve #	Capital Redemption Reserve	General reserve	Remeasurement gain/(loss) on defined benefit Plan	Retained Earnings	Share Options Outstanding	Amalgamation Adjustment Reserves	Gain/(loss) on fair valuation of investments in equity shares	Effective Portion of Cash Flow Hedges		
	Balance at the beginning of the Current Reporting Period (As at April 01, 2022)	-	27.64	5,662.38	4,707.98	-	307.28	53.88	2,934.07	(11.56)	12,355.47	-	-	(213.40)	25,823.74	-
	Changes in Accounting Policy/ Prior Period Errors	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Effects of business combination (Refer note 51)	-	76.93	-	1,706.81	56.11	-	-	-	-	-	(1,706.81)	-	-	133.04	275.30
	Restated balance at the beginning of the Current Reporting Period	-	104.57	5,662.38	6,414.79	56.11	307.28	53.88	2,934.07	(11.56)	12,355.47	-	(1,706.81)	(213.40)	25,956.78	275.30
	Profit for the year	-	-	-	-	-	-	-	-	-	6,011.04	-	-	-	6,011.04	8.99

Particulars	Share Application Money Pending Allotment	Reserves And Surplus										Other Comprehensive Income		Total	(Rs. in crores)
		Capital Reserve	Securities Premium	Statutory reserve (Pursuant to Section 45-IC of the RBI Act, 1934)	Statutory reserve (Pursuant to Section 29C of the NHB Act, 1987)	Debt Redemption Reserve #	Capital Redemption Reserve	General reserve	Remeasurement gain/(loss) on defined benefit Plan	Retained Earnings	Share Options Outstanding	Amalgamation Adjustment Reserves	Gain/(loss) on fair valuation of investments in equity shares		
Other Comprehensive income for the year	-	-	-	-	-	-	-	-	(5.83)	-	-	-	(8.83)	(11.02)	(0.06)
Total Comprehensive Income for the year	-	-	-	-	-	-	-	-	(5.83)	6,011.04	-	-	(8.83)	(11.02)	5,985.36
Dividends (interim)	-	-	-	-	-	-	-	-	-	(561.64)	-	-	-	-	(561.64)
Dividends (Final for the year ended March 31, 2023)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transferred to/ (from) (Refer Note 31 - Other Equity)	-	-	1,195.87	23.42	111.85	-	597.94	-	(2,104.92)	86.47	-	-	-	-	(89.37)
Any Other Change:	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Securities Premium proceeds received on issue of Equity Shares (Refer Note 30 - Equity and Note 31 - Other Equity)	-	-	11,733.89	-	-	-	-	-	-	-	-	-	-	-	11,733.89
Expenses on Employee Stock Option Plan	-	-	-	-	-	-	-	-	-	-	167.63	-	-	-	167.63
Exercise of Employee Stock Option Plan	-	-	-	-	-	-	-	-	-	-	(54.22)	-	-	-	(54.22)
Movement of dilution on account of SHFL ESOP	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.77
Transferred to/ (from) (Refer note 31) on account of share forfeiture	-	-	-	-	-	-	0.04	-	-	-	(0.04)	-	-	-	1.68
Balance at the end of the Current Reporting Period (As at March 31, 2023)	-	104.57	17,396.27	7,610.66	79.53	419.13	53.88	3,532.05	(17.39)	15,699.95	199.84	(1,706.81)	(8.83)	(224.42)	43,138.43
															286.68

Refer note 31 - Other equity

See accompanying notes forming an integral part of the Consolidated Financial Statements.

As per our report of even date
For KKC & Associates LLP
(formerly Khimji Kunverji & Co LLP)
Chartered Accountants
ICAI Firm Registration No. 105146W/W100621

Devang Doshi
Partner
Membership No.: 140056
Mumbai
April 26, 2024

For Sundaram & Srinivasan
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Membership No.: 217914
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For and on behalf of the Board of Directors of
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DIN: 03190289
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Joint Managing Director & CFO
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April 26, 2024

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Managing Director & CEO
DIN: 00052308
Mumbai
April 26, 2024

U Balasundararao
Company Secretary
Mumbai
April 26, 2024

CONSOLIDATED STATEMENT OF **CASH FLOWS**
FOR THE YEAR ENDED MARCH 31, 2024

CONSOLIDATED ACCOUNTS

Particulars	(Rs. in crores)	
	Year ended March 31, 2024	Year ended March 31, 2023
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax	9,960.17	8,213.72
Adjustments for:		
Depreciation, amortisation and impairment	587.60	600.69
Interest on income tax refund	(8.22)	(14.66)
Share based payments to employees	10.47	168.03
Interest income on loans	(33,562.78)	(28,079.03)
Finance costs	15,536.26	12,938.04
Loss/(profit) on sale of property plant and equipments (net)	(1.25)	1.00
Fair value adjustments to investments	0.78	1.85
Impairment on loans	4,512.01	4,132.75
Impairment on investments	35.67	4.70
Impairment on undrawn loan commitment	(5.13)	(0.40)
Impairment on other assets	9.78	32.01
Net (gain)/loss on fair value changes on investment	(193.81)	(397.35)
Net (gain)/loss on fair value changes on direct assignment	49.11	33.55
Net gain on derecognition of financial instruments under amortised cost category	(504.80)	(279.51)
Cash inflow from interest on loans	32,121.39	26,902.11
Cash outflow towards finance costs	(13,633.81)	(11,555.67)
Mortgage guarantee fee written off	0.42	-
Interest income on fair valuation of security deposit & gain on lease concessions and remeasurements	(0.61)	-
Operating profit before working capital changes	14,913.26	12,701.83
Movements in Working capital:		
Decrease/(increase) in loans	(42,621.20)	(29,538.15)
Decrease/(increase) in investments	(1,859.35)	1,355.72
Decrease/(increase) in receivables	168.03	173.39
Decrease/(increase) in bank deposits	1,387.61	776.09
Decrease/(increase) in other financial assets	40.78	(45.65)
Decrease/(increase) in other non-financial assets	21.77	110.00
Increase/(decrease) in payables	(81.46)	66.16
Increase/(decrease) in other financial liabilities	269.15	(16.15)
Increase/(decrease) in non-financial liabilities	82.85	2.58
Increase/(decrease) other provision	19.65	55.50
Cash used in operations	(27,658.90)	(14,358.68)
Direct taxes paid (net of refunds)	(3,442.49)	(3,266.57)
Net cash flows from/(used in) operating activities (A)	(31,101.39)	(17,625.25)
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment and intangible assets	(185.41)	(122.94)
Proceeds from sale of property, plant and equipment and intangible assets	5.68	1.65
Purchase of intangible assets under development	-	(66.08)
Purchase of other intangible assets	(80.08)	(7.57)
Proceeds from sale of other intangible assets	-	1.90
Proceeds from sale of investment property	1.60	-
Net cash generated from/(used in) investing activities (B)	(258.21)	(193.04)

Particulars	(Rs. in crores)	
	Year ended March 31, 2024	Year ended March 31, 2023
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from issue of share capital (including share premium and net of share issue expenses)	30.46	12.93
Proceeds from Issue of Compulsory Convertible Debentures	397.41	-
Payment for employee stock option plan	-	-
Proceeds/(repayment) on settlement of derivative contracts	338.33	(467.41)
Proceeds from sale of security receipts	3.70	1.76
Increase / (decrease) in Fixed deposits (net)	7,747.81	6,778.56
Amounts received from debt securities	24,346.10	10,054.43
Repayments of debt securities	(23,234.59)	(14,134.87)
Proceeds/(repayment) of subordinated debts	(186.67)	(66.34)
Amounts received from borrowings other than debt securities	81,307.11	64,820.16
Repayments of borrowings other than debt securities	(61,033.62)	(54,415.28)
Payment principal portion of lease liabilities	(231.84)	(154.34)
Payment interest portion of lease liabilities	-	(47.29)
Dividend paid	(1,875.07)	(562.80)
Net cash flows from financing activities (C)	27,609.12	11,819.51
Net increase in cash and cash equivalents (A+B+C)	(3,750.48)	(5,998.78)
Cash and cash equivalents at the beginning of the year	9,932.84	10,662.44
Cash and bank balances taken over on account of amalgamation	-	5,269.18
Cash and cash equivalents at the end of the period	6,182.36	9,932.84

Components of cash and cash equivalents	(Rs. in crores)	
	Year ended March 31, 2024	Year ended March 31, 2023
Cash and cash equivalents at the end of the period		
i) Cash on hand	182.95	153.43
ii) Cheques on hand	2.45	4.87
iii) Balances with banks (of the nature of cash and cash equivalents)	3,020.18	4,144.56
iv) Call Money (CBLO)	-	499.72
v) Bank deposit with original maturity upto three months or less	2,976.78	5,130.26
Total	6,182.36	9,932.84

The above Cash flow statement has been prepared under the indirect method as set out in Ind AS 7 'Statement of Cash Flows'. See accompanying notes forming an integral part of the Consolidated Financial Statements.

As per our report of even date

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(formerly Khimji Kunverji & Co LLP)

Chartered Accountants

ICAI Firm Registration No. 105146W/W100621

For Sundaram & Srinivasan

Chartered Accountants

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DIN: 00052308
Mumbai
April 26, 2024

U Balasundararao
Company Secretary
Mumbai
April 26, 2024

1 CORPORATE INFORMATION

Shriram Finance Limited (formerly known as Shriram Transport Finance Company Limited) ('the Company') is a public company domiciled in India and incorporated under the provisions of the Companies Act, 1956. Its equity shares and non-convertible debentures are listed on BSE Limited and National Stock Exchange of India Limited.

The Company is registered with the Reserve Bank of India (RBI), Ministry of Corporate Affairs (MCA), Insurance Regulatory and Development Authority of India (IRDA) and Association of Mutual Funds in India (AMFI). The registration details are as follows:

RBI	: 07-00459
Corporate Identity Number (CIN)	: L65191TN1979PLC007874
IRDA	: CA0197
AMFI	: 269340

Shriram Capital Private Limited (formerly known as Shriram Financial Ventures (Chennai) Private Limited) and Shriram Ownership Trust are the Promoters of the Company. The Company is a Deposit Accepting Non-Banking Finance Company ('NBFC'), NBFC- Investment and Credit Company (NBFC-ICC) holding a Certificate of Registration from the RBI dated April 17, 2007 which was endorsed in the new name on January 31, 2023. The RBI, under Scale Based Regulations (SBR) had categorised the Company in Upper Layer (NBFC-UL) vide its circular dated September 30, 2022.

The registered office of the Company is Sri Towers, 14A, South Phase, Industrial Estate, Guindy, Chennai, Tamil Nadu- 600 032. The principal place of business is Wockhardt Towers, West Wing, Level-3, C-2, G-Block, Bandra - Kurla Complex, Bandra (East), Mumbai, Maharashtra - 400 051.

The Company is primarily engaged in the business of financing commercial vehicles, passenger vehicles, construction equipment, farm equipment, micro, small and medium enterprises, two-wheelers, gold and personal loans. The subsidiary of the Company is primarily engaged in the business of providing loans for construction or purchase of residential property and loans against property. The associate of the Company is a market leader in physical bidding for acquisition and disposal of pre-owned vehicles and equipment.

Pursuant to the Hon'ble National Company Law Tribunal, Chennai Bench ("NCLT") approval of the Composite Scheme of Arrangement and Amalgamation, Shriram Capital Limited (SCL) with its remaining undertaking and Shriram City Union Finance Limited (SCUF) with its entire undertaking amalgamated with the Company.

The Consolidated financial statements of the Company for the year ended March 31, 2024 were approved for issue in accordance with the resolution of the Board of Directors on April 26, 2024.

2 BASIS OF PREPARATION

The Consolidated financial statements relate to M/s. Shriram Finance Limited (the "Company"), its subsidiary and its associate (together hereinafter referred to as "the Group"). The Consolidated financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015, as amended by the Companies (Indian Accounting Standards) Rules, 2016, notified under the Section 133 of the Companies Act, 2013 ('the Act') and other relevant provisions of the Companies Act, 2013. The consolidated financial statements have been prepared under the historical cost convention, as modified by the application of fair value measurements required or allowed by relevant Accounting Standards, except for the assets and liabilities acquired under business combination are measured at fair value. The Consolidated financial statements have been prepared as per the guidelines issued by the RBI as applicable to a NBFCs and other accounting principles generally accepted in India. Any applicable guidance / clarifications / directions issued by RBI or other regulators are implemented as and when they are issued/ applicable.

The Consolidated financial statements have been prepared on going concern basis in accordance with the Ind AS 1. The Management is of the view that the Group shall be able to continue its business for the near future and no material uncertainty exists that may cast significant doubt on the going concern assumption. In making this assessment, the Management has considered a wide range of information relating to present and future conditions, including future projections of profitability, cash flows and capital resources.

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 preparation of Consolidated financial statements requires the use of certain critical accounting estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses and the disclosed amount of contingent liabilities. Areas involving a higher degree of judgement or complexity, or areas where assumptions are significant to the Group are discussed in Note 8 - Significant accounting judgements, estimates and assumptions.

The Consolidated financial statements are presented in Indian Rupees in crores (INR crores or Rs. in crores) which is also the functional currency of the Group and all values are rounded to the nearest crore, except when otherwise indicated.

3 BASIS OF CONSOLIDATION

- (i) The financial statements of the subsidiary and associate company used in the consolidation are drawn up to the same reporting date as of the Company i.e. year ended March 31, 2024 and are prepared based on the accounting policies consistent with those used by the Group.
- (ii) The Financial statements of the Group have been prepared in accordance with the Ind AS 110 - 'Consolidated Financial Statements' as per the Companies (Indian Accounting Standards) Rules, 2015 as amended by the Companies (Indian Accounting Standards) Rules, 2016, notified under Section 133 of the Companies Act, 2013 ("the Act") and the other relevant provisions of the Act.
- (iii) The consolidated financial statements have been prepared on the following basis:
 - a) The financial statements of the Company and its subsidiary has been combined on a line-by-line basis by adding together like items of assets, liabilities, income and expenses. The intra-group balances and intra-group transactions have been fully eliminated except where losses are realised.
 - b) The financial statements of subsidiaries acquired or disposed of during the year are included in the consolidated Statement of Profit and Loss from the effective date of acquisition or up to the effective date of disposal, as appropriate.
 - c) Non-controlling interest, if any, in the net assets of consolidated subsidiary consists of the amount of equity attributable to the non-controlling shareholders at the dates on which investments are made by the Group in the subsidiary and further movements in their share in the equity, subsequent to the dates of investments as stated above.
 - d) Investment made by the Company in an associate company is accounted under the equity method, in accordance with the Indian Accounting Standard 28 on 'Investments in Associates and Joint Ventures'.
 - e) The policies of the subsidiary and associate company are consistent with those of the Company.
- (iv) The subsidiary and associate company considered in the consolidated financial statements are as below:

Name	Relationship	Country of incorporation	Share of ownership interest as at March 31, 2024	Share of ownership interest as at March 31, 2023
Shriram Housing Finance Limited (SHFL) (Refer Note 51)	Subsidiary	India	83.78%	84.82%
Shriram Automall India Limited (SAMIL)	Associate	India	44.56%	44.56%

4 PRESENTATION OF FINANCIAL STATEMENT

The consolidated financial statements of the Group are presented as per Schedule III (Division III) of the Companies Act, 2013 applicable to Non-banking Finance Companies (NBFCs), as notified by the MCA. The Statement of Cash Flows is presented as per the requirements of Ind AS 7 - Statement of Cash Flows. The Group classifies its assets and liabilities as financial and non-financial and presents them in the order of liquidity. An analysis regarding expected recovery or settlement within 12 months after the reporting date and more than 12 months after the reporting date is presented in notes to the financial statements. Financial assets and financial liabilities are generally reported on a gross basis except when, there is an unconditional legally enforceable right to offset the recognised amounts without being contingent on a future event and the parties intend to settle on a net basis in the following circumstances:

- i. The normal course of business
- ii. The event of default
- iii. The event of insolvency or bankruptcy of the Group and/or its counterparties

Derivative assets and liabilities with master netting arrangements (e.g. International Swaps and Derivative Association Arrangements) are presented net if all the above criteria are met.

5 STATEMENT OF COMPLIANCE

These consolidated financial statements of the Group have been prepared in accordance with Indian Accounting Standards as per the Companies (Indian Accounting Standards) Rules, 2015 as amended by the Companies (Indian Accounting Standards) Rules, 2016, notified under Section 133 of the Companies Act, 2013 and the other relevant provisions of the Act.

6 RECENT ACCOUNTING DEVELOPMENTS

Ministry of Corporate Affairs (MCA), vide notification dated March 31, 2023, has made the following amendments to Ind AS which are effective April 01, 2023:

- a. Amendments to Ind AS 1, Presentation of Financial Statements where the companies are now required to disclose material accounting policies rather than their significant accounting policies.
- b. Amendments to Ind AS 8, Accounting Policies, Changes in Accounting Estimates and Errors where the definition of 'change in account estimates' has been replaced by revised definition of 'accounting estimate'.
- c. Amendments to Ind AS 12, Income Taxes where the scope of Initial Recognition Exemption (IRE) has been narrowed down.

7 MATERIAL ACCOUNTING POLICIES

These material accounting policies related to preparation of the consolidated financial statements are given below:

7.1 Financial instruments

(i) Classification of financial instruments

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

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

The classification depends on the contractual terms of the cashflows of the financial assets and the Group's business model for managing financial assets which are explained below:

Business model assessment

The Group determines its business model at the level that best reflects how it manages groups of financial assets to achieve its business objective.

The Group's business model is not assessed on an instrument-by-instrument basis, but at a higher level of aggregated portfolios and is based on observable factors such as:

- ▶ How the performance of the business model and the financial assets held within that business model are evaluated and reported to the entity's key management personnel.
- ▶ The risks that affect the performance of the business model (and the financial assets held within that business model) and the way those risks are managed.
- ▶ How managers of the business are compensated (for example, whether the compensation is based on the fair value of the assets managed or on the contractual cash flows collected).
- ▶ The expected frequency, value and timing of sales are also important aspects of the Group's assessment. The business model assessment is based on reasonably expected scenarios without taking 'worst case' or 'stress case' scenarios into account. If cash flows after initial recognition are realised in a way that is different from the Group's original expectations, the Group does not change the classification of the remaining financial assets held in that business model, but incorporates such information when assessing newly originated or newly purchased financial assets going forward.

- ▶ At initial recognition of a financial asset, the Group determines whether newly recognised financial assets are part of an existing business model or whether they reflect the commencement of a new business model. The Group reassesses its business models each reporting period to determine whether the business model(s) have changed since the preceding period. For the current and prior reporting period the Group has not identified a change in its business model.

The Solely Payments of Principal and Interest (SPPI) test

As a second step of its classification process the Group assesses the contractual terms of financial assets to identify whether they meet the SPPI test.

‘Principal’ for the purpose of this test is defined as the fair value of the financial asset at initial recognition and may change over the life of the financial asset (for example, if there are repayments of principal or amortisation of the premium/discount).

In making this assessment, the Group considers whether the contractual cash flows are consistent with a basic lending arrangement i.e. interest includes only consideration for the time value of money, credit risk, other basic lending risks and a profit margin that is consistent with a basic lending arrangement. Where the contractual terms introduce exposure to risk or volatility that are inconsistent with a basic lending arrangement, the related financial asset is classified and measured at fair value through profit or loss.

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

(ii) Financial assets measured at amortised cost

Debt instruments

These financial assets comprise bank balances, loans, trade receivables, investments and other financial assets.

Debt instruments are measured at amortised cost where they have:

- a) contractual terms that give rise to cash flows on specified dates, that represent solely payments of principal and interest on the principal amount outstanding; and
- b) are held within a business model whose objective is achieved by holding to collect contractual cash flows.

These debt instruments are initially recognised at fair value plus directly attributable transaction costs and subsequently measured at amortised cost. However, trade receivables that do not contain a significant financing component are initially measured at transaction price.

(iii) Financial assets measured at fair value through other comprehensive income

Debt instruments

Investments in debt instruments are measured at fair value through other comprehensive income where they have:

- a) contractual terms that give rise to cash flows on specified dates, that represent solely payments of principal and interest on the principal amount outstanding; and
- b) are held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets.

These debt instruments are initially recognised at fair value plus directly attributable transaction costs and subsequently measured at fair value. Gains and losses arising from changes in fair value are included in other comprehensive income within a separate component of equity. Impairment losses or reversals, interest revenue and foreign exchange gains and losses are recognised in the Statement of Profit and Loss. Upon disposal, the cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to the Statement of

Profit and Loss. As at the reporting date, the Group does not have any debt instruments measured at fair value through other comprehensive income.

Equity instruments

Investment in equity instruments that are neither held for trading nor contingent consideration recognised by the Group in a business combination to which Ind AS 103 'Business Combination' applies, are measured at fair value through other comprehensive income, where an irrevocable election has been made by management and when such instruments meet the definition of Equity under Ind AS 32 Financial Instruments: Presentation. Such classification is determined on an instrument-by-instrument basis. Amounts presented in other comprehensive income are not subsequently transferred to the Statement of Profit and Loss. Dividends on such investments are recognised in the Statement of Profit and Loss.

The Group has accounted for its investment in subsidiary at fair value at the time of acquisition due to business combination. The investment is subsequently measured at cost.

(iv) Financial assets measured at fair value through profit or loss

Items at fair value through profit or loss comprise:

- Investments (including equity shares) held for trading;
- Items specifically designated as fair value through profit or loss on initial recognition; and
- Debt instruments with contractual terms that do not represent solely payments of principal and interest.

Financial instruments held at fair value through profit or loss are initially recognised at fair value, with transaction costs recognised in the Statement of Profit and Loss as incurred. Subsequently, they are measured at fair value and any gains or losses are recognised in the Statement of Profit and Loss as they arise.

Financial instruments held for trading

A financial instrument is classified as held for trading if it is acquired or incurred principally for selling or repurchasing in the near term, or forms part of a portfolio of financial instruments that are managed together and for which there is evidence of short-term profit taking, or it is a derivative not in a qualifying hedge relationship.

Trading derivatives and trading securities are classified as held for trading and recognised at fair value.

Equity Investments

Investment in Associate is carried at cost in the Separate Financial Statements as permitted under Ind AS 27. The Company has accounted for its investment in subsidiary at fair value at the time of acquisition due to business combination. The investment is subsequently measured at cost. All other equity investments are measured at fair value through profit or loss.

Financial liability designated at fair value through profit or loss

A financial liability may be designated at fair value through profit or loss if it eliminates or significantly reduces an accounting mismatch or:

- if a host contract contains one or more embedded derivatives; or
- if financial assets and liabilities are both managed and their performance evaluated on a fair value basis in accordance with a documented risk management or investment strategy.

Where a financial liability is designated at fair value through profit or loss, the movement in fair value attributable to changes in the Group's own credit quality is calculated by determining the changes in credit spreads above observable market interest rates and is presented separately in other comprehensive income. As at the reporting date, the Group has not designated any financial liability as measured at fair value through profit or loss.

(v) **Derivatives**

A derivative is a financial instrument or other contract with all three of the following characteristics:

- ▶ Its value changes in response to the change in a specified interest rate, financial instrument price, commodity price, foreign exchange rate, index of prices or rates, credit rating or credit index, or other variable, provided that, in the case of a non-financial variable, it is not specific to a party to the contract (i.e., the 'underlying').
- ▶ It requires no initial net investment or an initial net investment that is smaller than would be required for other types of contracts expected to have a similar response to changes in market factors.
- ▶ It is settled at a future date.

The Group enters into derivative transactions with various counterparties to hedge its foreign currency risks and interest rate risks. Derivative transaction consists of hedging of foreign exchange transactions, which includes interest rate and currency swaps, interest rate options and forwards. The Group undertakes derivative transactions for hedging on-balance sheet liabilities.

Derivatives are recorded at fair value and carried as assets when their fair value is positive and as liabilities when their fair value is negative. The notional amount and fair value of such derivatives are disclosed separately. Changes in the fair value of derivatives are included in net gain on fair value changes.

Hedge accounting

The Group has adopted hedge accounting. The Group makes use of derivative instruments to manage exposures to interest rate risk and foreign currency risk. In order to manage particular risks, the Group applies hedge accounting for transactions that meet specified criteria. The Group has formally designated and documented the hedge relationship to which the Group wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge. The documentation includes the Group's risk management objective and strategy for undertaking hedge, the hedging/economic relationship, the hedged item or transaction, the nature of the risk being hedged, hedge ratio and how the Group would assess the effectiveness of changes in the hedging instrument's fair value in offsetting the exposure to changes in the hedged item's cash flows attributable to the hedged risk. Such hedges are expected to be highly effective in achieving offsetting changes in cash flows and are assessed on an on-going basis to determine that they actually have been highly effective throughout the financial reporting periods for which they were designated.

Hedges that meet the criteria for hedge accounting and qualify as cash flow hedges are accounted as follows:

Cash flow hedge

A cash flow hedge is a hedge of the exposure to variability in cash flows that is attributable to a particular risk associated with a recognised asset or liability and could affect the Statement of Profit and Loss. For designated and qualifying cash flow hedges, the effective portion of the cumulative gain or loss on the hedging instrument is initially recognised directly in other comprehensive income as cash flow hedge reserve. The ineffective portion of the gain or loss on the hedging instrument is recognised immediately as finance cost in the Statement of Profit and Loss. When the hedged cash flow affects the Statement of Profit and Loss, the effective portion of the gain or loss on the hedging instrument is recorded in the corresponding income or expense line of the Statement of Profit and Loss. When a hedging instrument expires, is sold, terminated, exercised, or when a hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss that has been recognised in OCI at that time remains in OCI and is recognised when the hedged forecast transaction is ultimately recognised in the Statement of Profit and Loss. When a forecast transaction is no longer expected to occur, the cumulative gain or loss that was reported in OCI is immediately transferred to the Statement of Profit and Loss.

(vi) Debt securities and other borrowed funds

After initial measurement, debt issued and other borrowed funds are subsequently measured at amortised cost. Amortised cost is calculated by taking into account any discount or premium on issue funds, and transaction costs that are an integral part of the Effective Interest Rate (EIR).

(vii) Reclassification of financial assets and liabilities

The Group does not reclassify its financial assets subsequent to their initial recognition. Financial liabilities are never reclassified. The Group did not reclassify any of its financial assets or liabilities in 2022-23 and until the year ended March 31, 2024.

(viii) Recognition and Derecognition of financial assets and liabilities

Recognition

- a) Loans and advances are initially recognised when the funds are transferred to the customer's account or delivery of assets by the dealer, whichever is earlier.
- b) Investments are initially recognised on the settlement date.
- c) Debt securities, deposits and borrowings are initially recognised when funds reach the Group.
- d) Other financial assets and liabilities are initially recognised on the trade date, i.e., the date that the Group becomes a party to the contractual provisions of the instrument. It includes regular way trades: purchases or sales of financial assets that require delivery of assets within the time frame generally established by regulation or convention in the market place.

Derecognition of financial assets due to substantial modification of terms and conditions

The Group derecognises a financial asset, such as a loan to a customer, when the terms and conditions have been renegotiated to the extent that, substantially, it becomes a new loan, with the difference recognised as derecognition gain or loss, to the extent that an impairment loss has not already been recorded. The newly recognised loans are classified as Stage 1 for ECL measurement purposes, unless the new loan is deemed to be Purchased or Originated as Credit Impaired (POCI).

If the modification does not result in cash flows that are substantially different, the modification does not result in derecognition. Based on the change in cash flows discounted at the original EIR, the Group records a modification gain or loss, to the extent that an impairment loss has not already been recorded.

Derecognition of financial assets other than due to substantial modification

a) Financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised when the rights to receive cash flows from the financial asset have expired. The Group also derecognises the financial asset if it has both transferred the financial asset and the transfer qualifies for derecognition.

The Group has transferred the financial asset if, and only if, either:

- i. The Group has transferred its contractual rights to receive cash flows from the financial asset, or
- ii. It retains the rights to the cash flows, but has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement.

Pass-through arrangements are transactions whereby the Group retains the contractual rights to receive the cash flows of a financial asset (the 'original asset'), but assumes a contractual obligation to pay those cash flows to one or more entities (the 'eventual recipients'), when all of the following three conditions are met:

- i. the Group has no obligation to pay amounts to the eventual recipients unless it has collected equivalent amounts from the original asset, excluding short-term advances with the right to full recovery of the amount lent plus accrued interest at market rates.
- ii. the Group cannot sell or pledge the original asset other than as security to the eventual recipients.
- iii. the Group has to remit any cash flows it collects on behalf of the eventual recipients without material delay. In addition, the Group is not entitled to reinvest such cash flows, except for investments in cash or cash equivalents including interest earned, during the period between the collection date and the date of required remittance to the eventual recipients.

A transfer only qualifies for derecognition if either:

- i. the Group has transferred substantially all the risks and rewards of the asset, or
- ii. the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

the Group considers control to be transferred if and only if, the transferee has the practical ability to sell the asset in its entirety to an unrelated third party and is able to exercise that ability unilaterally and without imposing additional restrictions on the transfer.

When the Group has neither transferred nor retained substantially all the risks and rewards and has retained control of the asset, the asset continues to be recognised only to the extent of the Group's continuing involvement, in which case, the Group also recognises an associated liability. the transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

On derecognition of a financial asset in its entirety, the difference between the carrying amount (measured at the date of derecognition) and the consideration received (including any new asset obtained less any new liability assumed) is recognised in the Statement of Profit and Loss. Accordingly, gain or loss on sale or derecognition of assigned portfolio are recorded upfront in the Statement of Profit and Loss as per Ind AS 109. Also, the Group recognises servicing income as a percentage of interest spread over tenure of loan in cases where it retains the obligation to service the transferred financial asset. As per the guidelines of RBI, the Group is required to retain certain portion of the loan assigned to parties in its books as Minimum Retention Requirement ('MRR'). therefore, it continues to recognise the portion retained by it as MRR.

b) Financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expires. Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability. the difference between the carrying value of the original financial liability and the consideration paid is recognised in the Statement of Profit and Loss. As at the reporting date, the Group does not have any financial liabilities which have been derecognised.

(ix) Impairment of financial assets

Overview of the ECL principles

the Group records allowance for expected credit losses for all loans and other financial assets not held at fair value through profit or loss (FVTPL), in this section all referred to as 'financial instruments'. Equity instruments are not subject to impairment under Ind AS 109.

the ECL allowance is based on the credit losses expected to arise over the life of the asset (the lifetime expected credit loss), unless there has been no significant increase in credit risk since origination, in which case, the allowance is based on the 12 months' expected credit loss.

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 the portion of Lifetime ECL that represent the ECLs that result from default events on a financial instrument that are possible within the 12 months after the reporting date.

Both Lifetime ECLs and 12-month ECLs are calculated on either an individual basis or a collective basis, depending on the nature of the underlying portfolio of financial instruments. The Company has grouped its loan portfolio into commercial vehicles, construction equipments, farm equipments, MSME, gold loan, personal loans and passenger vehicles.

The Group has established a policy to perform an assessment, at the end of each reporting period, of whether a financial instrument's credit risk has increased significantly since initial recognition, by considering the change in the risk of default occurring over the remaining life of the financial instrument. The Group does the assessment of significant increase in credit risk at a borrower level. If a borrower has various facilities having different past due status, then the highest days past due (DPD) is considered to be applicable for all the facilities of that borrower.

Based on the above, the Group categorises its loans into Stage 1, Stage 2 and Stage 3 as described below:

Stage 1

All exposures where there has not been a significant increase in credit risk since initial recognition or that has low credit risk at the reporting date and that are not credit impaired upon origination are classified under this stage. The Group classifies all standard advances and advances upto 30 days default under this category. Stage 1 loans also include facilities where the credit risk has improved and the loan has been reclassified from Stage 2 or Stage 3.

Stage 2

All exposures where there has been a significant increase in credit risk since initial recognition but are not credit impaired are classified under this stage. 30 Days Past Due is considered as significant increase in credit risk.

Stage 3

All exposures 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 are classified in this stage. For exposures that have become credit impaired, a lifetime ECL is recognised and interest revenue is calculated by applying the effective interest rate to the amortised cost (net of provision) rather than the gross carrying amount. 90 Days Past Due is considered as default for classifying a financial instrument as credit impaired. If an event (for e.g. any natural calamity) warrants a provision higher than as mandated under ECL methodology, the Group may classify the financial asset in Stage 3 accordingly.

As required by RBI Circular reference no. RBI/2019-20/170 DOR (NBFC).CC.PD.No. 109/22.10.106/ 2019-20 dated March 13, 2020; where impairment allowance under Ind AS 109 is lower than the provisioning required as per extant prudential norms on Income Recognition, Asset Classification and Provisioning (IRACP) including borrower/beneficiary wise classification, provisioning for standard as well as restructured assets, NPA ageing, etc., the Company shall appropriate the difference from their net profit or loss after tax to a separate 'Impairment Reserve'.

In line with Reserve Bank of India Master Circular on Prudential norms on Income Recognition, Asset Classification and Provisioning pertaining to Advances and Clarifications dated November 12, 2021, borrower accounts shall be flagged as overdue as part of the day-end processes for the due date, irrespective of the time of running such processes. Similarly, classification of borrower accounts as Non-Performing Asset / Stage 3 shall be done as part of day-end process for the relevant date i.e. more than 90 days overdue and NPA/Stage 3 classification date shall be the calendar date for which the day end process is run. In other words, the date of Non-Performing Asset / Stage 3 shall reflect the asset classification status of an account at the day-end of that calendar date.

Upgradation of accounts classified as Stage 3/Non-performing assets (NPA) - the Group upgrades loan accounts classified as Stage 3/ NPA to 'standard' asset category only if the entire arrears of interest, principal and other amount are paid by the borrower and there is no change in the accounting policy followed by the Group in this regard. With regard to upgradation of accounts classified as NPA due to restructuring, the instructions as specified for such cases as per the said RBI guidelines shall continue to be applicable.

Credit-impaired financial assets

At each reporting date, the Group assesses whether financial assets carried at amortised cost and debt financial assets carried at FVOCI are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

- a) Significant financial difficulty of the borrower or issuer;
- b) A breach of contract such as a default or past due event;
- c) the restructuring of a loan or advance by the Group on terms that the Group would not consider otherwise;
- d) It is becoming probable that the borrower will enter bankruptcy or other financial reorganisation; or
- e) the disappearance of an active market for a security because of financial difficulties.

ECL on Investment in Government securities

the Group has invested in Government of India loans. Investment in Government securities are classified under stage 1. No ECL has been applied on these investments as there is no history of delay in servicing of interest/ repayments. the Group does not expect any delay in interest/redemption servicing in future.

ECL on Loans secured by the Company's fixed deposit

No ECL has been applied on loans given against the Company's fixed deposit as they are fully secured by the Company's fixed deposits.

ECL on Fixed Deposits with Banks

No ECL is applied on fixed deposit held with banks as there is no history of default. However, in case of any downgrade in the credit rating of the banks where fixed deposit is held, the Company would provide for ECL computed in an appropriate methodology.

Simplified approach for trade/ other receivables and contract assets

the Group follows 'simplified approach' for recognition of impairment loss allowance on trade/ other receivables that do not contain a significant financing component. the application of simplified approach does not require the Group to track changes in credit risk. It recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition. At every reporting date, the historical observed default rates are updated for changes in the forward-looking estimates. For trade receivables that contain a significant financing component a general approach is followed.

ECL on Debt instruments measured at fair value through OCI

the ECLs for debt instruments measured at FVOCI do not reduce the carrying amount of these financial assets in the balance sheet, which remains at fair value. Instead, an amount equal to the allowance that would arise if the assets were measured at amortised cost is recognised in OCI as an accumulated impairment amount, with a corresponding charge to the Statement of Profit and Loss. the accumulated loss recognised in OCI is the Group does not have any debt instruments measured at fair value through OCI.

Undrawn loan commitments

When estimating ECL for undrawn loan commitments, a credit conversion factor of 100% is applied for expected drawdown. The Group discloses ECL allowance on undrawn loan commitments under the head 'Provisions' under non-financial liabilities.

Key mechanics of ECL

The Group calculates ECLs based on probability-weighted scenarios to measure the expected cash shortfalls, discounted at an approximation to the EIR. A cash shortfall is the difference between the cash flows that are due to the Group in accordance with the contract and the cash flows that the Group expects to receive.

The mechanics of the ECL calculations are outlined below and the key elements are, as follows:

Probability of Default (PD) - The Probability of Default is an estimate of the likelihood of default over a given time horizon. A default may only happen at a certain time over the assessed period, if the facility has not been previously derecognised and is still in the portfolio. The concept of PD is further explained in note 53.

Exposure at Default (EAD) - The Exposure at Default is an estimate of the exposure at a future default date. The concept of EAD is further explained in note 53.

Loss Given Default (LGD) - The Loss Given Default is an estimate of the loss arising in the case where a default occurs at a given time. It is based on the difference between the contractual cash flows due and those that the Group would expect to receive, including from the realisation of any collateral. It is usually expressed as a percentage of the EAD. The concept of LGD is further explained in note 53.

Forward looking information

While estimating the expected credit losses, the Group reviews macro-economic developments occurring in the economy and the market it operates in. Macro-economic regression models are built to identify the key macro-economic factors (independent variables) that drive the default rates. The best possible single variable linear regression model is identified based on the R-square and the economic intuition of the relationship between the independent variable and the default rates.

The Group considers various external factors such as GDP growth, inflation, weighted average lending rate of Scheduled Commercial Banks etc., as macro-economic factors affecting the Company's ECL estimates and the most relevant macro-economic factor affecting the particular loan product is factored in while arriving at the PD of that product. The Company formulated three different macro-economic stress scenarios under the premise of mild stress, medium stress and severe stress condition. The medium stress scenario largely reflected the current economic conditions, and accordingly was used for ECL modelling.

On a periodic basis, the Company monitors the situation and economic factors affecting the operations of the company and assesses the requirement of any modification to ECL model.

Collateral Valuation

To mitigate its credit risks on financial assets, the Group seeks to use collateral, wherever possible. The collateral comes in various forms, such as movable and immovable assets, guarantees, etc. However, the fair value of collateral affects the calculation of ECLs. To the extent possible, the Group uses active market data for valuing financial assets held as collateral. Other financial assets which do not have readily determinable market values are valued using models. Non-financial collateral, such as vehicles, is valued based on data provided by third parties or management judgements.

Collateral repossessed

In its normal course of business whenever default occurs, the Group may take possession of properties or other assets in its retail portfolio and generally disposes such assets through auction, to settle outstanding debt. Any

surplus funds are returned to the customers/ obligors. The Group generally does not use the assets repossessed for the internal operations. The underlying loans in respect of which collaterals have been repossessed and not sold for more than 6 months are considered as Stage 3 assets and fully provided for net of estimated realizable value or written off. As a result of this practice, assets under legal repossession processes are not recorded on the balance sheet as it does not meet the recognition criteria in other standards and consequently the Group also does not derecognise the underlying financial asset immediately on repossession. The change in accounting policy is effective from financial year 2021-22. Repossessed house property of SHFL comprises of house & land properties, which were held as collaterals against the loans given to customer, whose physical and legal possession has been taken over by the company due to customers' default on repayment of the loan. Management intends to sell these properties for which regular auctions are conducted. Asset will have to be sold within three years from possession date and if the investment in such properties (land and buildings) exceeds 20% of capital fund as per NBFC – Housing Finance Company (Reserve Bank) directions, 2021 (of which such investment over and above 10% of owned fund shall be in residential units), the excess shall be written off.

Restructured loans

The Group is permitted to restructure customer accounts. Restructuring would normally involve modification of terms of the advances/ securities, which would generally include, among others, alteration of payment period/ payable amount/ the amount of installments/ rate of interest/ sanction of additional credit facility/ release of additional funds for a customer account. The Group considers the modification of the loan only before the loans gets credit impaired. In case of restructuring, the accounts classified as 'standard' shall be immediately downgraded as non-performing assets/ Stage 3 unless and other wise explicitly stated in the Circulars and Directions issued by Reserve Bank of India from time to time. Once an asset has been classified as restructured, it will remain restructured for a period of one year from the date on which it has been restructured until the customer account demonstrates satisfactory performance during the specified period.

For upgradation of accounts classified as Non-Performing Assets due to restructuring, the instructions as specified for such cases as per the said RBI guidelines shall continue to be applicable.

Loan accounts which have been restructured or modified in accordance with RBI Notifications - RBI/2020-21/16 DOR. No.BP.BC/3/21.04.048/2020-21 dated August 06, 2020- Resolution Framework for COVID-19 related Stress and RBI/2021-22/31/DOR.STR.REC.11/21.04.048/2021-22 dated May 05, 2021- Resolution Framework – 2.0: Resolution of Covid-19 related stress of Individuals and Small Businesses and RBI/2020-21/17 DOR. No.BP.BC/4/21.04.048/2020-21- dated August 06, 2020 - Micro, Small and Medium Enterprises (MSME) sector – Restructuring of Advances and RBI/2021-22/32 DOR.STR.REC.12/21.04.048/2021-22 dated May 5, 2021 Resolution Framework 2.0 – Resolution of Covid-19 related stress of Micro, Small and Medium Enterprises (MSMEs) have been classified as Stage 2 due to significant increase in credit risk.

(x) Write-offs

The Group reduces the gross carrying amount of a financial asset when the Group has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof. It is generally the case when the Group determines that the borrower does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subjected to write-offs. Any subsequent recoveries against such loans are credited to the statement of profit and loss. Write off in case of standard accounts is done by way of waiver of last one or two instalments in case the borrower pays all the EMIs as per the due dates mentioned in the agreement.

(xi) Determination of fair value

On initial recognition, all the financial instruments are measured at fair value. For subsequent measurement, the Group measures certain categories of financial instruments (as explained in note 7.1(iii) to 7.1(v)) at fair value on each balance sheet date.

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

- i. In the principal market for the asset or liability, or
- ii. 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.

In order to show how fair values have been derived, financial instruments are classified based on a hierarchy of valuation techniques, as summarised below:

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

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

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

The Group recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred. No such instances of transfers between levels of the fair value hierarchy were recorded during the reporting period.

Difference between transaction price and fair value at initial recognition

The best evidence of the fair value of a financial instrument at initial recognition is the transaction price (i.e. the fair value of the consideration given or received) unless the fair value of that instrument is evidenced by comparison with other observable current market transactions in the same instrument (i.e. without modification or repackaging) or based on a valuation technique whose variables include only data from observable markets. When such evidence exists, the Group recognises the difference between the transaction price and the fair value in profit or loss on initial recognition (i.e. on day one).

When the transaction price of the instrument differs from the fair value at origination and the fair value is based on a valuation technique using only inputs observable in market transactions, the Group recognises the difference between the transaction price and fair value in net gain on fair value changes. In those cases where fair value is based on models for which some of the inputs are not observable, the difference between the transaction price and the fair value is deferred and is only recognised in the Statement of Profit and Loss when the inputs become observable, or when the instrument is derecognised.

7.2 Revenue from operations

(i) Interest Income

Interest income is recognised by applying the Effective Interest Rate (EIR) to the gross carrying amount of financial assets measured at amortised cost other than credit-impaired assets and financial assets classified as measured at FVTPL.

The EIR in case of a financial asset is computed

- As the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset.
- By considering all the contractual terms of the financial instrument in estimating the cash flows.
- Including all fees received between parties to the contract that are an integral part of the effective interest rate, transaction costs, and all other premiums or discounts.

Any subsequent changes in the estimation of the future cash flows is recognised in interest income with the corresponding adjustment to the carrying amount of the assets.

Interest income on credit impaired assets is recognised by applying the effective interest rate to the net amortised cost (net of ECL provision) of the financial asset.

Interest on delayed payments by customers are treated to accrue only on realisation, due to uncertainty of realisation and are accounted accordingly.

Interest spread under par structure of direct assignment of loan receivables is recognised upfront. On derecognition of the loan receivables in its entirety, the difference between the carrying amount (measured at the date of derecognition) and the consideration received (including any new asset obtained less any new liability assumed) shall be recognised upfront in the Statement of Profit and Loss.

(ii) Dividend Income

Dividend income is recognised when the right to receive the payment is established.

(iii) Rental Income

Rental income arising from operating leases is recognised on a straight-line basis over the lease term. In cases where the increase is in line with expected general inflation, rental income is recognised as per the contractual terms.

Operating leases are leases where the Group does not transfer substantially all of the risk and benefits of ownership of the asset.

(iv) Fees & Commission Income

Fees and commissions are recognised when the Group satisfies the performance obligation, at the amount of transaction price (net of variable consideration) allocated to that performance obligation based on a five-step model as set out below, unless included in the effective interest calculation:

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

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

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

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

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

(v) Net gain/ loss on fair value changes

Any differences between the fair values of financial assets classified as fair value through the profit or loss (refer note 34), held by the Group on the balance sheet date is recognised as an unrealised gain/loss. In cases where 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 FVTPL and debt or equity instruments measured at FVOCI is recognised in net gain / loss on fair value changes. As at the reporting date, the Group does not have any debt instruments measured at FVOCI.

(vi) Recoveries of financial assets written off

The Company recognises income on recoveries of financial assets written off on realisation basis.

(vii) Net gain/ loss on derecognition of financial instruments under amortised cost category

In case where transfer of a part of financial assets qualifies for de-recognition, any difference between the proceeds received on such sale and the carrying value of the transferred asset is recognised as gain or loss on derecognition of such financial asset previously carried under amortisation cost category is presented separately under the respective head in the Statement of Profit and Loss. The resulting interest only strip initially is recognised at FVTPL under interest income.

7.3 Expenses

(i) Finance costs

Finance costs represents interest expense recognised by applying the Effective Interest Rate (EIR) to the gross carrying amount of financial liabilities other than financial liabilities classified as FVTPL.

The EIR in case of a financial liability is computed

- a. As the rate that exactly discounts estimated future cash payments through the expected life of the financial liability to the gross carrying amount of the amortised cost of a financial liability.
- b. By considering all the contractual terms of the financial instrument in estimating the cash flows.
- c. Including all fees paid between parties to the contract that are an integral part of the effective interest rate, transaction costs, and all other premiums or discounts.

Any subsequent changes in the estimation of the future cash flows is recognised in interest expense with the corresponding adjustment to the carrying amount of the financial liability.

Interest expense includes issue costs that are initially recognised as part of the carrying value of the financial liability and amortised over the expected life using the effective interest method. These include fees and commissions

payable to advisers and other expenses such as external legal costs, rating fee etc, provided these are incremental costs that are directly related to the issue of a financial liability.

(ii) **Retirement and other employee benefits**

Short term employee benefit

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits. These benefits include short term compensated absences such as paid annual leave. The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees is recognised as an expense during the period. Benefits such as salaries and wages, etc. and the expected cost of the bonus/ex-gratia are recognised in the period in which the employee renders the related service.

Post-employment employee benefits

a) Defined contribution schemes

All the employees of the Group are entitled to receive benefits under the Provident Fund and Employees State Insurance scheme, defined contribution plans in which both the employee and the Group contribute monthly at a stipulated rate. The Group has no liability for future benefits other than its annual contribution and recognises such contributions as an expense in the period in which employee renders the related service. If the contribution payable to the scheme for service received before the Balance Sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognised as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the Balance Sheet date, then excess is recognised as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

b) Defined benefit schemes

The Group provides for the gratuity, a defined benefit retirement plan covering all employees. The plan provides for lump sum payments to employees upon death while in employment or on separation from employment after serving for the stipulated years mentioned under 'The Payment of Gratuity Act, 1972'. The present value of the obligation under such defined benefit plan is determined based on actuarial valuation, carried out by an independent actuary at each Balance Sheet date, using the Projected Unit Credit Method, which recognises each period of service as giving rise to an additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The obligation is measured at the present value of the estimated future cash flows. The discount rates used for determining the present value of the obligation under defined benefit plan are based on the market yields on Government Securities as at the Balance Sheet date.

Net interest recognised in profit or loss is calculated by applying the discount rate used to measure the defined benefit obligation to the net defined benefit liability or asset. The actual return on the plan assets above or below the discount rate is recognised as part of re-measurement of net defined liability or asset through other comprehensive income. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, attrition rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, these liabilities are highly sensitive to changes in these assumptions. All assumptions are reviewed annually.

The Group fully contributes all ascertained liabilities to the Trustees - Shriram Transport Finance Company Limited Employees' Group Gratuity Assurance Scheme and Shriram City Union Finance Limited Employees' Group Gratuity Assurance Scheme. The merger of the two trusts and subsequent change of name of the trusts to Shriram Finance Limited Employees Group Gratuity Assurance Scheme has received in principle approval

from the Income Tax Department and the company is in process of completing the required formalities. Trustees administer contributions made to the trust and contributions are invested in a scheme of insurance with the IRDA approved Insurance Companies.

Re-measurement, comprising of actuarial gains and losses and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Re-measurements are not reclassified to the statement of profit and loss in subsequent periods.

Other long-term employee benefits

Group's 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.

The Group presents the provision for compensated absences under provisions in the Balance Sheet.

Employee Stock Options

Eligible employees in terms of the Employees Stock Options Scheme of the Company receive remuneration in the form of share-based payments, whereby employees render services as consideration for equity instruments (equity-settled transactions).

The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model.

The cost is recognised, together with a corresponding increase in Share Option Outstanding Reserves in equity, over the period in which the performance and/ or service conditions are fulfilled in employee benefits expense/ vesting period. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Company's best estimate of the number of equity instruments that will ultimately vest.

The Statement of Profit and Loss expense or credit for a period represents the movement in cumulative expense recognised as at the beginning and end of that period and is recognised in employee benefits expense. No expense is recognised for awards that do not ultimately vest.

(iii) Leases

The Group as a lessee

The Group has adopted Ind AS 116 'Leases' with the date of initial application being April 01, 2019 (transition date). The determination of whether an arrangement is a lease, or contains a lease, is based on the substance of the arrangement and requires an assessment of whether the fulfilment of the arrangement is dependent on the use of a specific asset or assets or whether the arrangement conveys a right to use the asset. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a time in exchange for a consideration. The Group, at the inception of a contract, assesses whether the contract is a lease or not lease. For arrangements entered into prior to April 01, 2019, the Group has determined whether the arrangement contains a lease on the basis of facts and circumstances existing on the date of transition.

The Group recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received. The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term.

the lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the Group's incremental borrowing rate at the transition date in case of leases existing as on the date of transition date and in case of leases entered after transition date, incremental borrowing rate as on the date of lease commencement date. In case of existing leases, the said date would be the date of transition. It is remeasured when there is a change in future lease payments arising from a change in a rate, if the Group changes its assessment of whether it will exercise an extension or termination option.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in Statement of Profit and Loss if the carrying amount of the right-of-use asset has been reduced to zero.

The Group has elected not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The Group recognises the lease payments associated with these leases as an expense over the lease term. The Group's lease asset class consist of leases for office premises.

In case of a sub-lease, the Group accounts for its head lease and sub-lease separately.

The Company as a lessor

Leases for which the Company is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases. Rental income arising from operating leases is recognised on a straight-line basis over the lease term. In cases where the increase is in line with expected general inflation, rental income is recognised as per the contractual terms.

(iv) Other income and expenses

All other income and expense are recognised in the period they occur.

(v) Impairment of non-financial assets, wherever applicable

The Company assesses at each balance sheet date whether there is any indication that a non-financial asset may be impaired due to events or changes in circumstances indicating that their carrying amounts may not be realised. If any such indication exists, the Company estimates the recoverable amount of the asset. If such recoverable amount of the asset 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 balance sheet date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the revised recoverable amount, subject to maximum of the depreciated historical cost.

(vi) Taxes

Current Tax

Current tax assets and liabilities for the current and prior years are measured at the amount expected to be recovered from, or paid to, the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted, or substantively enacted, by the reporting date in the countries where the Group operates and generates taxable income.

Current income tax relating to items recognised outside the Statement of Profit and Loss is recognised outside the Statement of Profit and Loss (either in other comprehensive income or in equity). Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred tax assets and liabilities are recognised for temporary differences arising between the tax bases of assets and liabilities and their carrying amounts. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the reporting date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are only recognised for temporary differences, unused tax losses and unused tax credits if it is probable that future taxable amounts will arise to utilise those temporary differences and losses. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Deferred tax assets and liabilities are offset where there is a legally enforceable right to offset current tax assets and liabilities and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities are realised simultaneously.

Goods and services tax /value added taxes paid on acquisition of assets or on incurring expenses

Expenses and assets are recognised net of the goods and services tax/ value added taxes paid, except:

- i. When the tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the tax paid is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable.
- ii. When receivables and payables are stated with the amount of tax included.

If the net amount of tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.

(vii) Dividends on ordinary shares

The Group recognises a liability to make cash distributions to equity shareholders of the Group when the distribution is authorised and the distribution is no longer at the discretion of the Group. As per the Companies Act, 2013 final dividend is authorised when it is approved by the shareholders and interim dividend is authorised when it is approved by the Board of Directors of the Group. A corresponding amount is recognised directly in equity.

7.4 Foreign currency translation

(i) Functional and presentational currency

The consolidated financial statements are presented in Indian Rupees which is also functional currency of the Group and the currency of the primary economic environment in which the Group operates.

(ii) Transactions and balances

Initial recognition

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

Conversion

Monetary assets and liabilities denominated in foreign currency, which are outstanding as at the reporting date, are translated at the reporting date at the closing exchange rate and the resultant exchange differences are recognised in the Statement of Profit and Loss.

Non-monetary items that are measured at historical cost in a foreign currency are translated using the spot exchange rates as at the date of recognition.

7.5 Cash and cash equivalents

Cash and cash equivalents comprise the net amount of short-term, highly liquid investments that are readily convertible to known amounts of cash (short-term deposits with an original maturity of three months or less) and are subject to an insignificant risk of change in value, cheques on hand and balances with banks. They are held for the purposes of meeting short-term cash commitments (rather than for investment or other purposes).

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash on hand, cheques on hand, balances with banks (of the nature of cash and cash equivalents). CBLO and short-term deposits, as defined above.

7.6 Property, plant and equipment

Property, plant and equipment (PPE) are carried at historical cost of acquisition less accumulated depreciation and accumulated impairment losses, (if any). The total cost of assets comprises its purchase price, freight, duties, taxes and any other incidental expenses directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by the management. Changes in the expected useful life are accounted for by changing the depreciation period or methodology, as appropriate, and treated as changes in accounting estimates.

Subsequent expenditure related to an item of tangible asset are added to its gross value only if it increases the future benefits of the existing asset, if it is probable that future economic benefit will flow to the Group from that expenditure and cost can be measured reliably. Other repairs and maintenance costs are expensed off as and when incurred.

Depreciation

Depreciation is calculated using the straight-line method to write down the cost of property and equipment to their residual values over their estimated useful lives which is in line with the estimated useful life as specified in Schedule II of the Companies Act, 2013 except for Leasehold improvements which are amortised on a straight-line basis over the period of lease or estimated period of useful life of such improvement, subject to a maximum period of 60 months. Leasehold improvements include all expenditure incurred on the leasehold premises that have future economic benefits. Land is not depreciated.

The estimated useful lives are as follows:

Particulars	Useful life as prescribed by Schedule II of the Companies Act, 2013	Useful life estimated by Group
Building	60 years	60 years
Plant and machinery	15 years	15 years
Electrical equipment	10 years	10 years
Generator	10 years	10 years
Furniture and fixture	10 years	10 years
Air conditioner	5 years	5 years
Electronic equipment	5 years	5 years
Office equipment	5 years	5 years
Refrigerator	5 years	5 years
Motor car	8 years	8 years
Vehicles	10 years	10 years
Server and networking	6 years	6 years
Computer	3 years	3 years

Exceptions to useful lives specified in Schedule II to the Companies Act, 2013 - Vehicles provided to employees as part of Cost-To-Company (CTC) scheme are depreciated using estimated useful life of 8 years without residual value.

Residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

Property, plant and equipment is derecognised on disposal or when no future economic benefits are expected from its use. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is recognised in other income/ expense in the Statement of Profit and Loss in the year the asset is derecognised.

Depreciation on assets acquired/ sold during the year is recognised on a pro-rata basis to the Statement of Profit and Loss from/ upto the date of acquisition/ sale.

The date of disposal of an item of property, plant and equipment is the date the recipient obtains control of that item in accordance with the requirements for determining when a performance obligation is satisfied in Ind AS 115.

7.7 Intangible assets

An intangible asset is recognised only when its cost can be measured reliably and it is probable that the expected future economic benefits that are attributable to it will flow to the Group.

Intangible assets acquired separately are measured on initial recognition at cost. The cost of an intangible asset comprises its purchase price and any directly attributable expenditure on making the asset ready for its intended use and net of any trade discounts and rebates. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses.

The useful lives of intangible assets are assessed to be either finite or indefinite. Intangible assets with finite lives are amortised over the useful economic life. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at each financial year-end. Changes in the expected useful life, or the expected pattern of consumption of future economic benefits embodied in the asset, are accounted for by changing the amortisation period or methodology, as appropriate, which are then treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is presented as a separate line item in the Statement of Profit and Loss. Amortisation on assets acquired/sold during the year is recognised on a pro-rata basis to the Statement of Profit and Loss from/ upto the date of acquisition/ sale.

Amortisation is calculated using the straight-line method to write down the cost of intangible assets to their residual values over their estimated useful lives. Intangible assets comprising of software are amortised on a straight-line basis over a period of 3 years, unless it has a shorter useful life.

The Group's intangible assets consist of computer software and distribution network with definite life and goodwill with indefinite life.

Goodwill is not subject to amortisation and is tested annually for impairment. Goodwill is carried at cost less accumulated impairment losses. The Company has determined the useful life of the intangible asset in the nature of branch network acquired through the scheme of amalgamation and started amortising the same over its useful life.

Gains or losses from derecognition of intangible assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset are recognised in the Statement of Profit and Loss when the asset is derecognised.

7.8 Investment Property

Properties, held to earn rentals and/or capital appreciation are classified as investment property and measured and reported at cost, including transaction costs.

Depreciation is recognised using straight line method so as to write off the cost of the investment property less their residual values over their useful lives specified in Schedule II to the Companies Act, 2013 or in case of assets where the

useful life was determined by technical evaluation, over the useful life so determined. Depreciation method is reviewed at each financial year end to reflect the expected pattern of consumption of the future benefits embodied in the investment property. The estimated useful life and residual values are also reviewed at each financial year end and the effect of any change in the estimates of useful life/residual value is accounted on prospective basis.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on derecognition of property is recognised in the Statement of Profit and Loss in the same period.

7.9 Ind AS 101 - First-time Adoption of Indian Accounting Standards

Exemptions applied

Ind AS 101 allows first-time adopters certain exemptions from the retrospective application of certain requirements under Ind AS. The Company has applied the following exemptions:

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment, intangible assets and investment property as at March 31, 2017 measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment, intangible assets and investment property as on April 01, 2017.

7.10 Provisions

Provisions are recognised when the enterprise has a present obligation (legal or constructive) as a result of past events, and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

When the effect of the time value of money is material, the enterprise determines the level of provision by discounting the expected cash flows at a pre-tax rate reflecting the current rates specific to the liability. The expense relating to any provision is presented in the Statement of Profit and Loss net of any reimbursement. As at reporting date, the Group does not have any such provisions where the effect of time value of money is material.

7.11 Contingent Liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Group or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognised because it cannot be measured reliably. The Group does not recognise a contingent liability but discloses its existence in the financial statements. Contingent liabilities are reviewed at each Balance Sheet date.

7.12 Contingent Asset

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group. Contingent assets are not recognised nor disclosed in the financial statements. They are disclosed only when an inflow of economic benefits is probable. Contingent assets are reviewed at each Balance Sheet date.

7.13 Earning Per Share

The Group reports basic and diluted earnings per share in accordance with Ind AS 33 on Earnings per share. Basic EPS is calculated by dividing the net profit or loss for the year attributable to equity shareholders (after deducting preference dividend and attributable taxes) by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the period, unless they have

been issued at a later date. In computing the dilutive earnings per share, only potential equity shares that are dilutive and that either reduces the earnings per share or increases loss per share are included.

7.14 Cash flow Statement

Cash flows are reported under the 'Indirect method' as set out in Ind AS 7 on 'Statement of Cash Flows, whereby net profit after tax is adjusted for the effects of transactions of non-cash nature, tax and any deferrals or accruals of past or future cash receipts or payments. The cash flows are prepared for the operating, investing and financing activities of the Group.

7.15 Business Combination

The Company applies the acquisition method of accounting for business combinations where common control does not exist. The consideration transferred by the Company for the acquisition of business comprises of fair value of the assets transferred, liabilities incurred, and the equity interests issued by the Company as at the acquisition date i.e. the date on which it obtains the control of the acquiree. The acquisition related costs are recognised in the statement of profit and loss as incurred, except to the extent related to the issue of debt or equity securities.

Identifiable assets acquired and liabilities assumed in a business combination are measured initially at their fair values on the acquisition date.

Intangible assets acquired in a business combination and recognised separately from Goodwill are initially recognised at their fair value at the acquisition date. Subsequent to initial recognition, intangible assets as well as Goodwill acquired in a business combination are reported at cost less accumulated amortisation and accumulated impairment losses, respectively.

Goodwill is initially measured at cost, being the excess of the consideration transferred over the fair value of the net identifiable assets acquired. After initial recognition, Goodwill is tested annually for impairment and any impairment loss for Goodwill is recognised in the statement of profit and loss.

Distribution network is the value of the transferor company's branch network. Valuation of Distribution Network is as per With & Without Method. If the consideration transferred is less than the fair value of net identifiable assets acquired, the difference is recognised as capital reserve in other equity.

Further details and impact of this merger on financial statements of the Company is disclosed in note 51.

8 SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

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

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

8.1 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. The 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.

8.2 Defined employee benefit assets and liabilities

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

8.3 Fair value measurement

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using various valuation techniques. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgments include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

8.4 Impairment of loans portfolio

The measurement of impairment losses across all categories of financial assets requires judgement, in particular, the estimation of the amount and timing of future cash flows and collateral values when determining impairment losses and the assessment of a significant increase in credit risk. These estimates are driven by a number of factors, changes in which can result in different levels of allowances.

It has been the Group's policy to regularly review its models in the context of actual loss experience and adjust when necessary. The impairment loss on loans and advances is disclosed in more detail in note 7.1(ix) Overview of ECL principles.

8.5 Contingent liabilities and provisions other than impairment on loan portfolio

Provisions and liabilities are recognised in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability requires the application of judgement to existing facts and circumstances, which can be subject to change. The carrying amounts of provisions and liabilities are reviewed at each Balance sheet date and revised to take account of changing facts and circumstances.

8.6 Effective Interest Rate (EIR) method

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

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

8.7 Estimating the incremental borrowing rate

ft e Group uses its incremental borrowing rate (IBR) to measure lease liabilities. ft e IBR is the rate of interest that the Group would have to pay to for its incremental borrowings.

8.8 Other estimates

ft ese include contingent liabilities, useful lives of tangible and intangible assets etc. ft e Group has determined the useful life of the intangible asset in the nature of branch network acquired through the scheme of amalgamation and started amortising the same over its useful life by making a suitable change in the accounting estimate.

		(Rs. in crores)	
Particulars	As at March 31, 2024	As at March 31, 2023	
9 CASH AND CASH EQUIVALENTS			
Cash on hand	182.95	153.43	
Balances with banks (of the nature of cash and cash equivalents)	3,020.18	4,144.56	
Cheques on hand	2.45	4.87	
Others			
- Call money (CBLO)	-	499.72	
- Bank deposit with original maturity upto three months or less	2,976.78	5,130.26	
Total	6,182.36	9,932.84	

Balances with banks earn interest at fixed rates. Short term deposits are made for varying periods of between one day and three months, depending on the immediate cash requirements of the Group, and earn interest at the respective short-term deposit rates. The Group has not taken bank overdraft, therefore the cash and cash equivalents for cash flow statement is same as cash and for cash equivalents given above.

There is no restriction with regard to cash and cash equivalents as at the end of the financial years March 31, 2024 and March 31, 2023.

		(Rs. in crores)	
Particulars	As at March 31, 2024	As at March 31, 2023	
10 BANK BALANCE OTHER THAN CASH AND CASH EQUIVALENTS			
Earmarked balances with banks for			
- Unclaimed dividend accounts	10.60	8.63	
Bank deposit with original maturity for more than three months	6.38	481.03	
Balances with banks to the extent held as credit enhancement or security against the borrowings, guarantees, other commitments*	4,973.46	5,884.45	
Total	4,990.44	6,374.11	

Fixed deposit and other balances with banks earns interest at fixed rate.

*Includes deposits Rs. 4,285.88 crores (March 31, 2023: Rs. 4,857.80 crores) pledged with Banks as margin for credit enhancement, Rs. 1.91 crores (March 31, 2023: Rs. 4.34 crores) as margin for guarantees, Rs. 587.73 crores (March 31, 2023: Rs. 962.72 crores) pledged as lien against borrowings, deposits under lien in favour of Debenture and securitisation trustees Rs. 96.90 crores (March 31, 2023: Rs. 58.27 crores) and deposits under lien with banks for various purposes Rs. 1.04 crores (March 31, 2023: Rs. 1.32 crores).

11 DERIVATIVE FINANCIAL INSTRUMENTS

The Group enters into derivatives for risk management purposes. Derivatives held for risk management purposes include hedges that either meet the hedge accounting requirements or hedges that are economic hedges. The Group has adopted hedge accounting.

The table below shows the fair values of derivative financial instruments recorded as assets or liabilities together with their notional amounts. The notional amounts indicate the value of transactions outstanding at the year end and are not indicative of either the market risk or credit risk.

		(Rs. in crores)			
		As at March 31, 2024		As at March 31, 2023	
Particulars		Notional Amounts	Fair Value - Assets	Notional Amounts	Fair Value - Assets
Part I					
(i) Currency derivatives:					
Spots and forwards		19,632.83	(419.00)	-	-
Currency swaps		6,514.26	162.27	-	-
Cross currency interest rate swaps		981.02	269.89	-	-
Sub total (i)		27,128.11	13.16	-	-

11 DERIVATIVE FINANCIAL INSTRUMENTS (Contd.)

Particulars	As at March 31, 2024				As at March 31, 2023			
	Notional	Fair Value	Notional	Fair Value -	Notional	Fair Value	Notional	Fair Value -
	Amounts	- Assets	Amounts	Liabilities	Amounts	- Assets	Amounts	Liabilities
(ii) Interest rate derivatives:								
Interest rate swaps	25,284.06	288.05	-	-	17,230.41	116.65	-	-
Interest rate caps	700.00	25.27	-	-	-	35.75	-	-
Sub total (ii)	25,984.06	313.32	-	-	17,230.41	152.40	-	-
Total Derivative financial instruments (i)+(ii)	53,112.17	326.48	-	-	40,085.60	669.37	-	-
Part II								
Included in above (Part I) are derivatives held for hedging and risk management purposes as follows:								
(i) Cash flow hedging:								
Currency derivatives	27,128.11	13.16	-	-	22,855.19	516.97	-	-
Interest rate derivatives	25,984.06	313.32	-	-	17,230.41	152.40	-	-
Total Derivative financial instruments	53,112.17	326.48	-	-	40,085.60	669.37	-	-

Hedging activities and derivatives

ft e Group is exposed to certain risks relating to its ongoing business operations. ft e primary risks managed using derivative instruments are foreign currency risk and interest rate risk. ft e Group's risk management strategy and how it is applied to manage risk are explained in Note 53.

Derivatives designated as hedging instruments

ft e Group designates its derivatives as hedging instruments to hedge the variability in cash flows associated with highly probable forecast transactions arising from changes in foreign exchange rates and interest rates. At inception of designated hedging relationships, the Group documents the risk management objective and strategy for undertaking the hedge. ft e Group also documents the economic relationship between the hedged item and the hedging instrument, including whether the changes in cash flows of the hedged item and hedging instrument are expected to offset each other. ft ere is an economic relationship between the hedged item and the hedging instrument as the terms of the cross currency swap contract match that of the foreign currency borrowing (notional amount, interest payment dates, principal repayment date etc.). ft e Group has established a hedge ratio of 1:1 for the hedging relationships as the underlying risk of the hedging instruments is identical to the hedged risk components. To test the hedge effectiveness, the Group uses the hypothetical derivative method and compares the changes in the fair value of the hedging instruments against the changes in fair value of the hedged items attributable to the hedged risks.

Cash flow hedges

When a derivative is designated as a cash flow hedging instrument, the effective portion of changes in the fair value of the derivative is recognised in OCI and accumulated in other equity under 'effective portion of cash flow hedges'. ft e effective portion of changes in the fair value of the derivative that is recognised in OCI is limited to the cumulative change in fair value of the hedged item, determined on a present value basis, from inception of the hedge. Any ineffective portion of changes in the fair value of the derivative is recognised in the statement of profit and loss.

Derivatives not designated as hedging instruments

ft ere are no undesignated derivatives.

11 DERIVATIVE FINANCIAL INSTRUMENTS (Contd.)

Notes:

- 1) The interest rate risk and exchange rate risk on the borrowings of the Group are managed using various derivative instruments which are entered into from time to time. The risk management strategy and the use of derivatives are explained in Note 53.
- 2) The Group has designated the interest rate derivatives which were entered to mitigate interest rate risks on its external commercial bond and external commercial borrowings and borrowings in foreign currencies, as hedging instruments.

The impact of the hedging instrument on the Balance Sheet is as follows:

(Rs. in crores)

Hedged Instrument	As at March 31, 2024				As at March 31, 2023			
	Notional Amount	Carrying Amount	Line item in the Balance sheet	Change in fair value used for measuring ineffectiveness for the year	Notional Amount	Carrying Amount	Line item in the Balance sheet	Change in fair value used for measuring ineffectiveness for the year
Currency derivatives/ Interest rate derivatives	53,112.17	326.48	Derivative Financial Instruments	(55.98)	40,085.60	669.37	Derivative Financial Instruments	(14.73)

The impact of hedged items on the Balance sheet is as follows:

(Rs. in crores)

Hedged Item	As at March 31, 2024		As at March 31, 2023	
	Change in value used for measuring ineffectiveness	Cash flow hedge reserve as on March 31, 2024	Change in value used for measuring ineffectiveness	Cash flow hedge reserve as on March 31, 2023
External commercial bond, external commercial borrowings, term loan from banks and non-convertible debentures	55.98	(266.34)	14.73	(224.42)

The effect of cash flow hedge in the statement of profit and loss and other comprehensive income is as follows:

(Rs. in crores)

Particulars	As at March 31, 2024	As at March 31, 2023
Hedged Item	External commercial bond, external commercial borrowings, term loan from banks and non-convertible debentures	External commercial bond, external commercial borrowings and foreign currency term loans
Total hedging gain/ (loss) recognised in OCI	55.98	14.73
Ineffectiveness recognised in the statement of profit and loss	-	-
Line item in the statement of profit and loss that include the hedge ineffectiveness	NA	NA
Amount reclassified from cash flow hedge reserve to the statement of profit and loss	-	-
Line item in the statement of profit and loss that includes the reclassification adjustment	NA	NA

12 RECEIVABLES

(I) Trade receivables

Particulars	(Rs. in crores)	
	As at March 31, 2024	As at March 31, 2023
Trade receivables considered good - secured	-	-
Trade receivables considered good - unsecured	51.63	17.00
Trade receivables which have significant increase in credit risk	-	-
Trade receivables - credit impaired	-	-
Gross carrying amount	51.63	17.00
Less: Allowances for impairment loss on trade receivables considered good - unsecured	-	-
Less: Allowances for impairment loss on trade receivables which have significant increase in credit risk	-	-
Less: Allowances for impairment loss on credit impaired trade receivables	-	-
Net carrying amount	51.63	17.00

the Group's impairment assessment and measurement approach for trade receivables is mentioned at Note 7.1.(ix) of material accounting policies.

Trade receivables are non-interest bearing and are generally on terms of 30 days.

there are no dues from Directors or other officers of the Group or any firm or private company in which any Director is a partner, a Director or a member.

Trade receivables ageing

As at March 31, 2024		(Rs. in crores)						
Particulars	Unbilled	Not Due for payment	Outstanding for following periods from due date of payment					Total
			Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade receivables								
Considered good	-	-	51.63	-	-	-	-	51.63
Which have significant increase in credit risk	-	-	-	-	-	-	-	-
Credit impaired	-	-	-	-	-	-	-	-
Disputed trade receivables								
Considered good	-	-	-	-	-	-	-	-
Which have significant increase in credit risk	-	-	-	-	-	-	-	-
Credit impaired	-	-	-	-	-	-	-	-
Gross carrying amount	-	-	51.63	-	-	-	-	51.63

As at March 31, 2023		(Rs. in crores)						
Particulars	Unbilled	Not Due for payment	Outstanding for following periods from due date of payment					Total
			Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade receivables								
Considered good	-	-	17.00	-	-	-	-	17.00

12 RECEIVABLES (Contd.)

(Rs. in crores)

Particulars	Unbilled	Not Due for payment	Outstanding for following periods from due date of payment					Total
			Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Which have significant increase in credit risk	-	-	-	-	-	-	-	-
Credit impaired	-	-	-	-	-	-	-	-
Disputed trade receivables								
Considered good	-	-	-	-	-	-	-	-
Which have significant increase in credit risk	-	-	-	-	-	-	-	-
Credit impaired	-	-	-	-	-	-	-	-
Gross carrying amount	-	-	17.00	-	-	-	-	17.00

(II) Other receivables

(Rs. in crores)

Particulars	As at March 31, 2024	As at March 31, 2023
Other receivables considered good-secured	-	-
Other receivables considered good-unsecured	301.92	374.43
Other receivables which have significant increase in credit risk	37.56	49.56
Other receivables - credit impaired	24.71	31.25
Gross carrying amount	364.19	455.24
Less: Allowances for impairment loss on other receivables considered good - unsecured	9.98	6.35
Less: Allowances for impairment loss on other receivables which have significant increase in credit risk	2.97	4.17
Less: Allowances for impairment loss on credit impaired other receivables	10.71	15.03
Net carrying amount	340.53	429.69

the Group's impairment assessment and measurement approach for trade receivables is mentioned at Note 7.1.(ix) of material accounting policies.

there are no dues from Directors or other officers of the Group or any firm or private company in which any Director is a partner, a Director or a member.

Other receivables ageing

As at March 31, 2024

(Rs. in crores)

Particulars	Unbilled	Not Due for payment	Outstanding for following periods from due date of payment					Total
			Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed other receivables								
Considered good	-	294.02	7.96	-	-	-	-	301.92
Which have significant increase in credit risk	-	37.56	-	-	-	-	-	37.56
Credit impaired	-	21.99	0.29	2.43	-	-	-	24.71

12 RECEIVABLES (Contd.)

As at March 31, 2024

(Rs. in crores)

Particulars	Unbilled	Not Due for payment	Outstanding for following periods from due date of payment					Total
			Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Disputed other receivables								
Considered good	-	-	-	-	-	-	-	-
Which have significant increase in credit risk	-	-	-	-	-	-	-	-
Credit impaired	-	-	-	-	-	-	-	-
Gross carrying amount	-	353.57	8.25	2.43	-	-	-	364.19

As at March 31, 2023

(Rs. in crores)

Particulars	Unbilled	Not Due for payment	Outstanding for following periods from due date of payment					Total
			Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed other receivables								
Considered good	192.78	-	181.65	-	-	-	-	374.43
Which have significant increase in credit risk	49.56	-	-	-	-	-	-	49.56
Credit impaired	26.79	-	1.50	2.96	-	-	-	31.25
Disputed other receivables								
Considered good	-	-	-	-	-	-	-	-
Which have significant increase in credit risk	-	-	-	-	-	-	-	-
Credit impaired	-	-	-	-	-	-	-	-
Gross carrying amount	269.13	-	183.15	2.96	-	-	-	455.24

Reconciliation of impairment loss allowance on other receivables:

(Rs. in crores)

Particulars	Amount
Impairment allowance measured as per simplified approach	
Impairment allowance as per April 01, 2022	2.61
Add: Addition during the year	22.95
(Less): Reduction during the year	0.01
Impairment allowance as on March 31, 2023	25.55
Add: Addition during the year	2.75
(Less): Reduction during the year	4.64
Impairment allowance as on March 31, 2024	23.66

		(Rs. in crores)	
Particulars	As at March 31, 2024	As at March 31, 2023	
13 LOANS			
Loans (at amortised cost)			
(A)			
i) Term loans	214,868.66	178,436.91	
ii) Others @	17,641.03	11,636.12	
Total (A) - Gross	232,509.69	190,073.03	
Less : Impairment loss allowance	13,814.08	11,387.89	
Total (A) - Net	218,695.61	178,685.14	
(B)			
i) Secured by tangible assets	214,748.14	178,316.99	
ii) Secured by deposits/Book debts	109.60	119.01	
iii) Secured by Shares	10.92	-	
iv) Unsecured	17,641.03	11,637.03	
Total (B) - Gross	232,509.69	190,073.03	
Less : Impairment loss allowance	13,814.08	11,387.89	
Total (B) - Net	218,695.61	178,685.14	
(C)			
Loans outside India	-	-	
Loans in India			
i) Public sector	-	-	
ii) Others			
Retail	229,415.14	188,211.47	
Corporates	3,094.55	1,861.56	
Total (C) - Gross	232,509.69	190,073.03	
Less : Impairment loss allowance	13,814.08	11,387.89	
Total (C) - Net	218,695.61	178,685.14	

ft ere are no loans measured at FVOCI or FVTPL or designated at FVTPL.

@ includes unsecured working capital loans, loans to employees, trade advances, personal loans, loans to MSME and part disbursement to customers.

Credit quality of assets

ft e table below shows the credit quality and the maximum exposure to credit risk based on the Group's internal credit rating system and year-end stage classification. ft e amounts presented are gross of impairment allowances. Details of the Group's internal grading system are explained in note 53.02 and policies on whether ECL allowances are calculated on an individual or collective basis are set out in note 53.02.02.07.

		(Rs. in crores)						
Particulars	As at March 31, 2024				As at March 31, 2023			
	Stage 1 Collective	Stage 2 Collective	Stage 3 Collective	Total	Stage 1 Collective	Stage 2 Collective	Stage 3 Collective	Total
Internal rating grade								
Performing								
High grade	161,774.48	-	-	161,774.48	132,910.17	-	-	132,910.17
Standard grade	43,385.30	-	-	43,385.30	29,287.21	-	-	29,287.21
Sub-standard grade	-	11,709.08	-	11,709.08	-	12,438.12	-	12,438.12
Past due but not impaired	-	3,448.29	-	3,448.29	-	3,996.83	-	3,996.83
Non- performing	-	-	12,192.54	12,192.54	-	-	11,440.70	11,440.70
Total	205,159.78	15,157.37	12,192.54	232,509.69	162,197.38	16,434.95	11,440.70	190,073.03

13 LOANS (Contd.)

An analysis of changes in the gross carrying amount as follows:

Particulars	Year ended March 31, 2024				Year ended March 31, 2023			
	General approach				General approach			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount opening balance	162,197.38	16,434.95	11,440.70	190,073.03	103,492.98	13,318.50	8,887.55	125,699.03
Portfolio additions on account of business combination	-	-	-	-	30,592.57	3,719.39	897.16	35,209.12
Restated balance	162,197.38	16,434.95	11,440.70	190,073.03	134,085.55	17,037.89	9,784.71	160,908.15
New assets originated or purchased	141,142.93	6,780.31	1,851.62	149,774.87	105,917.59	8,137.07	1,939.83	115,994.49
Assets derecognised or repaid (excluding write offs and includes interest accruals adjusted)	(88,977.79)	(10,461.34)	(4,959.55)	(104,398.67)	(71,088.57)	(9,018.50)	(4,108.19)	(84,215.26)
Transfers to stage 1	12,978.26	(10,453.33)	(2,524.93)	-	11,934.10	(9,899.55)	(2,034.55)	-
Transfers to stage 2	(14,928.77)	15,412.49	(483.72)	-	(11,920.23)	12,788.59	(868.36)	-
Transfers to stage 3	(6,230.81)	(2,346.36)	8,577.17	-	(5,882.80)	(2,482.83)	8,365.63	-
Amounts written off	(1,021.43)	(209.35)	(1,708.75)	(2,939.53)	(848.26)	(127.72)	(1,638.37)	(2,614.35)
Gross carrying amount closing balance	205,159.78	15,157.37	12,192.54	232,509.69	162,197.38	16,434.95	11,440.70	190,073.03

Reconciliation of ECL balance is given below:

Particulars	Year ended March 31, 2024				Year ended March 31, 2023			
	General approach				General approach			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
ECL allowance - opening balance	4,560.19	1,108.43	5,719.27	11,387.89	3,381.35	1,211.03	4,441.50	9,033.88
New assets originated or purchased	4,256.10	532.23	631.24	5,419.57	2,716.88	641.57	717.96	4,076.41
Transfers to stage 1	2,003.02	(935.66)	(1,067.36)	-	1,747.73	(876.53)	(871.20)	-
Transfers to stage 2	(496.44)	698.04	(201.60)	-	(385.82)	755.67	(369.85)	-
Transfers to stage 3	(209.94)	(206.69)	416.63	-	(200.50)	(213.26)	413.76	-
Impact on year end ECL of exposures transferred between stages during the year and reversal of ECL on account of recovery	(3,337.12)	15.16	2,629.45	(692.51)	(2,435.63)	(238.76)	2,792.38	117.99
Provision no longer required	(361.77)	(93.61)	(1,845.49)	(2,300.86)	(263.82)	(171.29)	(1,405.28)	(1,840.39)
ECL allowance - closing balance	6,414.05	1,117.89	6,282.14	13,814.08	4,560.19	1,108.43	5,719.27	11,387.89

ft e contractual amount outstanding on loans that have been written off during the financial year, but were still subject to enforcement activity was Rs.1,485.28 crores (March 31, 2023 : Rs.1,463.57 crores).

14 INVESTMENTS

(Rs. in crores)

Particulars	As at March 31, 2024					As at March 31, 2023				
	Amortised Cost	At Fair Value		Others (at cost)	Total	Amortised Cost	At Fair Value		Others (at cost)	Total
		ffi rough OCI	ffi rough Profft or Loss				ffi rough OCI	ffi rough Profft or Loss		
Quoted										
i) Investments in mutual funds	-	-	300.38	-	300.38	-	-	587.35	-	587.35
ii) Investments in government securities (refer note 62)	6,623.82	-	-	-	6,623.82	5,318.01	-	-	-	5,318.01
iii) Investments in equity instruments	-	79.84	-	-	79.84	-	63.35	-	-	63.35
Unquoted										
i) Investments in equity instruments	-	-	25.82	-	25.82	-	-	25.40	-	25.40
ii) Investments in associate (refer note 45)	-	-	-	191.46	191.46	-	-	-	183.74	183.74
iii) Investments in pass through certificates	2,322.71	-	-	-	2,322.71	1,218.64	-	-	-	1,218.64
iv) Investments in commercial papers	-	-	-	-	-	19.07	-	-	-	19.07
v) Investment in market linked debentures	-	-	-	-	-	47.32	-	-	-	47.32
vi) Investment in security receipts	-	-	2.73	-	2.73	-	-	6.44	-	6.44
vii) <u>Others</u>										
Venture Capital Fund	-	-	1.52	-	1.52	-	-	1.53	-	1.53
Total Gross (A)	8,946.53	79.84	330.45	191.46	9,548.28	6,603.04	63.35	620.72	183.74	7,470.85
i) Investments outside India	-	79.84	-	-	79.84	-	63.35	-	-	63.35
ii) Investments in India	8,946.53	-	330.45	191.46	9,468.44	6,603.04	-	620.72	183.74	7,407.50
Total Gross (B)	8,946.53	79.84	330.45	191.46	9,548.28	6,603.04	63.35	620.72	183.74	7,470.85
Less : Allowance for impairment loss (C)	76.46	-	-	-	76.46	40.78	-	-	-	40.78
Total - Net D = (A) - (C)	8,870.07	79.84	330.45	191.46	9,471.82	6,562.26	63.35	620.72	183.74	7,430.07

More information regarding the valuation methodologies can be found in Note 52.09.

ft ere are no investments measured at designated at FVTPL.

ft e dividends of Rs.1.45 crores (March 31, 2023: Rs. 6.52 crores) received from investments in shares are recorded as dividend income.

14 INVESTMENTS (Contd.)

Investments carried at amortised cost

The table below shows the credit quality and the maximum exposure to credit risk per based on the Group's internal credit rating system and year-end stage classification. The amounts presented are gross of impairment allowances. Details of the Group's internal grading system for investments carried at amortised cost are explained in note 53.02.

Particulars	As at March 31, 2024				As at March 31, 2023			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
	individual	individual			individual	individual		
Internal rating grade								
Performing								
High grade	8,905.38	-	-	8,905.38	6,592.11	-	-	6,592.11
Standard grade	41.15	-	-	41.15	10.93	-	-	10.93
Non-performing								
Individually Impaired	-	-	-	-	-	-	-	-
Total	8,946.53	-	-	8,946.53	6,603.04	-	-	6,603.04

An analysis of changes in gross carrying amount and the corresponding ECLs on investments carried at amortised cost which are subject to ECL is as follows:

Particulars	Year ended March 31, 2024				Year ended March 31, 2023			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount – opening balance	6,603.04	-	-	6,603.04	4,461.06	-	-	4,461.06
Effects of business combination (Refer note 51)	-	-	-	-	904.93	-	-	904.93
New assets originated or purchased	5,257.20	-	-	5,257.20	3,079.02	-	-	3,079.02
Assets derecognised or matured (excluding write-offs)	(2,913.71)	-	-	(2,913.71)	(1,841.97)	-	-	(1,841.97)
Closing balance	8,946.53	-	-	8,946.53	6,603.04	-	-	6,603.04

Reconciliation of ECL balance is given below:

Particulars	Year ended March 31, 2024				Year ended March 31, 2023			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Opening balance in ECL	40.78	-	-	40.78	36.00	-	-	36.00
Effects of business combination (Refer note 51)	-	-	-	-	0.14	-	-	0.14
New assets originated or purchased	-	-	-	-	0.06	-	-	0.06
Changes to models and inputs used for ECL calculations	35.68	-	-	35.68	4.70	-	-	4.70
Assets derecognised or matured (excluding write-offs)	-	-	-	-	(0.12)	-	-	(0.12)
Closing balance in ECL	76.46	-	-	76.46	40.78	-	-	40.78

14 INVESTMENTS (Contd.)

Reconciliation of gross carrying value of investment in associate is given below:

	(Rs. in crores)	
Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Opening balance	183.74	175.44
Share of profit of associate	7.78	8.56
Share of other comprehensive income from associates (net of tax)	(0.06)	(0.26)
Closing balance	191.46	183.74

	(Rs. in crores)	
Particulars	As at March 31, 2024	As at March 31, 2023

15 OTHER FINANCIAL ASSETS

Security deposits (at amortised cost)		
Gross	79.11	80.57
Less: Impairment loss allowance	5.13	4.08
Net	73.98	76.49
Lease receivables	-	0.05
Other financial assets*	296.58	0.93
Total	370.56	77.47

* Other financial assets include advances to employees and fee receivables.

Reconciliation of ECL balance in relation to other financial assets is given below:

	(Rs. in crores)	
Particulars	As at March 31, 2024	As at March 31, 2023
ECL allowance - opening balance	4.08	0.39
Add: Addition during the year	1.29	3.69
(Less): Reduction during the year	0.24	-
ECL allowance - closing balance	5.13	4.08

	(Rs. in crores)	
Particulars	As at March 31, 2024	As at March 31, 2023

16 CURRENT TAX ASSETS (NET)

Advance income tax	593.03	728.26
[net of provision for income tax Rs. 11,125.43 crores (March 31, 2023: Rs. 7,693.77 crores)]		
Total	593.03	728.26

	(Rs. in crores)		
Particulars	Freehold land	Building	Total

17 INVESTMENT PROPERTY

Gross block*			
As at April 01, 2022	0.70	1.45	2.15
Additions	-	-	-
Transfer from property, plant and equipment	-	0.77	0.77
Disposals	-	-	-

17 INVESTMENT PROPERTY (Contd.)

Particulars	(Rs. in crores)		
	Freehold land	Building	Total
As at March 31, 2023	0.70	2.22	2.92
Additions	-	-	-
Transfer from property, plant and equipment	-	-	-
Disposals	0.70	1.20	1.90
As at March 31, 2024	0.01	1.02	1.03
Accumulated depreciation and impairment losses			
As at April 01, 2022	-	0.18	0.18
Charge for the year	-	0.05	0.05
Transfer from property, plant and equipment	-	0.07	0.07
Disposals	-	-	-
As at March 31, 2023	-	0.30	0.30
Charge for the year	-	0.04	0.04
Transfer from property, plant and equipment	-	-	-
Disposals	-	0.30	0.30
As at March 31, 2024	-	0.04	0.04
Net carrying amount as at March 31, 2023	0.70	1.92	2.62
Net carrying amount as at March 31, 2024	0.01	0.98	0.99

*Refer note 7.9 of material accounting policies for exemption applied during first-time adoption of Indian Accounting Standards.

(i) **Amounts recognised in Statement of Profit and Loss for Investment property**

Particulars	(Rs. in crores)	
	Year ended March 31, 2024	Year ended March 31, 2023
Rental income from investment property	0.13	0.24
Direct operating expenses arising from investment property that generated rental income during the year	0.02	0.02
Direct operating expenses arising from investment property that did not generate rental income during the year	0.03	0.00
Profit from investment property before depreciation	0.08	0.22
Depreciation charge for the year	0.04	0.05
Profit from investment property after depreciation	0.04	0.17

Amounts less than Rs. 1.00 lac are presented as Rs. 0.00 crores in the above statement.

(ii) **Contractual obligations**

The Group has no contractual obligations to purchase, construct or develop investment property. However, the responsibility for its repairs, maintenance or enhancements is with the Group.

(iii) **Fair value**

The fair value of the investment property as at March 31, 2024 is Rs. 4.11 crores (March 31, 2023 is Rs. 6.47 crores).

(iv) **Pledged details**

Carrying value of investment property pledged as collateral for liabilities as at March 31, 2024 is Rs. Nil (March 31, 2023 is Rs. 0.91 crores).

(v) **Estimation of fair value**

The fair values of investment property is determined by guidance value given by the local government of the area where the investment properties are located.

(vi) **Leasing arrangements**

Investment properties are leased out to tenants. Agreements provide for cancellation by either party or contain clause for escalation and renewal of agreements. The non-cancellable operating lease agreement is for a period of 108 months.

18 PROPERTY, PLANT AND EQUIPMENT

Particulars	(Rs. in crores)										
	Freehold land	Building	Plant and equipment	Computers	Office equipment	Furniture and fixtures	Vehicles	Leasehold improvement	Right-of-use Asset		Total
									Lease premises	Furniture & fixtures	
Gross block*											
As at April 01, 2022	0.59	2.39	11.46	57.85	32.60	32.29	0.06	113.63	617.02	-	250.87
Effects of business combination (Refer note 51)	0.02	0.13	34.25	86.13	39.18	31.54	0.67	151.52	24.10	3.82	371.36
Restated as at April 01, 2022	0.61	2.52	45.71	143.98	71.78	63.83	0.73	265.15	884.34	3.82	1,482.47
Additions	-	-	5.26	47.30	10.24	17.23	0.53	37.20	210.24	2.87	330.86
Transferred to Investment property	-	(0.77)	-	-	-	-	-	-	-	-	(0.77)
Disposals	-	-	2.62	17.23	3.63	2.37	0.38	9.32	16.15	2.54	54.25
As at March 31, 2023	0.61	1.75	48.35	174.05	78.39	78.69	0.88	293.03	1,078.43	4.14	1,758.30
Additions	-	-	7.56	64.38	19.03	19.39	1.03	79.22	292.78	-	483.39
Transferred to Other intangible assets	-	-	3.42	(4.52)	0.01	-	-	-	-	-	(1.09)
Disposals	-	0.27	4.46	15.84	7.91	5.23	0.04	10.89	31.56	-	76.20
As at March 31, 2024	0.61	1.48	54.87	218.06	89.52	92.85	1.87	361.36	1,339.65	4.14	2,164.41
Accumulated depreciation and impairment losses											
As at April 01, 2022	-	0.07	4.83	27.88	18.69	11.31	(0.11)	77.64	-	-	140.31
Effects of business combination (Refer note 51)	-	0.04	17.71	65.19	32.65	19.71	0.27	129.83	-	-	265.40
Restated as at April 01, 2022	-	0.11	23.52	96.76	51.37	31.30	0.16	210.97	393.19	3.38	810.75
Charge for the year	-	0.02	4.91	23.35	9.02	5.96	0.16	27.95	157.26	0.48	229.10
Transferred to Investment property	-	(0.07)	-	-	-	-	-	-	-	-	(0.07)
Disposals	-	-	2.33	15.94	3.36	1.69	0.31	9.28	0.03	-	32.94
As at March 31, 2023	-	0.06	26.10	104.16	57.03	35.57	0.01	229.63	550.41	3.86	1,006.83
Charge for the year	-	0.03	4.40	34.31	8.12	7.38	0.17	32.22	171.04	0.07	257.75
Transferred to Other intangible assets	-	-	3.15	(4.20)	0.01	-	-	-	-	-	(1.04)
Disposals	-	0.04	3.77	14.14	7.50	3.95	0.04	10.76	-	-	40.21
As at March 31, 2024	-	0.05	29.88	120.13	57.66	39.00	0.14	251.09	721.45	3.94	1,223.34
Net carrying amount as at March 31, 2023	0.61	1.69	22.26	69.88	21.36	43.11	0.87	63.39	528.02	0.28	751.49
Net carrying amount as at March 31, 2024	0.61	1.43	25.00	97.93	31.86	53.85	1.73	110.27	618.20	0.20	941.07

*Refer note 7.9 of material accounting policies for exemption applied during first-time adoption of Indian Accounting Standards.

Carrying value of property, plant and equipment pledged as collateral for liabilities as at March 31, 2024 is Rs. 0.17 crores (March 31, 2023 is Rs. 0.35 crores).
The Group has not revalued any of its property, plant and equipment during the years ended March 31, 2024 March 31, 2023. Hence, the amount of change in gross and net carrying amount due to revaluation and impairment losses/reversals is nil.

19 INTANGIBLE ASSETS UNDER DEVELOPMENT, GOODWILL AND OTHER INTANGIBLE ASSETS #

(A) Intangible assets under development

		(Rs. in crores)
Particulars		Amount
Gross block		
As at April 01, 2022		-
Additions		66.08
Disposals		-
As at March 31, 2023		66.08
Additions		-
Disposals		-
Transferred to Other intangible assets		(66.08)
As at March 31, 2024		-
Accumulated amortisation and impairment losses		
As at April 01, 2022		-
Charge for the year		-
Disposals		-
As at March 31, 2023		-
Charge for the year		-
Disposals		-
As at March 31, 2024		-
Net carrying amount as at March 31, 2023		66.08
Net carrying amount as at March 31, 2024		-

Intangible assets under development aging

As at March 31, 2024

Intangible assets under development were Rs. Nil for the financial year ended March 31, 2024.

As at March 31, 2023

					(Rs. in crores)
Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	66.08	-	-	-	66.08
Projects temporarily suspended	-	-	-	-	-

19 INTANGIBLE ASSETS UNDER DEVELOPMENT, GOODWILL AND OTHER INTANGIBLE ASSETS # (Contd.)

(B) Goodwill

		(Rs. in crores)
Particulars		Amount
Gross block		
As at April 01, 2022		-
Effects of business combination (Refer note 51)		1,742.14
Restated as at April 01, 2022		1,742.14
Additions		-
Effects of business combination (Refer note 51)		(1.20)
Disposals		-
As at March 31, 2023		1,740.94
Additions		-
Disposals		-
As at March 31, 2024		1,740.94
Accumulated amortisation and impairment losses		
As at April 01, 2022		-
Effect of business combination (Refer note 51)		-
Restated as at April 01, 2022		-
Charge for the year		-
Disposals		-
As at March 31, 2023		-
Additions		-
Disposals		-
As at March 31, 2024		-
Net carrying amount as at March 31, 2023		1,740.94
Net carrying amount as at March 31, 2024		1,740.94

(C) Other intangible assets

				(Rs. in crores)
Particulars	Computer software	Distribution network	Other intangible assets	
	(A)	(B)	(C) = (A)+(B)	
Gross block *				
As at April 01, 2022	7.27	-	7.27	
Effects of business combination (Refer note 51)	51.82	1,574.60	1,626.42	
Restated as at April 01, 2022	59.09	1,574.60	1,633.69	
Additions	6.18	-	6.18	
Effects of business combination (Refer note 51)	-	1.20	1.20	
Disposals	-	-	-	
As at March 31, 2023	65.27	1,575.80	1,641.07	
Additions	80.08	-	80.08	
Disposals	1.09	-	1.09	
Transfer from Property, plant and equipment	1.10	-	1.10	
Transfer from Intangible assets under development	66.08	-	66.08	
As at March 31, 2024	211.44	1,575.80	1,787.24	

19 INTANGIBLE ASSETS UNDER DEVELOPMENT, GOODWILL AND OTHER INTANGIBLE ASSETS # (Contd.)

	(Rs. in crores)		
	Computer software	Distribution network	Other intangible assets
Particulars	(A)	(B)	(C) = (A)+(B)
Gross block *			
Accumulated amortisation and impairment losses			
As at April 01, 2022	4.23	-	4.23
Effects of business combination (Refer note 51)	46.84	-	46.84
Restated as at April 01, 2022	51.07	-	51.07
Charge for the year	6.06	365.48	371.54
Disposals	-	-	-
As at March 31, 2023	57.13	365.48	422.61
Additions	27.23	302.58	329.81
Disposals	1.09	-	1.09
Transfer from Property, plant and equipment	1.04	-	1.04
As at March 31, 2024	84.31	668.06	752.37
Net carrying amount as at March 31, 2023	8.14	1,210.32	1,218.46
Net carrying amount as at March 31, 2024	127.13	907.74	1,034.87

Other than internally generated

*Refer note 7.9 of material accounting policies for exemption applied during first-time adoption of Indian Accounting Standards.

Amounts less than Rs. 1.00 lac are presented as Rs. 0.00 crores in the above statement.

The Group has not revalued any of its intangible assets during the financial year ended March 31, 2024 and March 31, 2023. Hence, the amount of change in gross and net carrying amount due to revaluation and impairment losses/reversals is Nil.

	(Rs. in crores)	
Particulars	As at March 31, 2024	As at March 31, 2023
20 OTHER NON-FINANCIAL ASSETS		
Goods and services tax credit (input) receivable	237.92	327.53
Prepaid expenses	38.60	27.66
Capital advances	7.40	8.64
Duties paid under protest	49.44	43.13
Reposessed house property *	70.37	54.69
Other non-financial assets **	52.49	33.45
Total	456.22	495.10

* Net of allowance for impairment loss recognised on Reposessed House Property Rs.7.80 crores (Mar 31,2023 Rs. 5.00 crores).

Measurement:

The non-recurring fair value measurement for the reposessed house property has been categorized as a Level 2 fair value based on the inputs to the valuation techniques used. For the assets classified as "Reposessed house property" during the year valuation has been determined by independent valuer by using the sales comparison approach for which the price (such as recent sales, municipal valuation, etc.) of the assets in the similar location are considered. It is a level 2 measurement as per the fair value hierarchy. The diminution in the value as identified by the independent valuers is written off in the books of accounts.

**Other non-financial assets include advances to employees, vendors and towards rent.

21 PAYABLES

(I) Trade payables

Particulars	(Rs. in crores)	
	As at March 31, 2024	As at March 31, 2023
(i) total outstanding dues of micro enterprises and small enterprises (refer note 54)	0.02	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises *	245.89	313.19
Total	245.91	313.19

*Includes payable to associate Rs. 3.24 crores (March 31, 2023: Rs. 1.06 crores).

Trade payables ageing

As at March 31, 2024 (Rs. in crores)

Particulars	Unbilled	Not Due for payment	Outstanding for following periods from due date of payment				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME*	-	-	0.02	-	-	-	0.02
(ii) Others	44.37	28.02	170.31	1.29	0.83	1.07	245.89
(iii) Disputed dues – MSME	-	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-	-
Total	44.37	28.02	170.33	1.29	0.83	1.07	245.91

As at March 31, 2023 (Rs. in crores)

Particulars	Unbilled	Not Due for payment	Outstanding for following periods from due date of payment				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME*	-	-	-	-	-	-	-
(ii) Others	78.60	-	231.09	0.96	1.24	1.30	313.19
(iii) Disputed dues – MSME	-	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-	-
Total	78.60	-	231.09	0.96	1.24	1.30	313.19

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

(II) Other payables

Particulars	(Rs. in crores)	
	As at March 31, 2024	As at March 31, 2023
(i) total outstanding dues of micro enterprises and small enterprises (refer note 54)	2.25	0.36
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	3.16	1.09
Total	5.41	1.45

		(Rs. in crores)	
Particulars		As at March 31, 2024	As at March 31, 2023
22	DEBT SECURITIES		
At amortised cost			
Secured			
Redeemable non-convertible debentures			
- Public issue ₹		1,128.46	2,508.89
- Privately placed ₹ ₹		31,568.47	28,840.67
External commercial bond		10,948.31	12,513.28
Senior secured notes		-	894.73
Unsecured			
Redeemable non-convertible debentures			
- Privately placed		125.13	147.34
Commercial papers		2,680.31	19.12
Total		46,450.68	44,924.03
Debt securities in India		35,502.37	31,516.02
Debt securities outside India		10,948.31	13,408.01
Total		46,450.68	44,924.03

ft ere are no debt securities measured at FVTPL or designated at FVTPL.

₹ includes Rs. 76.56 crores (March 31, 2023 Rs. 87.68 crores) issued to related parties.

₹₹ includes Rs. 511.02 crores (March 31, 2023 Rs. 370.13 crores) issued to related parties.

Term of repayment, nature of security, etc

A) Redeemable Non-Convertible Debenture (NCD) - Secured

i) Public issue of Non-Convertible Debentures (NCD) of Rs. 1,000/- each

As at March 31, 2024										(Rs. in crores)	
Sl.	Particulars	Amount Utilised	Redeemable at par/ premium (from the date of the Balance Sheet) (Rate of interest <10%)						Total	Date of redemption	Amount redeemed
			Upto 1 year	1-2 years	2-3 years	3-4 years	4-5 years	Over 5 years			
i.	(IPO 2018 - 1)	3,648.52	-	-	-	-	-	499.93	499.93	July 12, 2023	780.85
										July 12, 2021	2,285.45
										December 26, 2019	107.40
ii.	(IPO 2018 - 2)	606.79	-	-	-	-	-	72.16	72.16	November 02, 2021	284.39
										November 02, 2022	251.08
iii.	(IPO 2018 - 3)	537.31	-	-	-	-	-	60.40	60.40	February 06, 2022	247.04
										February 06, 2024	229.75
iv.	(IPO 2019 - 2)	193.67	72.98	-	-	26.70	-	-	99.68	January 28, 2023	100.65
	Total								732.17		

22 DEBT SECURITIES (Contd.)

As at March 31, 2023

(Rs. in crores)

Sl.	Particulars	Amount Utilised	Redeemable at par/ premium (from the date of the Balance Sheet) (Rate of interest <10%)						Total	Date of redemption	Amount redeemed
			Upto 1 year	1-2 years	2-3 years	3-4 years	4-5 years	Over 5 years			
i.	(IPO 2018 - 1)	3,648.52	865.47	-	-	-	-	498.94	1,364.41	July 12, 2021 December 26, 2019	2,285.45 107.40
ii.	(IPO 2018 - 2)	606.79	275.95	-	-	-	-	71.99	347.94	November 02, 2021	284.39
iii.	(IPO 2018 - 3)	537.32	249.73	-	-	-	-	60.26	309.99	February 06, 2022	247.04
iv.	(IPO 2019 - 2)	193.67	-	70.71	-	26.57	-	-	97.28	January 28, 2023	100.65
Total									2,119.62		

Nature of security

Secured by specific assets covered under hypothecation loan agreements and by way of exclusive charge and equitable mortgage of immovable property.

2) Public issue of Non-Convertible Debentures (NCD) of Rs. 1,000/- each (IPO 2019 - 1)

Terms of repayment

As at March 31, 2024

(Rs. in crores)

As at March 31, 2021												
Sl.	Particulars	Rate of interest	Amount Utilised	Redeemable at par/ premium (from the date of the Balance Sheet)						Total	Date of redemption	Amount redeemed
				Upto 1 year	1-2 years	2-3 years	3-4 years	4-5 years	Over 5 years			
i.	(IPO 2019 - 1)	< 10%	129.41	61.14	-	42.54	-	-	-	103.68	February 22, 2023	42.23
		>= 10% < 12%	210.51	49.88	-	27.49	-	-	-	77.37	February 22, 2022	53.11
											February 22, 2023	84.02
ii.	(IPO 2019 - April)	>= 10% < 12%	252.51	140.32	-	-	-	-	-	140.32	April 30, 2022	130.36
iii.	(IPO 2019 - September)	< 10%	48.35	11.12	-	-	-	-	-	11.12	September 25, 2022	37.29
		>= 10% < 12%	57.92	63.80	-	-	-	-	-	63.80	-	-
Total										396.29		

As at March 31, 2023

(Rs. in crores)

Sl.	Particulars	Rate of interest	Amount Utilised	Redeemable at par/ premium (from the date of the Balance Sheet)						Total	Date of redemption	Amount redeemed
				Upto 1 year	1-2 years	2-3 years	3-4 years	4-5 years	Over 5 years			
i.	(IPO 2019 - 1)	< 10%	129.41	-	58.47	-	40.45	-	-	98.92	February 22, 2022	42.23
		>=10% < 12%	210.53	-	49.59	-	27.38	-	-	76.97	February 22, 2023	53.11
											February 22, 2023	84.02
ii.	(IPO 2019 - April) *	>=10% < 12%	252.51	-	138.55	-	-	-	-	138.55	April 30, 2022	130.36
iii.	(IPO 2019 - September) *	< 10%	48.35	-	11.23	-	-	-	-	11.23	September 25, 2022	37.29
		>=10% < 12%	57.92	-	63.59	-	-	-	-	63.59	-	-
	Total									389.26		

*Effects of business combination (Refer note 51)

22 DEBT SECURITIES (Contd.)

Nature of security

Secured by specific assets covered under hypothecation loan agreements and by way of exclusive charge and equitable mortgage of immovable property.

3) Privately placed Redeemable Non-Convertible Debenture of Rs. 1,000,000/- each

Terms of repayment

As at March 31, 2024

(Rs. in crores)

Particulars	Rate of interest	Redeemable at par/ premium (from the date of the Balance Sheet)						Total
		Upto 1 year ^ # \$	1-2 years ^	2-3 years ^ \$	3-4 years \$	4-5 years	Over 5 years	
Privately placed Redeemable Non-Convertible Debenture of Rs. 1,000,000/- each	< 10% ^ \$	3,182.71	1,435.21	445.87	-	-	11,815.36	16,879.15
	>= 10% < 12% ^ #	3,287.86	-	-	-	-	161.51	3,449.37
Total		6,470.57	1,435.21	445.87	-	-	11,976.87	20,328.52

^ NCD amounting to Rs.2,027.70 crores issued at zero coupon rates and redeemable at premium are included in above on the basis of IRR.

includes NCD of Rs. 250 crores partly paid to the extent of Rs. 12.50 crores.

\$ Out of above NCD having put/ call option are as under

Sr. No.	Put/ Call Option Date	Rate of interest	Amount (Rs. In crores)
1	May 22, 2024	9.06%	200.00
2	September 12, 2025	8.93%	190.00
3	September 12, 2025	8.93%	300.00
4	September 12, 2025	9.09%	345.00
5	October 31, 2025	9.14%	50.00
6	November 01, 2026	8.96%	325.00
7	April 02, 2027	8.48%	100.00
Total			1,510.00

As at March 31, 2023

(Rs. in crores)

Particulars	Rate of interest	Redeemable at par/ premium (from the date of the Balance Sheet)						Total
		Upto 1 year ^ # \$	1-2 years ^	2-3 years ^ \$	3-4 years \$	4-5 years	Over 5 years	
Privately placed Redeemable Non-Convertible Debenture of Rs. 1,000,000/- each	< 10% ^ \$	8,041.92	4,068.44	1,043.31	445.54	-	11,947.62	25,546.83
	>= 10% < 12% ^ #	308.37	1,759.01	-	-	-	-	2,067.38
Total		8,350.29	5,827.45	1,043.31	445.54	-	11,947.62	27,614.21

^ NCD amounting to Rs. 4,067.70 crores issued at zero coupon rates and redeemable at premium are included in above on the basis of IRR.

includes NCD of Rs. 250.00 crores partly paid to the extent of Rs. 216.67 crores.

22 DEBT SECURITIES (Contd.)

\$ Out of above NCD having put/ call option are as under

Sr No.	Put/ Call Option Date	Rate of interest	Amount (Rs. in crores)
1	August 12, 2023	7.95%	260.00
2	October 31, 2025	9.14%	50.00
3	April 02, 2027	8.48%	100.00
Total			410.00

Nature of security

Secured by specific assets covered under hypothecation loan and by way of exclusive charge and equitable mortgage of immovable property.

Debentures may be bought back subject to applicable statutory and/or regulatory requirements, upon the terms and conditions as may be decided by the Group.

4) Privately placed Redeemable Non-Convertible Debenture of Rs. 100,000/- each (Effects of business combination - Refer note 51)

Terms of repayment

As at March 31, 2024

(Rs. in crores)

Particulars	Rate of interest	Redeemable at par/ premium (from the date of the Balance Sheet)						Total
		Upto 1 year	1-2 years	2-3 years	3-4 years	4-5 years	Over 5 years	
Privately placed Redeemable Non-Convertible Debenture of Rs. 100,000/- each	< 10%	1,045.04	2,128.59	3,939.88	154.65	1,604.02	921.21	9,793.39
	>= 10%	340.55	-	259.74	-	809.93	-	1,410.22
	< 12%							
Total		1,385.59	2,128.59	4,199.62	154.65	2,413.95	921.21	11,203.61

As at March 31, 2023

(Rs. in crores)

Particulars	Rate of interest	Redeemable at par/ premium (from the date of the Balance Sheet)						Total
		Upto 1 year	1-2 years	2-3 years	3-4 years	4-5 years	Over 5 years	
Privately placed Redeemable Non-Convertible Debenture of Rs. 100,000/- each	< 10%	-	-	476.02	124.16	-	239.13	839.31
	>= 10%	-	336.06	-	-	-	-	336.06
	< 12%							
Total		-	336.06	476.02	124.16	-	239.13	1,175.37

Nature of security

Secured by specific assets covered under hypothecation loan agreements and by way of exclusive charge and equitable mortgage of immovable property.

Debentures may be bought back subject to applicable statutory and/or regulatory requirements, upon the terms and conditions as may be decided by the group.

22 DEBT SECURITIES (Contd.)

- 5) Privately placed Redeemable Non-Convertible Debenture of Rs. 625,000 (as at March 31, 2023: 875,000) - each
(Effects of business combination - Refer note 51)

Terms of repayment

As at March 31, 2024

(Rs. in crores)

Particulars	Rate of interest	Redeemable at par/ premium (from the date of the Balance Sheet)						Total
		Upto 1 year	1-2 years	2-3 years	3-4 years	4-5 years	Over 5 years	
Privately placed Redeemable Non-Convertible Debenture of Rs. 625,000/- each	< 10%	14.88	14.37	7.08	-	-	-	36.33
	>= 10%	-	-	-	-	-	-	-
	< 12%	-	-	-	-	-	-	-
Total		14.88	14.37	7.08	-	-	-	36.33

As at March 31, 2023

(Rs. in crores)

Particulars	Rate of interest	Redeemable at par/ premium (from the date of the Balance Sheet)						Total
		Upto 1 year	1-2 years	2-3 years	3-4 years	4-5 years	Over 5 years	
Privately placed Redeemable Non-Convertible Debenture of Rs. 875,000/- each	< 10%	16.01	14.87	14.48	5.73	-	-	51.09
	>= 10%	-	-	-	-	-	-	-
	< 12%	-	-	-	-	-	-	-
Total		16.01	14.87	14.48	5.73	-	-	51.09

Nature of security

Secured by specific assets covered under hypothecation loan agreements and by way of exclusive charge and equitable mortgage of immovable property.

Debentures may be bought back subject to applicable statutory and/or regulatory requirements, upon the terms and conditions as may be decided by the group.

(Rs. in crores)

Particulars	As at March 31, 2024	As at March 31, 2023
Public issue (1+2)	1,128.46	2,508.89
Privately placed (3+4+5)	31,568.47	28,840.67
Total Non-Convertible Debentures - Secured	32,696.93	31,349.56

22 DEBT SECURITIES (Contd.)

B) External Commercial Bond (ED) - Secured

i) Privately placed Redeemable External Commercial Bond

Terms of repayment

As at March 31, 2024

(Rs. in crores)

Particulars	Rate of interest	Redeemable at par/ premium (from the date of the Balance Sheet)						Total	Date of redemption	Amount redeemed
		Upto 1 year	1-2 years	2-3 years	3-4 years	4-5 years	Over 5 years			
Privately placed Redeemable External Commercial Bond	< 10%	-	3,391.22	1,239.85	6,317.24	-	-	10,948.31	March 13, 2024	1,630.35
									March 13, 2024	3,672.50
									October 24, 2022	3,991.97
									February 28, 2022	2,849.90
	>= 10% < 12%	-	-	-	-	-	-	-	July 16, 2023	1,758.28
Total		-	3,391.22	1,239.85	6,317.24	-	-	10,948.31		13,903.00

As at March 31, 2023

(Rs. in crores)

Particulars	Rate of interest	Redeemable at par/ premium (from the date of the Balance Sheet)						Total	Date of redemption	Amount redeemed
		Upto 1 year	1-2 years	2-3 years	3-4 years	4-5 years	Over 5 years			
Privately placed Redeemable External Commercial Bond	< 10%	6,030.31	-	3,305.98	1,219.57	-	-	10,555.86	October 24, 2022	3,991.97
									February 28, 2022	2,849.90
	>= 10% < 12%	1,957.42	-	-	-	-	-	1,957.42	-	-
Total		7,987.73	-	3,305.98	1,219.57	-	-	12,513.28	-	6,841.87

Issue details of External Commercial Bonds outstanding as at March 31, 2024

(Rs. in crores)

Date of Issue	Product	ROI	Amount		Program	Listed on	Due dates	Utilisation
			USD	Rs. in crores				
January 22, 2024	Senior Secured Notes	6.625%	750,000,000	6,238.50	USD 3,500,000,000 Global Medium Term Note (GMTN) Programme	Indian International Exchange ("INX") January 24, 2024	2027	The proceeds of the issue of the notes have been utilised in accordance with the Company's Social Finance Framework and as may be permitted by the RBI ECB guidelines for onward lending and other activities
March 29, 2023	Senior Secured Floating Rate Notes	6.370%	150,000,000	1,233.00		Indian International Exchange ("INX") March 29, 2023	2026	
January 18, 2022	Senior Secured Notes (Social Bonds)	4.150%	475,000,000	3,512.86		Singapore Stock Exchange (SGX-ST) on January 19, 2022	2025	
March 31, 2021	Senior Secured Notes (Social Bonds)	4.400%	225,000,000	1,630.35	USD 500,000,000 Global Medium Term Note (GMTN) Programme	Singapore Stock Exchange (SGX-ST) on April 01, 2021	2024	
January 13, 2021	Senior Secured Notes (Social Bonds)	4.400%	500,000,000	3,672.50	USD 3,000,000,000 Global Medium Term Note (GMTN) Programme	Singapore Stock Exchange (SGX-ST) on January 14, 2021		
January 16, 2020	Senior Secured Notes (Social Bonds)	5.100%	500,000,000	3,643.25		Singapore Stock Exchange (SGX-ST)	2023	

22 DEBT SECURITIES (Contd.)

Nature of security

Secured by way of an exclusive fixed charge over hypothecation loan receivables of the Group.

C) Senior Secured Notes

i) Senior Secured Notes of Rs. 10,000,000/- each

Terms of repayment

(Rs. in crores)

Particulars	Amount Utilised	Rate of interest	Tenure (from the date of the Balance Sheet)						Total	Date of redemption	Amount redeemed
			Upto 1 year	1-2 years	2-3 years	3-4 years	4-5 years	Over 5 years			
As at March 31, 2024	2,510.00	< 10%	-	-	-	-	-	-	-	June 08, 2023	840.00
										March 12, 2021	320.00
										February 18, 2020	1,350.00
As at March 31, 2023	2,510.00	< 10%	894.73	-	-	-	-	-	894.73	March 12, 2021	320.00
										February 18, 2020	1,350.00

Nature of security

Secured by way of an exclusive fixed charge over hypothecation loan receivables of the Group.

D) Redeemable Non-Convertible Debenture (NCD) - Unsecured

i) Privately placed Redeemable Non-Convertible Debenture of Rs. 1,000,000/- each

Terms of repayment

As at March 31, 2024

(Rs. in crores)

Particulars	Rate of interest	Redeemable at par/ premium (from the date of the Balance Sheet)						Total
		Upto 1 year	1-2 years	2-3 years	3-4 years	4-5 years	Over 5 years	
Privately placed Redeemable Non-Convertible Debenture of Rs. 1,000,000/- each	< 10%	-	-	-	-	-	34.71	34.71
	>= 12%	90.42	-	-	-	-	-	90.42
	< 14%							
Total		90.42	-	-	-	-	34.71	125.13

As at March 31, 2023

(Rs. in crores)

Particulars	Rate of interest	Redeemable at par/ premium (from the date of the Balance Sheet)						Total
		Upto 1 year	1-2 years	2-3 years	3-4 years	4-5 years	Over 5 years	
Privately placed Redeemable Non-Convertible Debenture of Rs. 1,000,000/- each	< 10%	-	-	-	-	-	33.08	33.08
	>= 12%	-	87.61	-	-	-	-	87.61
	< 14%							
Total		-	87.61	-	-	-	33.08	120.69

22 DEBT SECURITIES (Contd.)

ii) Privately placed Redeemable Non-Convertible Debenture of Rs. 100,000/- each

Terms of repayment

(Rs. in crores)									
Particulars		Rate of interest	Redeemable at par/ premium (from the date of the Balance Sheet)						Total
			Upto 1 year	1-2 years	2-3 years	3-4 years	4-5 years	Over 5 years	
Privately placed Redeemable Non-Convertible Debenture of Rs. 1,000,000/- each	As at March 31, 2024	>= 12% < 14%	-	-	-	-	-	-	-
	As at March 31, 2023	>= 12% < 14%	26.65	-	-	-	-	-	26.65

		(Rs. in crores)	
Particulars	As at March 31, 2024	As at March 31, 2023	
Praivately Placed (1+2)	125.13	147.34	
Total Non Convertible Debentures Unsecured	125.13	147.34	

E) Commercial paper (CP) - unsecured

Privately placed redeemable commercial paper of Rs. 500,000/- each

Terms of repayment

		(Rs. in crores)	
Particulars	Rate of interest	As at March 31, 2024	As at March 31, 2023
Commercial paper	< 10%	2,680.31	19.12

		(Rs. in crores)	
Particulars	As at March 31, 2024	As at March 31, 2023	

23 BORROWINGS (OTHER THAN DEBT SECURITIES)

At amortised cost

Secured

Term loan from banks - INR	42,205.39	36,352.93
Term loan from fnancial institutions/corporates - INR	10,539.23	9,427.80
External commercial borrowing - FCNR	14,467.05	9,828.01
Loans repayable on demand from banks (Cash credit from banks)	906.04	459.10
Bank Overdrafts	1,999.87	-
Other loans - INR -Securitisation liabilities	30,034.86	22,476.91
Total	100,152.44	78,544.75
Borrowings in India	85,685.39	68,716.74
Borrowings outside India	14,467.05	9,828.01
Total	100,152.44	78,544.75

ft ere are no borrowings measured at FVTPL or designated at FVTPL.

ft e borrowings have not been guaranteed by directors or others. ft e Group has not defaulted in repayment of principal and interest to its lenders.

ft e Group has utilised the funds raised from banks and fnancial institutions for the specific purpose for which they were borrowed.

ft e Group has borrowed funds from banks and fnancial institutions on the basis of security of current assets. It has filed quarterly returns or statements of current assets with banks and fnancial institutions and the said returns/statements are in agreement with books of accounts.

23 BORROWINGS (OTHER THAN DEBT SECURITIES) (Contd.)

Term of repayment, nature of security, etc

A) Term loans from banks - Secured (INR)

Terms of repayment #

As at March 31, 2024

(Rs. in crores)

Particulars	Repayment details	Rate of interest	Tenure (from the date of the Balance Sheet)						Total
			Upto 1 year	1-2 years	2-3 years	3-4 years	4-5 years	Over 5 years	
Term loans from banks - Secured (INR)	2 to 17 installments of monthly, quarterly and specific frequency	3.90% to 9.20%	-	-	-	-	-	549.18	549.18
	2 to 60 installments of monthly, quarterly and specific frequency	2.94% to 10.32%	-	-	-	-	11,406.10	-	11,406.10
	1 to 60 installments of monthly, quarterly and specific frequency	2.94% to 10%	-	-	-	7,603.73	-	-	7,603.73
	1 to 60 installments of bullet, monthly, quarterly and specific frequency	2.94% to 10.72%	-	-	9,059.75	-	-	-	9,059.75
	1 to 60 installments of bullet, monthly, quarterly and specific frequency	2.94% to 11.29%	-	5,567.15	-	-	-	-	5,567.15
	1 to 48 installments of bullet, monthly, quarterly and specific frequency	2.94% to 13.12%	8,019.48	-	-	-	-	-	8,019.48
Total			8,019.48	5,567.15	9,059.75	7,603.73	11,406.10	549.18	42,205.39

As at March 31, 2023

(Rs. in crores)

Particulars	Repayment details	Rate of interest	Tenure (from the date of the Balance Sheet)						Total
			Upto 1 year	1-2 years	2-3 years	3-4 years	4-5 years	Over 5 years	
Term loans from banks - Secured (INR)	20 to 39 quarterly installments	2.94% to 9.75%	-	-	-	-	-	862.62	862.62
	9 to 60 installments of monthly, quarterly and half-yearly frequency	2.94% to 9.75%	-	-	-	-	6,371.94	-	6,371.94
	1 to 60 installments of bullet, monthly, half-yearly and quarterly frequency	2.94% to 11.15%	-	-	-	7,934.52	-	-	7,934.52
	6 to 60 installments of monthly, quarterly, half-yearly and specific frequency	2.94% to 10.72%	-	-	7,704.60	-	-	-	7,704.60
	1 to 60 installments of bullet, monthly, quarterly and half-yearly frequency	2.94% to 11.29%	-	5,670.15	-	-	-	-	5,670.15
	1 to 60 installments of bullet, monthly, quarterly, half-yearly and specific frequency	2.94% to 13.12%	7,809.10	-	-	-	-	-	7,809.10
Total			7,809.10	5,670.15	7,704.60	7,934.52	6,371.94	862.62	36,352.93

Loans are classified in respective time buckets based on option date.

Nature of security

Secured by an exclusive charge by way of hypothecation of specific movable assets being fixed/current assets relating to hypothecation loans.

23 BORROWINGS (OTHER THAN DEBT SECURITIES) (Contd.)

B) Term loans from financial institutions/corporates - Secured (INR)

As at March 31, 2024

(Rs. in crores)

Particulars	Repayment details	Rate of interest	Tenure (from the date of the Balance Sheet)						Total
			Upto 1 year	1-2 years	2-3 years	3-4 years	4-5 years	Over 5 years	
Term loans from financial institutions/corporates - Secured (INR)	20 to 21 installments of monthly and quarterly frequency	8.61% to 11.50%	-	-	-	-	-	614.48	614.48
	1 to 21 installments of monthly, quarterly and specific frequency	8.30% to 11.50%	-	-	-	-	3,950.33	-	3,950.33
	11 to 21 installments of monthly and quarterly frequency	8.50% to 11.50%	-	-	-	872.74	-	-	872.74
	11 to 20 installments of monthly and quarterly frequency	7.34% to 11.50%	-	-	2,255.97	-	-	-	2,255.97
	11 to 20 installments of monthly and quarterly frequency	7.20% to 11.50%	-	2,040.34	-	-	-	-	2,040.34
	10 to 12 installments of monthly, quarterly, half yearly and specific frequency	7.52% to 12.86%	805.36	-	-	-	-	-	805.36
Total			805.36	2,040.34	2,255.97	872.74	3,950.33	614.48	10,539.23

As at March 31, 2023

(Rs. in crores)

Particulars	Repayment details	Rate of interest	Tenure (from the date of the Balance Sheet)						Total
			Upto 1 year	1-2 years	2-3 years	3-4 years	4-5 years	Over 5 years	
Term loans from financial institutions/corporates - Secured (INR)	21 to 120 installments of monthly and quarterly frequency	8.30% to 11.25%	-	-	-	-	-	1,021.03	1,021.03
	21 to 120 installments of monthly and quarterly frequency	8.50% to 11.25%	-	-	-	-	1,076.36	-	1,076.36
	19 to 120 installments of monthly and quarterly frequency	7.34% to 11.25%	-	-	-	2,299.16	-	-	2,299.16
	11 to 120 installments of monthly and quarterly frequency	7.20% to 11.25%	-	-	3,136.74	-	-	-	3,136.74
	10 to 120 installments of monthly, quarterly, half-yearly and specific frequency	7.52% to 11.25%	-	1,775.91	-	-	-	-	1,775.91
	11 to 120 installments of monthly, quarterly and specific frequency	8.70% to 11.25%	118.60	-	-	-	-	-	118.60
Total			118.60	1,775.91	3,136.74	2,299.16	1,076.36	1,021.03	9,427.80

Loans are classified in respective time buckets based on option date.

Nature of security

Secured by an exclusive charge by way of hypothecation of specific movable assets being fixed/current assets relating to hypothecation loans.

23 BORROWINGS (OTHER THAN DEBT SECURITIES) (Contd.)

C) External commercial borrowing

Terms of repayment

As at March 31, 2024

(Rs. in crores)

Particulars	Repayment details	Rate of interest	Tenure (from the date of the Balance Sheet)						Total
			Upto 1 year	1-2 years	2-3 years	3-4 years	4-5 years	Over 5 years	
External commercial borrowing	16 installments of specific frequency	9.20%	-	-	-	-	-	2,088.37	2,088.37
	9 to 11 installments of half-yearly and specific frequency and bullet payments	9.10% to 9.40%	-	-	-	1,947.93	-	-	1,947.93
	11 to 13 installments of half-yearly and specific frequency and bullet payments	8.63% to 10.86%	-	-	7,463.63	-	-	-	7,463.63
	bullet frequency	8.84% to 10.29%	-	2,754.47	-	-	-	-	2,754.47
	bullet frequency	8.12%	212.64	-	-	-	-	-	212.64
	bullet frequency	9.83% to 10.02%	-	-	-	-	-	-	-
Total			212.64	2,754.47	7,463.63	1,947.93	-	2,088.37	14,467.05

As at March 31, 2023

(Rs. in crores)

Particulars	Repayment details	Rate of interest	Tenure (from the date of the Balance Sheet)						Total
			Upto 1 year	1-2 years	2-3 years	3-4 years	4-5 years	Over 5 years	
External commercial borrowing	16 installments of specific frequency	9.20%	-	-	-	-	-	2,053.32	2,053.32
	9 to 11 installments of half-yearly and specific frequency	9.10% to 9.40%	-	-	-	-	1,294.92	-	1,294.92
	11 to 13 installments of half-yearly and specific frequency	8.63% to 10.86%	-	-	-	729.55	-	-	729.55
	bullet frequency	8.84% to 10.29%	-	-	2,655.29	-	-	-	2,655.29
	bullet frequency	8.12%	-	208.71	-	-	-	-	208.71
	bullet frequency	9.83% to 10.02%	2,886.22	-	-	-	-	-	2,886.22
Total			2,886.22	208.71	2,655.29	729.55	1,294.92	2,053.32	9,828.01

Nature of security

Secured by an exclusive charge by way of hypothecation of specific movable assets being fixed/current assets relating to hypothecation loans.

D) Loans repayable on demand from banks (Cash credit from banks)

Terms of repayment

(Rs. in crores)

Particulars	Rate of interest	As at March 31, 2024	As at March 31, 2023
Loans repayable on demand from banks (Cash credit from banks)	6.10% to 10.80%	-	459.10
	7.45% to 10.95%	906.04	-

Nature of security

Secured by hypothecation of specific assets covered under hypothecation loan agreements.

23 BORROWINGS (OTHER THAN DEBT SECURITIES) (Contd.)

E) Bank overdrafts

Terms of repayment

(Rs. in crores)

Particulars	Rate of interest	As at March 31, 2024	As at March 31, 2023
Bank overdrafts	7.90%	1,999.87	-

Nature of security

Secured by hypothecation of specific assets covered under hypothecation loan agreements.

F) Other loans - INR - Securitisation liabilities

As at March 31, 2024

(Rs. in crores)

Particulars	Repayment details	Rate of interest	Tenure (from the date of the Balance Sheet)						Total
			Upto 1 year	1-2 years	2-3 years	3-4 years	4-5 years	Over 5 years	
Other loans - INR - Securitisation liabilities	1 to 353 installments of monthly frequency	8.64% - 10.50%	-	-	-	-	-	4,181.37	4,181.37
	1 to 353 installments of monthly frequency	7.74% - 10.50%	-	-	-	-	11,450.49	-	11,450.49
	1 to 353 installments of monthly frequency	6.15% - 10.50%	-	-	-	6,932.22	-	-	6,932.22
	1 to 353 installments of monthly frequency	5.91% - 11.63%	-	-	4,445.93	-	-	-	4,445.93
	1 to 353 installments of monthly frequency	6.11% - 10.50%	-	2,815.64	-	-	-	-	2,815.64
	1 to 353 installments of monthly frequency	5.71% - 10.50%	209.20	-	-	-	-	-	209.20
Total			209.20	2,815.64	4,445.93	6,932.22	11,450.49	4,181.37	30,034.85

As at March 31, 2023

(Rs. in crores)

Particulars	Repayment details	Rate of interest	Tenure (from the date of the Balance Sheet)						Total
			Upto 1 year	1-2 years	2-3 years	3-4 years	4-5 years	Over 5 years	
Other loans - INR - Securitisation liabilities	1 to 361 installments of monthly frequency	7.70% to 9.65%	-	-	-	-	-	2,930.16	2,930.16
	1 to 361 installments of monthly frequency	6.10% to 9.65%	-	-	-	-	7,679.45	-	7,679.45
	1 to 361 installments of monthly frequency	5.90% to 9.90%	-	-	-	6,550.84	-	-	6,550.84
	1 to 361 installments of monthly frequency	6.05% to 9.65%	-	-	4,332.8	-	-	-	4,332.80
	1 to 361 installments of monthly frequency	5.95% to 9.65%	-	472.09	-	-	-	-	472.09
	1 to 361 installments of monthly frequency	6.50% to 9.65%	511.57	-	-	-	-	-	511.57
Total			511.57	472.09	4,332.80	6,550.84	7,679.45	2,930.16	22,476.91

Nature of security

Secured by an exclusive charge by way of hypothecation of specific movable assets being fixed/current assets relating to hypothecation loans.

		(Rs. in crores)	
Particulars	As at March 31, 2024	As at March 31, 2023	
24 DEPOSITS			
At amortised cost			
Unsecured			
i. Public deposits (refer note 62) *	42,802.28	34,671.99	
ii. From Banks	-	-	
iii. From Others			
- Deposits from corporates **	1,641.38	1,467.84	
Total	44,443.66	36,139.83	

ft ere are no deposits measured at FVTPL or designated at FVTPL.

* includes Rs. 4.73 crores (March 31, 2023 Rs. 3.47 crores) accepted from related parties including Director.

** includes Rs. 194.69 crores (March 31, 2023 Rs. 171.87 crores) accepted from related parties.

Term of repayment, nature of security, etc

A) Deposits from public - Unsecured - [Refer note 62]

Terms of repayment

		(Rs. in crores)					
Particulars	Rate of interest	Redeemable at par (from the date of the Balance Sheet)					Total deposits from Public
		Upto 1 year	1-2 years	2-3 years	3-4 years	4-5 years	
As at March 31, 2024	< 10%	10,584.95	10,937.10	9,569.50	6,691.62	5,019.11	42,802.28
As at March 31, 2023		8,612.75	8,259.06	9,646.19	3,540.37	4,613.62	34,671.99

B) Deposits from corporates - Unsecured

Terms of repayment

		(Rs. in crores)					
Particulars	Rate of interest	Redeemable at par (from the date of the Balance Sheet)					Total deposits from corporates
		Upto 1 year	1-2 years	2-3 years	3-4 years	4-5 years	
As at March 31, 2024	< 10%	840.00	350.57	357.25	58.78	34.78	1,641.38
As at March 31, 2023		701.82	454.39	223.18	48.74	39.71	1,467.84

		(Rs. in crores)	
Particulars	As at March 31, 2024	As at March 31, 2023	
25 SUBORDINATED LIABILITIES			
At amortised cost			
Others			
Unsecured			
Subordinated debts - Debentures #	4,449.30	4,593.63	
Total	4,449.30	4,593.63	
Subordinated debts in India	4,449.30	4,593.63	
Subordinated debts outside India	-	-	
Total	4,449.30	4,593.63	

ft ere are no subordinated liabilities measured at FVTPL or designated at FVTPL.

includes Rs.330.21 crores (March 31, 2023 Rs. 523.20 crores) issued to related parties.

25 SUBORDINATED LIABILITIES (Contd.)

Term of repayment, nature of security, etc

A) Subordinated liabilities - Unsecured - Debentures

i) Privately placed subordinated liabilities of Rs. 1,000,000/- each

Terms of repayment

As at March 31, 2024

(Rs. in crores)

Particulars	Rate of interest	Redeemable at par (from the date of the Balance Sheet)						Total
		Upto 1 year	1-2 years	2-3 years	3-4 years	4-5 years	Over 5 years	
Privately placed subordinated liabilities of Rs. 1,000,000/- each	<10%	41.13	39.97	137.92	1,396.89	-	-	1,615.91
	>=10% <12%	555.45	57.31	-	-	79.07	-	691.83
	>=12% <14%	1,773.36	-	-	-	-	-	1,773.36
Total		2,369.94	97.28	137.92	1,396.89	79.07	-	4,081.10

As at March 31, 2023

(Rs. in crores)

Particulars	Rate of interest	Redeemable at par (from the date of the Balance Sheet)						Total
		Upto 1 year	1-2 years	2-3 years	3-4 years	4-5 years	Over 5 years	
Privately placed subordinated liabilities of Rs. 1,000,000/- each	<10%	-	41.08	39.92	137.76	1,395.94	-	1,614.70
	>=10% <12%	333.26	548.28	57.11	-	-	79.00	1,017.65
	>=12% <14%	-	1,723.84	-	-	-	-	1,723.84
Total		333.26	2,313.20	97.03	137.76	1,395.94	79.00	4,356.19

ii) Privately placed subordinated liabilities of Rs. 10,000,000/- each

Terms of repayment

(Rs. in crores)

Particulars	Rate of interest	Redeemable at par (from the date of the Balance Sheet)						Total
		Upto 1 year	1-2 years	2-3 years	3-4 years	4-5 years	Over 5 years	
As at March 31, 2024	<10%	-	-	-	-	-	368.20	368.20
As at March 31, 2023		-	-	-	-	-	237.44	237.44

(Rs. in crores)

Particulars	As at March 31, 2024	As at March 31, 2023
Privately Placed (i) + (ii)	4,449.30	4,593.63
Total Subordinated Liabilities	4,449.30	4,593.63

(Rs. in crores)

Particulars	As at March 31, 2024	As at March 31, 2023

26 OTHER FINANCIAL LIABILITIES

Investor education and protection fund shall be credited by the following amounts (as and when due)

- Unclaimed dividend	10.60	9.45
- Unclaimed matured deposits and interest accrued thereon	146.96	134.20
- Unclaimed matured debentures and interest accrued thereon	7.37	12.92
- Unclaimed matured subordinated debts and interest accrued thereon	6.96	11.20

26 OTHER FINANCIAL LIABILITIES (Contd.)

Particulars	(Rs. in crores)	
	As at March 31, 2024	As at March 31, 2023
Temporary credit balance in bank accounts	142.91	56.99
Payable on account of assignment	308.08	210.08
Payable to dealers	23.11	36.02
Payable to employees	332.77	233.08
Retention money and other sundry liabilities	208.11	210.14
Lease liability**	699.35	602.08
Other liabilities *	144.02	159.74
Total	2,030.24	1,675.90

*Other liabilities include amount payable to Banks for credit card payments, settlement dues payable to resigned employees, etc.

****Disclosures as required by Ind AS 116 'Leases' are stated below**

A) Lease liability movement

Particulars	(Rs. in crores)	
	Amount	
As at April 01, 2022	364.14	
Effects of business combination (Refer note 51)	191.76	
Restated as at April 01, 2022	555.90	
Add : Addition during the year	206.95	
: Interest on lease liability	49.95	
Less : Deletion during the year	190.26	
: Lease rental payments	20.46	
As at March 31, 2023	602.08	
Add : Addition during the year	284.48	
: Interest on lease liability	58.76	
Less : Deletion during the year	38.37	
: Lease rental payments	207.60	
As at March 31, 2024	699.35	

B) Maturity analysis of lease liability

Particulars	(Rs. in crores)	
	As at March 31, 2024	As at March 31, 2023
Less than 1 year		
1 to 2 years	143.19	135.02
2 to 3 years	106.69	86.85
3 to 4 years	91.68	30.28
4 to 5 years	71.55	69.01
More than 5 years	167.70	164.92
Total	699.35	602.08

26 OTHER FINANCIAL LIABILITIES (Contd.)

C) The Group has taken various office premises and furniture and fixtures under lease. Certain agreements provide for cancellation by either party or certain agreements contain clause for escalation and renewal of agreements. The non-cancellable operating lease agreements are ranging for a period 11 to 180 months. There are no restrictions imposed by lease arrangements.

Particulars	(Rs. in crores)	
	As at March 31, 2024	As at March 31, 2023
Amounts recognised in the Statement of Profit and Loss		
Depreciation charge of right-of-use assets (included in depreciation, amortisation and impairment)	171.11	157.74
Interest expense (included in finance costs)	58.76	49.95
Expense relating to short-term leases (included in other expenses)	13.71	7.64
Expense relating to leases of low-value assets that are not shown above as short-term leases (included in other expenses)	4.39	3.71
Expense relating to variable lease payments not included in lease liabilities (included in other expenses)	-	-
The Group had remeasured lease liability in respect of certain leases during the year and income on such remeasurement of leases as per Ind AS 116 is included in other income	6.77	(0.13)
Income from subleasing right-of-use assets (included in other income)	4.51	5.11
Gains or losses arising from sale and leaseback transactions	-	-
The total cash outflow for leases during the year	182.36	182.57

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

F) This note provides information for leases where the Group is a lessor.

The Group had given office premises under lease. The income from lease recognised in the Statement of Profit and Loss is Rs.0.14 crores (March 31, 2023: Rs. 0.24 crores). Agreements provide for cancellation by either party or contain clause for escalation and renewal of agreements. There were no non-cancellable operating lease agreements as on March 31, 2024.

Particulars	(Rs. in crores)	
	As at March 31, 2024	As at March 31, 2023
27 CURRENT TAX LIABILITIES (NET)		
For taxation [net of advance tax Rs. 5,673.54 crores (March 31, 2023: Rs. 5,512.85 crores)]	237.79	160.89
Total	237.79	160.89

Particulars	(Rs. in crores)	
	As at March 31, 2024	As at March 31, 2023
28 PROVISIONS		
For employee benefits		
- Gratuity (refer note 50)	37.64	2.88
- Compensated absences (leave encashment and availment)	171.45	101.48
For others		
- Expected credit loss towards undrawn loan commitment	6.50	11.55
- Taxes - contested	89.19	98.59
Total	304.78	214.50

28 PROVISIONS (Contd.)

Loan Commitments

Credit quality of exposure

The table below shows the credit quality and the maximum exposure to credit risk based on the Group's internal credit rating system and year-end stage classification. The amounts presented are gross of impairment allowances. Details of the Group's internal grading system are explained in Note 53.02 and policies on whether ECL allowances are calculated on an individual or collective basis are set out in Note 53.02.02.07.

(Rs. in crores)

Particulars	As at March 31, 2024				As at March 31, 2023			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Internal rating grade								
Performing								
High grade	839.71	-	-	839.71	835.62	-	-	835.62
Standard grade	0.99	-	-	0.99	2.46	-	-	2.46
Sub-standard grade	-	0.55	-	0.55	-	1.23	-	1.23
Past due but not impaired	-	0.17	-	0.17	-	0.32	-	0.32
Non-performing	-	-	-	-	-	-	-	-
Total	840.70	0.72	-	841.42	838.08	1.55	-	839.63

An analysis of changes in the gross carrying amount and the corresponding ECL allowances in relation to other undrawn loan commitments is, as follows:

Gross exposure reconciliation

(Rs. in crores)

Particulars	Year ended March 31, 2024				Year ended March 31, 2023			
	General Approach				General Approach			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Opening balance of outstanding exposure	838.08	1.55	-	839.63	92.43	-	-	92.43
Effects of business combination (Refer note 51)	-	-	-	-	526.75	1.29	-	528.04
Restated opening balance	838.08	1.55	-	839.63	619.18	1.29	-	620.47
New exposures	773.85	0.20	-	774.05	776.01	1.25	-	777.26
Exposures cancelled or disbursed (excluding write-offs)	(770.92)	(1.34)	-	(772.26)	(556.40)	(1.70)	-	(558.10)
Transfers to Stage 1	0.58	(0.58)	-	-	(0.71)	0.71	-	-
Transfers to Stage 2	(0.89)	0.89	-	-	-	-	-	-
Transfers to Stage 3	-	-	-	-	-	-	-	-
Closing balance of outstanding exposure	840.70	0.72	-	841.42	838.08	1.55	-	839.63

28 PROVISIONS (Contd.)

Reconciliation of ECL balance in relation to other undrawn loan commitments is given below:

(Rs. in crores)

Particulars	Year ended March 31, 2024				Year ended March 31, 2023			
	General Approach				General Approach			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
ECL allowance - opening balance	11.53	0.02	-	11.55	6.70	-	-	6.70
Effects of business combination (Refer note 51)	-	-	-	-	4.91	0.05	-	4.97
Restated opening balance	11.53	0.02	-	11.55	11.61	0.05	-	11.67
New exposures	5.49	0.01	-	5.50	11.21	0.02	-	11.23
Exposures cancelled or disbursed (excluding write-offs)	(10.54)	-	-	(10.54)	(11.29)	(0.05)	-	(11.34)
Transfers to Stage 1	0.01	(0.01)	-	-	(0.01)	0.01	-	-
Transfers to Stage 2	-	-	-	-	-	-	-	-
Impact on year end ECL of exposures transferred between stages during the year	-	(0.01)	-	(0.01)	-	-	-	-
ECL allowance - closing balance	6.49	0.01	-	6.50	11.53	0.02	-	11.55

(Rs. in crores)

Particulars	As at March 31, 2024	As at March 31, 2023
29 OTHER NON-FINANCIAL LIABILITIES		
Statutory dues payable	249.61	167.62
Advance from customers	19.43	37.36
Total	269.04	204.98

(Rs. in crores)

Particulars	As at March 31, 2024	As at March 31, 2023
30 EQUITY SHARE CAPITAL		
Authorised:		
2,975,500,000 (March 31, 2023: 2,975,500,000) equity shares of Rs.10/- each	2,975.50	2,975.50
129,000,000 (March 31, 2023: 129,000,000) preference shares of Rs.100/- each	1,290.00	1,290.00
	4,265.50	4,265.50
Issued share capital		
375,792,810 (March 31, 2023: 374,427,276) equity shares of Rs. 10/- each	375.79	374.43
Subscribed share capital		
375,792,810 (March 31, 2023: 374,427,276) equity shares of Rs. 10/- each	375.79	374.43
Paid up (fully paid up)		
Equity shares		
375,792,810 (March 31, 2023: 374,427,276) equity shares of Rs. 10/- each fully paid up	375.79	374.43
Total Equity	375.79	374.43

30 EQUITY SHARE CAPITAL (Contd.)

a. Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the year

Particulars	Number of shares	(Rs. in crores)
As at April 01, 2022	270,519,713	270.52
Cancellation of SCL shares @	(70,437,147)	(70.44)
Fresh issue to shareholders of SCL @	105,113,114	105.11
Fresh issue to shareholders of SCUF @	69,231,596	69.23
Restated as at April 01, 2022	374,427,276	374.43
Issued during the year	-	-
As at March 31, 2023	374,427,276	374.43
Shares issued on exercise of ESOP	1,365,534	1.37
As at March 31, 2024	375,792,810	375.79

@ Refer note 51 - Business Combination

b. Terms/ rights attached to equity shares

The Company has only one class of equity shares having a par value of Rs. 10/- per share. Each holder of equity shares is entitled to one vote per share. The final dividend is subject to the approval of the shareholders in the ensuing annual general meeting.

The Company has allotted 1,365,534 equity shares of face value of Rs. 10/- each fully paid up at an exercise price of Rs. 193.55 per equity share (including premium of Rs.183.55 per equity share) under the Shriram Finance Limited Employee Stock Option Scheme 2023 (No.1) on various dates during the financial year ended March 31, 2024.

The Board of Directors in their meeting held on April 26, 2024 has recommended a final dividend of Rs. 15/- per equity share of nominal face value of Rs. 10/- each fully paid up i.e. 150%, for the financial year 2023-24 subject to approval by Members in the ensuing 45th Annual General Meeting (45th AGM) of the Company. It is in addition to the interim dividend and second interim dividend of Rs. 20/- per equity share and Rs. 10/- per equity share of Rs. 10/- each fully paid-up (300%) for the financial year 2023-24 declared by the Company on October 26, 2023 and January 25, 2024 respectively. With this the total dividend for the financial year 2023-24 will be Rs. 45/- per share (i.e. 450%). Pursuant to Regulation 42 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and subject to the confirmation by the Stock Exchanges, the book closure period for the purpose of payment of the final dividend and 45th AGM will be from July 24, 2024 to July 30, 2024 (both days inclusive). The final dividend will be paid to eligible Members on or before August 28, 2024 subject to deduction of tax at source as per the applicable rate(s) to the eligible shareholders.

The Board of Directors in their meeting held on January 25, 2024 declared second interim dividend of 100% i.e. Rs. 10/- per equity share of face value of Rs. 10/- each fully paid up for the financial year 2023-24 amounting to Rs. 3,756,523,400/- (gross) subject to deduction of tax at source as per the applicable rate(s) to the eligible members. The record date for payment of second interim dividend was February 06, 2024. The second interim dividend was paid to eligible members of the Company on February 17, 2024.

The Board of Directors in their meeting held on October 26, 2023 had declared an interim dividend of 200% i.e. Rs. 20/- per equity share of face value Rs. 10/- each fully paid up for the financial year 2023-24 amounting to Rs. 7,508,945,440/- (gross) subject to deduction of tax at source as per the applicable rate(s) to the eligible members. The record date for payment of interim dividend was November 06, 2023. The interim dividend was paid to eligible members of the Company on November 20, 2023.

The Board of Directors in their meeting held on April 27, 2023 had recommended a final dividend of Rs. 20/- per equity share of nominal face value of Rs.10/- each fully paid up i.e. 200%, for the financial year 2022-23 subject to approval by shareholders in the ensuing 44th Annual General Meeting (44th AGM) of the Company. The Company paid the final dividend amounting to Rs.7,496,735,680/- (gross) subject to deduction of tax at source as per the applicable rate(s) to the eligible shareholders on July 06, 2023. It was in addition to the interim dividend of Rs. 15/- per equity share of Rs. 10/- each fully paid-up i.e. 150% for the financial year 2022-23 declared by the Company on December 24, 2022, amounting to Rs. 5,616,409,140/- (gross) subject to deduction of tax at source as per the applicable rate(s) to the eligible shareholders.

30 EQUITY SHARE CAPITAL (Contd.)

ft e interim dividend was paid to eligible shareholders on January 13, 2023. With this the total dividend for the financial year 2022-23 is Rs. 35/- per share i.e. 350%.

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. ft e distribution will be in proportion to the number of equity shares held by the shareholders.

c. Aggregate number of equity shares issued for consideration other than cash during the period of five years immediately preceding the reporting date:

ft e aggregate number of equity shares issued for consideration other than cash during the period of five years immediately preceding the reporting date were Nil (March 31, 2023: Nil). Refer note 51 - Business combination.

d. Details of shareholders holding more than 5% equity shares in the Company

Details of shareholding	As at March 31, 2024		As at March 31, 2023	
Name of the shareholder	Number of shares	% holding	Number of shares	% holding
Equity shares of Rs. 10/- each				
Shriram Capital Private Limited (formerly known as Shriram Financial Ventures (Chennai) Private Limited)	67,145,784	17.87%	67,145,784	17.93%
Piramal Enterprises Limited	-	-	31,221,449	8.34%
Government of Singapore	22,926,619	6.10%	-	-
Shriram Value Services Limited	20,771,461	5.53%	¥	¥

¥ holding less than 5% equity shares

e. Refer note 65- Capital management for the Group's objectives, policies and processes for managing capital.

f. Proposed dividends on equity shares

Particulars	(Rs. in crores)	
	As at March 31, 2024	As at March 31, 2023
Proposed dividend on equity shares for the year ended on March 31, 2024: Rs. 15/- per share (March 31, 2023: Rs. 20/- per share)	563.69	748.85
Total	563.69	748.85

g. Shareholding of Promoters

Promoter & Promoter Group	Relationship	Shares held at the end of the year		% Change during the year *
		No. of Shares	% of Total Shares	
As at March 31, 2024				
Shriram Capital Private Limited (formerly known as Shriram Financial Ventures (Chennai) Private Limited)	Promoter	67,145,784	17.87%	0.00%
Shriram Ownership Trust	Promoter	62,080	0.02%	-99.21%
Shriram Value Services Limited	Promoter	20,771,461	5.53%	59.86%
Sanlam Life Insurance Limited	Promoter	7,536,951	2.01%	0.00%
As at March 31, 2023				
Shriram Capital Private Limited (formerly known as Shriram Financial Ventures (Chennai) Private Limited)	Promoter	67,145,784	17.93%	0.00%
Shriram Ownership Trust	Promoter	7,840,080	2.09%	13677.25%
Shriram Value Services Limited	Promoter group	12,993,461	3.47%	1130.00%
Sanlam Life Insurance Limited	Promoter group	7,536,951	2.01%	0.00%

* percentage change is computed with respect to the number at the beginning of the year or if issued during the year for the first time then with respect to the date of issue.

30 EQUITY SHARE CAPITAL (Contd.)

h. Amount of per share dividend recognised as distribution to equity shareholders

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Second interim dividend for the year ended March 31, 2024 (Rs. per share)	10.00	-
First interim dividend for the year ended March 31, 2024 (Rs. per share)	20.00	-
Final dividend for the year ended March 31, 2023 (Rs. per share)	-	20.00
Interim dividend for the year ended March 31, 2023 (Rs. per share)	-	15.00

(Rs. in crores)

Particulars	As at March 31, 2024	As at March 31, 2023

31 OTHER EQUITY

Share application money pending allotment	0.06	-
Statutory reserve (Pursuant to Section 45-IC of the RBI Act, 1934)		
Opening balance	7,610.66	4,707.98
Add/(Less): Amalgamation adjustment account	(1,706.81)	1,706.81
Add: Transfer from retained earnings	1,438.10	1,195.87
Closing balance	7,341.95	7,610.66
Statutory reserve (Pursuant to Section 29C of the NHB Act, 1987)		
Opening balance	79.53	-
Add: Effects of business combination (Refer note 51)	-	56.11
Add: Transfer from retained earnings	35.47	23.42
Closing balance	115.00	79.53
Securities premium		
Opening balance	17,396.27	5,662.38
Add: Premium on shares issued during the year	160.93	11,733.89
Closing balance	17,557.20	17,396.27
Capital reserve		
Opening balance	104.57	27.64
Add: Effects of business combination (Refer note 51)	-	76.93
Closing balance	104.57	104.57
Capital redemption reserve	53.88	53.88
Debenture redemption reserve		
Opening Balance	419.13	307.28
Add: Creation due to business combinations	-	55.07
Add: Transfer from retained earnings	53.32	93.23
Less: Transfer to retained earnings on account of redemption	(338.20)	(36.45)
Closing balance	134.25	419.13
General reserve		
Opening balance	3,532.05	2,934.07
Add: Transfer from retained earnings	719.05	597.94
Add: Amount transferred from share option outstanding on account of forfeiture of share options	-	0.04
Closing balance	4,251.10	3,532.05

31 OTHER EQUITY (Contd.)

	(Rs. in crores)	
Particulars	As at March 31, 2024	As at March 31, 2023
Share Option Outstanding		
Opening balance	199.84	-
Add: Expenses on Employee Stock Option Plan (Refer note 64)	10.47	167.63
Less: Adjustment on exercise of Employee Stock Option Plan	(137.86)	(54.22)
Add: Transfer to general reserve on account of forfeiture of share options	-	(0.04)
Add: Effects of business combination (Refer note 51)	-	86.47
Closing balance	72.45	199.84
Amalgamation adjustment account		
Opening balance	(1,706.81)	-
Add/ (Less): Statutory reserve of transferor company	1,706.81	(1,706.81)
Closing balance	-	(1,706.81)
Other comprehensive income		
Remeasurement gain / (loss) on defined benefit plan (net of tax)		
Opening balance	(17.39)	(11.56)
Add: Addition during the year	(58.58)	(5.57)
Add: Share of other comprehensive income from associates (net of tax)	(0.06)	(0.26)
Closing balance	(76.03)	(17.39)
Gain / (loss) on fair valuation of quoted investments in equity shares		
Opening balance	(8.83)	-
Add: Addition during the year	12.34	(8.83)
Closing balance	3.51	(8.83)
Effective portion of cash flow hedges		
Opening balance	(224.42)	(213.40)
Add: Addition during the year	(41.92)	(11.02)
Closing balance	(266.34)	(224.42)
Retained earnings		
Opening balance	15,699.95	12,355.47
Add: Profit for the current year	7,366.38	6,011.04
Add / (Less): Appropriations		
Transfer to statutory reserve as per Section 45-IC of the RBI Act, 1934	(1,438.10)	(1,195.87)
Transfer to statutory reserve as per Section 29C of the NHB Act, 1987	(35.47)	(23.42)
Transfer to general reserve	(719.05)	(597.94)
Effects of Business combination	-	(176.74)
Amount transferred from share option outstanding on account of forfeiture of share options	0.03	0.90
Transferred (to)/from debenture redemption reserve	284.88	(111.85)
Reversal of deemed investment	1.55	-
Interim dividend [March 31, 2024: Rs. 30.00 per share (March 31, 2023: Rs. 15.00 per share)]	(1,126.55)	(561.64)
Final dividend (For March 31, 2023: Rs. 20.00 per share)	(749.67)	-
ESOP related Dilution and Merger Fair value Impacts on current year profits	(4.22)	-
Total appropriations	(3,786.60)	(2,666.56)
Closing balance	19,279.73	15,699.95
Compulsory convertible Debentures (Refer Note 31m)	-	-
Total	48,571.38	43,138.43

Nature and purpose of reserves

- (1) Every non-banking financial company (NBFC) shall create a reserve fund and transfer therein a sum not less than twenty per cent of its net profit every year as disclosed in the profit and loss account and before any dividend is declared.
- (2) No appropriation of any sum from the reserve fund shall be made by the NBFC except for the purpose as may be specified by the RBI from time to time and every such appropriation shall be reported to the RBI within twenty-one days from the date of such withdrawal:

31 OTHER EQUITY (Contd.)

Provided that the RBI may, in any particular case and for sufficient cause being shown, extend the period of twenty-one days by such further period as it thinks fit or condone any delay in making such report.

- (3) Notwithstanding anything contained in sub-section (1), the Central Government may, on the recommendation of the RBI and having regard to the adequacy of the paid-up capital and reserves of a NBFC in relation to its deposit liabilities, declare by order in writing that the provisions of sub-section (1) shall not be applicable to the NBFC for such period as may be specified in the order:

Provided that no such order shall be made unless the amount in the reserve fund under sub-section (1) together with the amount in the share premium account is not less than the paid-up capital of the NBFC.

Statutory Reserve (SHFL): If the subsidiary company creates Special Reserve every year out of its profits in terms of Section 36(1) (viii) of the Income Tax Act, 1961 read with Section 29C of the National Housing Bank Act, 1987. If the Subsidiary Company transfers at least 20% of the Profit after tax to the Statutory reserve.

- h) Amalgamation adjustment account:** Upon amalgamation of the erstwhile Shriram City Union Finance ("SCUF") the transferor company, with Shriram Transport Finance Limited ("STFC") the transferee company, renamed as Shriram Finance Limited ("SFL"), the statutory reserves (i.e. Reserve under Section 45-IC of the Reserve Bank of India Act, 1934) of Rs. 1,706.81 crores of the Transferor Companies as on April 01, 2022 ("the Appointed Date") were recorded in the books of Shriram Finance Limited with a corresponding debit to Amalgamation Adjustment Account. When the identity of the statutory reserves is no longer required to be maintained, both the statutory reserves and the aforesaid account will be reversed (Refer note 51: Business combination). If the Company had sought clarification vide its Letter dated February 21, 2023 in respect of accounting treatment for statutory reserve of SCUF in the books of SFL as the creation and utilisation of Statutory Reserve is governed by RBI Act, 1934. Pending clarification from RBI, the Company had accounted Statutory Reserve as mentioned above for the financial year March 31, 2023. RBI vide its letter no. DOR. ACC. No. S5899/21.04.018 /2023-24 dated January 12, 2024, had advised the Company to comply with the Scheme approved by NCLT in respect of accounting treatment for Statutory Reserve. Accordingly, the Company has reversed the above mentioned accounting entry passed during the previous financial year.
- i) Share option outstanding:** If the share-based payment reserve is used to recognise the value of equity-settled share-based payments provided to employees, including key management personnel, as part of their remuneration.
- j) Remeasurement gain/(loss) on defined benefit plan:** Remeasurement, comprising of actuarial gains and losses and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to the statement of profit and loss in subsequent periods.
- k) Other comprehensive income:** Other comprehensive income includes effective portion of cash flow hedges and Gain/(loss) on fair valuation of investments in quoted equity shares.
- Effective portion of cash flow hedges represents the cumulative effective portion of gains or losses arising on changes in fair value of hedging instruments entered into for cash flow hedges, which shall be reclassified to the statement of profit and loss only when the hedged transaction affects the statement of profit and loss, or included as a basis adjustment to the non-financial hedged item, consistent with the Company accounting policies.
- Gain/(loss) on fair valuation of investments in quoted equity shares represents gains and losses from the change in the fair value of investments in quoted equity instruments in accordance with paragraph 5.7.5 of Ind AS 109, Financial Instruments.
- l) Retained earnings:** Retained earnings are the profits that the Group has earned till date, less any transfers to statutory reserve, general reserve and dividend distributed to shareholders.
- m) Compulsorily convertible debentures issued by subsidiary company:** If the Company's subsidiary has issued Compulsorily Convertible Debenture of Rs. 400 crores to an external investor. If the Company has a right to purchase the said instrument (before or after conversion) from the investor at price computed based on pre-agreed formula, and similarly the investor has a put right written by the Company. If the said arrangement is accounted as derivative and valued at zero, in accordance with accounting norms and policy.

(Rs. in crores)

Particulars	Year ended March 31, 2024			Year ended March 31, 2023		
	On financial assets measured at amortised cost	On financial assets classified at fair value through profit or loss	Total	On financial assets measured at amortised cost	On financial assets classified at fair value through profit or loss	Total
32 INTEREST INCOME						
Interest on loans	33,557.05	-	33,557.05	28,079.03	-	28,079.03
Interest income from investments	552.85	25.44	578.29	425.36	81.91	507.27
Interest on deposits with banks						
- Margin money deposit	258.14	-	258.14	216.39	-	216.39
- Deposits with banks	177.06	-	177.06	323.27	-	323.27
Other interest income						
- Delayed payments by customers	122.36	-	122.36	74.84	-	74.84
- Unwinding of security deposit	5.51	-	5.51	5.07	-	5.07
Total	34,672.97	25.44	34,698.41	29,123.96	81.91	29,205.87

(Rs. in crores)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
33 FEES AND COMMISSION INCOME		
Income from commission services - life insurance	124.93	41.49
Income from commission services - general insurance	157.82	70.59
Income from loan related and other commission services	259.49	154.49
Total	542.24	266.57

Revenue from contracts with customers

Set out below is the revenue from contracts with customers and reconciliation to the statement of profit and loss.

(Rs. in crores)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Type of services or service		
Fees and commission income	542.24	266.57
Total revenue from contract with customers	542.24	266.57
Geographical markets		
- India	542.24	266.57
- Outside India	-	-
Total revenue from contract with customers	542.24	266.57
Timing of revenue recognition		
Services transferred at a point in time	542.24	266.57
Services transferred over time	-	-
Total revenue from contracts with customers	542.24	266.57

33 FEES AND COMMISSION INCOME (Contd.)

Contract balance

(Rs. in crores)

Particulars	As at March 31, 2024	As at March 31, 2023
Trade receivables	51.63	17.00
Contract assets	-	-

the Group does not have any contract assets or liability, hence disclosures related to it have not been presented.

(Rs. in crores)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023

34 NET GAIN/(LOSS) ON FAIR VALUE CHANGES

Net gain/(loss) on financial instruments at fair value through profit or loss (A) :

(i) On trading portfolio

- Investments

49.05

-

- Derivatives

-

-

- Others

-

-

(ii) On financial instruments designated at fair value through profit or loss

-

-

Others (B):

- Investment in shares, venture capital fund, mutual funds and certificate of deposits

144.76

397.35

- Direct assignment

(49.11)

(33.55)

Total Net gain/(loss) on fair value changes (C)

144.70

363.80

Fair value changes:

- Realised

143.94

21.86

- Unrealised

0.76

341.94

Total Net gain/(loss) on fair value changes (D)

144.70

363.80

(Rs. in crores)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023

35 OTHER OPERATING INCOME

Bad debt recovery

487.78

354.27

Total

487.78

354.27

(Rs. in crores)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023

36 OTHER INCOME

Interest on income tax refund

8.62

14.73

Interest others

0.12

0.16

Profit on sale of property, plant and equipment

1.26

-

Miscellaneous income

23.47

16.72

Total

33.47

31.61

		(Rs. in crores)	
Particulars		Year ended March 31, 2024	Year ended March 31, 2023
37	FINANCE COSTS		
On financial liabilities measured at amortised cost			
Interest on deposits		3,334.57	2,347.08
Interest on borrowings (other than debt securities)			
- Loans from banks		3,499.85	2,904.63
- Loans from institutions and others		885.53	776.61
- External commercial borrowings		1,047.41	524.99
- Interest paid on securitisation		2,099.58	1,629.69
Interest on debt securities			
- Debentures		2,721.08	2,712.15
- Senior secured notes		17.75	75.32
- External commercial bond		1,230.57	1,406.70
- Commercial paper		133.84	0.67
Interest on subordinated liabilities		492.58	503.41
Other interest expense			
- Interest on tax liability		-	0.07
- Interest on lease liability		58.76	49.95
- Interest cost on Net debt liability		0.24	-
Total		15,521.76	12,931.27

		(Rs. in crores)	
Particulars		Year ended March 31, 2024	Year ended March 31, 2023
38	FEES AND COMMISSION EXPENSES		
Brokerage		12.92	30.01
Commission paid for loan sourcing		328.57	230.25
Professional charges-resource mobilisation		55.06	34.91
Processing charges on loans		18.63	8.68
Professional charges on securitisation		26.23	10.23
Total		441.41	314.08

		(Rs. in crores)	
Particulars		Year ended March 31, 2024	Year ended March 31, 2023
39	IMPAIRMENT ON FINANCIAL INSTRUMENTS		
On financial instruments measured at amortised cost			
Loans*		4,509.13	4,128.49
Investments		35.67	4.64
Others			
- Undrawn commitments		(5.05)	(1.09)
- Other assets		12.58	37.02
Total		4,552.33	4,169.06

*Includes loss on disposal of repossessed assets Rs. 228.25 crores for the year ended March 31, 2024 (March 31, 2023: Rs. 293.79 crores).

39 IMPAIRMENT ON FINANCIAL INSTRUMENTS (Contd.)

The table below shows the ECL charges on financial instruments for the year recorded in the statement of profit and loss based on evaluation stage:

Year ended March 31, 2024 (Rs. in crores)

Particulars	General approach			Simplified Approach	Total
	Stage 1 Collective	Stage 2 Collective	Stage 3 Collective		
Loans and advances to customers measured at amortised cost	1,245.03	559.78	2,704.32	-	4,509.13
Debt instruments measured at amortised cost	35.67	-	-	-	35.67
Others					
- Undrawn commitments	(5.04)	(0.01)	-	-	(5.05)
- Other assets	-	-	2.80	9.78	12.58
Total impairment loss	1,275.66	559.77	2,707.12	9.78	4,552.33

Year ended March 31, 2023 (Rs. in crores)

Particulars	General approach			Simplified Approach	Total
	Stage 1 Collective	Stage 2 Collective	Stage 3 Collective		
Loans and advances to customers measured at amortised cost	537.24	334.69	3,256.56	-	4,128.49
Debt instruments measured at amortised cost	4.64	-	-	-	4.64
Others					
- Undrawn commitments	(1.06)	(0.03)	-	-	(1.09)
- Other assets	-	-	5.00	32.02	37.02
Total impairment loss	540.82	334.66	3,261.56	32.02	4,169.06

(Rs. in crores)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
40 EMPLOYEE BENEFITS EXPENSES		
Salaries, other allowance and bonus	3,175.01	2,268.33
Contribution to provident and other funds	186.35	136.96
Staff welfare expenses	81.10	48.44
Gratuity expenses (Refer note 50)	17.81	14.35
Share based payments to employees	10.47	168.03
Interest expenses on staff loan	0.78	0.31
Total	3,471.52	2,636.42

(Rs. in crores)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
41 DEPRECIATION, AMORTISATION AND IMPAIRMENT		
Depreciation of property, plant and equipment	257.75	229.10
Depreciation of investment property	0.04	0.05
Amortisation of intangible assets	329.81	371.54
Total	587.60	600.69

		(Rs. in crores)	
		Year ended March 31, 2024	Year ended March 31, 2023
42	OTHER EXPENSES		
	Rent (Refer note 26)	13.71	7.64
	Rates and taxes	5.93	30.88
	Energy costs	40.58	31.94
	Repairs and maintenance	121.14	111.35
	Communication costs	95.12	81.30
	Printing and stationery	46.64	42.11
	Advertisement and publicity	51.16	33.68
	Director's fees, allowances and expenses	2.24	2.40
	Auditor fees and expenses (Refer note 55)		
	- As Auditor	2.29	1.86
	- For taxation matters	0.16	0.15
	- For other services (certification)	0.08	0.41
	- For reimbursement of expenses	0.09	0.26
	Legal and professional charges	209.62	216.26
	Other expenditure:		
	Travelling and conveyance	148.96	131.25
	Business promotion	277.84	188.13
	Outsourcing expenses	156.59	131.73
	Royalty	397.05	333.50
	Insurance	8.62	7.88
	Bank charges	65.74	55.89
	Loss on sale of property, plant and equipment (net)	0.01	1.00
	Service charges	24.38	43.15
	CSR expenses (Refer note 59)	93.33	95.48
	Miscellaneous expenses	116.92	94.90
	Total	1,878.20	1,643.15

43 INCOME TAX

The components of income tax expense for the financial years ended March 31, 2024 and March 31, 2023 are:

		(Rs. in crores)	
		Year ended March 31, 2024	Year ended March 31, 2023
	Current tax	3,433.06	2,911.40
	Adjustment in respect of current income tax of prior years	17.98	11.58
	Deferred tax relating to origination and reversal of temporary differences	(881.98)	(720.73)
	Total tax charge	2,569.06	2,202.25
	Current tax	3,451.04	2,922.98
	Deferred tax	(881.98)	(720.73)

Reconciliation of the total tax charge:

The tax charge shown in the statement of profit and loss differs from the tax charge that would apply if all profits had been charged at Indian corporate tax rate.

43 INCOME TAX (Contd.)

A reconciliation between the tax expense and the accounting profit multiplied by India's domestic tax rate for the financial year is given below:

	(Rs. in crores)	
	Year ended March 31, 2024	Year ended March 31, 2023
Particulars		
Accounting profit before tax	9,960.17	8,213.72
At India's statutory income tax rate of 25.168% (2023: 25.168%)	2,506.78	2,067.23
Adjustment in respect of current income tax of prior years	17.98	11.58
Income subject to tax at special rate	-	-
Income not subject to tax	-	-
Non-deductible expenses		
Corporate social responsibility expenditure not allowable for tax purpose	23.48	24.03
Adjustment in respect of prior years	(17.98)	(11.58)
Others	38.80	110.99
Income tax expense reported in the statement of profit and loss	2,569.06	2,202.25
Effective income tax rate	25.79%	26.81%

Deferred tax

The following table shows deferred tax recorded in the balance sheet and changes recorded in the income tax expense:

	(Rs. in crores)			
	Deferred tax assets	Deferred tax liabilities	Statement of profit and loss	OCI
Particulars	As at March 31, 2024	As at March 31, 2024	Year ended March 31, 2024	Year ended March 31, 2024
Property, plant and equipment, intangible assets and investment property - carrying amount other than on account of fair valuation	60.78	0.01	6.90	-
Provision for post retirement benefits	53.30	-	(6.30)	(19.84)
Expenses allowable for tax purposes when paid	80.77	-	(31.45)	-
EIR impact on debt instrument in the nature of borrowings measured at amortised cost	-	0.01	(0.03)	-
Cash flow hedge reserve	89.59	0.02	-	(14.08)
Impairment allowance on loans and advances	2,880.34	-	(1,004.17)	-
Impairment allowance for undrawn commitments	33.10	-	(7.77)	-
Fair valuation on derecognition of financial instrument	-	89.27	21.25	-
ESOP compensation expenses	18.54	-	32.19	-
Fair valuation impact of merger	37.35	239.93	47.71	-
Other temporary differences	243.26	98.42	59.69	4.15
Total	3,497.04	427.66	(881.98)	(29.77)

43 INCOME TAX (Contd.)

The following table shows deferred tax recorded in the balance sheet and changes recorded in the income tax expense:

Particulars	Deferred tax assets	Deferred tax liabilities	Statement of profit and loss	OCI
	As at March 31, 2023	As at March 31, 2023	Year ended March 31, 2023	Year ended March 31, 2023
Property, plant and equipment, intangible assets and investment property - carrying amount other than on account of fair valuation	67.30	-	(3.65)	-
Provision for post retirement benefits	27.18	0.01	(9.41)	(2.23)
Expenses allowable for tax purposes when paid	49.33	-	(13.18)	-
EIR impact on debt instrument in the nature of borrowings measured at amortised cost	-	0.05	(4.46)	-
Cash flow hedge reserve	75.48	-	-	(3.71)
Impairment allowance on loans and advances	1,672.59	-	(811.63)	-
Impairment allowance for undrawn commitments	25.34	-	(9.08)	-
Fair valuation on derecognition of financial instrument	-	68.03	17.43	-
ESOP compensation expenses	50.72	-	(28.90)	-
Fair valuation impact of merger	308.57	225.85	152.14	-
Other temporary differences	16.25	44.77	(9.99)	(2.97)
Total	2,292.76	338.71	(720.73)	(8.91)

Reconciliation of deferred tax assets/(liabilities)

Particulars	As at March 31, 2024	As at March 31, 2023
	(Rs. in crores)	(Rs. in crores)
Opening balance	1,954.05	869.38
Recognised pursuant to merger of erstwhile Shriram City Union Finance Limited	-	184.89
Recognised pursuant to merger of Shriram Housing Finance Limited	-	(31.86)
Effects of business combination	-	202.08
Recognised in statement of profit and loss/adjustment	1,085.58	720.73
Recognised in statement of profit and loss under OCI	29.75	8.83
Closing balance	3,069.38	1,954.05

Amounts recognised in respect of current tax / deferred tax directly in equity:

Particulars	As at March 31, 2024	As at March 31, 2023
	(Rs. in crores)	(Rs. in crores)
Amounts recognised in respect of current tax/deferred tax directly in equity	-	-
Unused tax losses for which no deferred tax asset has been recognised	-	-

44 EARNINGS PER SHARE

Basic earnings per share (EPS) is calculated by dividing the net profit for the year attributable to equity holders of Group by the weighted average number of equity shares outstanding during the year.

Diluted EPS is calculated by dividing the net profit for the year attributable to equity holders of Group (after adjusting for interest on the convertible preference shares and interest on the convertible bond, in each case, net of tax) by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on the conversion of all the dilutive potential ordinary shares into ordinary shares.

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Net profit after tax attributable to equity holders as per Statement of profit and loss (Rs. in crores) (A)	7,366.38	6,011.04
Weighted average number of equity shares for calculating basic EPS (in crores) (B)	37.52	37.44
Weighted average number of equity shares for calculating diluted EPS (in crores) (C)	37.64	37.61
Basic earnings per equity share (in Rupees) (face value of Rs. 10/- per share) (A) / (B)	196.32	160.54
Diluted earnings per equity share (in Rupees) (face value of Rs. 10/- per share) (A) / (C)	195.69	159.83

45 INVESTMENT IN SUBSIDIARIES AND ASSOCIATES

The Company has invested in the following entities:

Name of the entity	Relationship	Country of incorporation	Principal place of business	Principal activities	% Equity interest	
					As at March 31, 2024	As at March 31, 2023
Shriram Housing Finance Limited (SHFL)	Subsidiary	India	Mumbai	Housing Finance	83.78%	84.82%
Shriram Automall India Limited (SAMIL)	Associate	India	New Delhi	Market leader in physical bidding for acquisition and disposal of pre-owned vehicles and equipment.	44.56%	44.56%

The Company has recognised its investment in associate under equity method and not adjusted to fair value at the end of each reporting period.

The Company's share in the associate is as follows:

Particulars	(Rs. in crores)	
	Year ended March 31, 2024*	Year ended March 31, 2023
(a) Share in profit or loss from continuing operations	7.78	8.56
(b) Share in post-tax profit or loss from discontinued operations	-	-
(c) Share in other comprehensive income	(0.06)	(0.26)
(d) Share in total comprehensive income	7.72	8.30

*The financial statements of the associate are as per unaudited financial statements provided by the management.

46 MATURITY ANALYSIS OF ASSETS AND LIABILITIES

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

Particulars	As at March 31, 2024			As at March 31, 2023		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
Assets						
Financial Assets						
Cash and cash equivalents	6,182.36	-	6,182.36	9,932.84	-	9,932.84
Bank balance other than above	4,865.90	124.54	4,990.44	6,163.41	210.70	6,374.11
Derivative financial instruments	(3.91)	330.39	326.48	499.20	170.17	669.37
Receivables						
(I) Trade receivables	51.63	-	51.63	17.00	-	17.00
(II) Other receivables	169.68	170.85	340.53	195.47	234.22	429.69
Loans	92,494.11	126,201.50	218,695.61	73,669.67	105,015.47	178,685.14
Investments	1,439.42	8,032.40	9,471.82	1,573.05	5,857.02	7,430.07
Other financial assets	85.70	284.87	370.56	2.96	74.51	77.47
Non-Financial Assets						
Current tax asset	20.52	572.51	593.03	11.29	716.97	728.26
Deferred tax assets (net)	(49.23)	3,118.61	3,069.38	0.14	1,953.91	1,954.05
Investment property	-	0.99	0.99	-	2.62	2.62
Property, plant and equipment	-	941.07	941.07	-	751.48	751.49
Intangible assets under development	-	-	-	-	66.08	66.08
Goodwill	-	1,740.94	1,740.94	-	1,740.94	1,740.94
Other intangible assets	-	1,034.87	1,034.87	-	1,218.46	1,218.46
Other non-financial assets	233.54	222.67	456.22	102.26	392.84	495.10
Total Assets	105,489.73	142,776.21	248,265.94	92,167.29	118,405.39	210,572.69
Liabilities						
Financial Liabilities						
Payables						
(I) Trade payables						
(i) total outstanding dues of micro enterprises and small enterprises	0.02	-	0.02	-	-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	245.89	-	245.89	313.04	0.15	313.19
(II) Other payables						
(i) total outstanding dues of micro enterprises and small enterprises	2.25	-	2.25	0.36	-	0.36
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	3.16	-	3.16	1.09	-	1.09
Debt securities	12,071.52	34,379.16	46,450.68	19,271.74	25,652.29	44,924.03
Borrowings (other than debt securities)	38,392.64	61,759.80	100,152.44	32,875.16	45,669.59	78,544.75
Deposits	11,430.94	33,012.72	44,443.66	9,354.28	26,785.55	36,139.83
Subordinated liabilities	2,405.27	2,044.03	4,449.30	309.44	4,284.19	4,593.63
Other financial liabilities	1,377.13	653.11	2,030.24	1,083.84	592.06	1,675.90

46 MATURITY ANALYSIS OF ASSETS AND LIABILITIES (Contd.)

Particulars	(Rs. in crores)			(Rs. in crores)		
	As at March 31, 2024			As at March 31, 2023		
	Within 12 months	Affer 12 months	Total	Within 12 months	Affer 12 months	Total
Non-Financial Liabilities						
Current tax liabilities (net)	237.79	-	237.79	160.89	-	160.89
Provisions	129.60	175.18	304.78	213.52	0.98	214.50
Other non-fnancial liabilities	268.99	0.05	269.04	204.97	-	204.98
Total Liabilities	66,565.20	132,024.05	198,589.25	63,788.33	102,984.81	166,773.15
Net	38,924.53	10,752.16	49,676.69	28,378.96	15,420.58	43,799.54

47 CHANGE IN LIABILITIES ARISING FROM FINANCING ACTIVITIES

Particulars	(Rs. in crores)					
	As at March 31, 2023	Cash flows	Changes in fair value	Exchange difference	Other	As at March 31, 2024
Debt securities	44,924.03	2,310.54	-	-	(783.89)	46,450.68
Borrowings (other than debt securities)	78,544.75	21,980.38	-	4.20	(376.89)	100,152.44
Deposits	36,139.83	8,379.85	-	-	(76.02)	44,443.66
Subordinated liabilities	4,593.63	(148.78)	-	-	4.45	4,449.30
Lease liability	602.08	(207.60)	-	-	304.87	699.35
Total liabilities from financing activities	164,804.32	32,314.40	-	4.20	(927.48)	196,195.43

Particulars	(Rs. in crores)					
	As at March 31, 2022	Cash flows	Changes in fair value	Exchange difference	Other	As at March 31, 2023
Debt securities	41,256.55	3,495.32	-	-	172.16	44,924.03
Borrowings (other than debt securities)	46,676.93	31,646.54	-	0.59	220.69	78,544.75
Deposits	21,948.98	14,153.14	-	-	37.71	36,139.83
Subordinated liabilities	4,614.25	(68.30)	-	-	47.68	4,593.63
Lease liability	349.43	(175.56)	-	-	428.21	602.08
Total liabilities from financing activities	114,846.14	49,051.14	-	0.59	906.45	164,804.32

48 CONTINGENT LIABILITIES AND COMMITMENTS

(A) Contingent liabilities

Particulars	(Rs. in crores)	
	As at March 31, 2024	As at March 31, 2023
Claims against the Company not acknowledged as debts		
a. In respect of Income tax demands where the Group has filed appeal before various authorities	102.58	91.68
b. VAT demand where the Group has filed appeal before various appellates	0.02	4.92
c. Service tax demands where the Group has filed appeal before various authorities	2,056.83	2,056.83
d. GST demand where the Group has filed appeals	7.72	-
e. Stamp duty demand raised by District Registrar oft ce against which the Group has filed appeal.	6.69	-

48 CONTINGENT LIABILITIES AND COMMITMENTS (Contd.)

Particulars	(Rs. in crores)	
	As at March 31, 2024	As at March 31, 2023
f. Penalty levied for Contravention of provisions of Section 6(3)(b) of FEMA, 1999 read with Regulation 4 of Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000	-	5.00
g. Bank Guarantees/Mortgage Loan	185.14	59.92
Total	2,358.98	2,218.35

Future cash outflows in respect of above are determinable only on receipt of judgements /decisions pending with various forums/authorities. It is not practicable for the Group to estimate the timings of the cash flows, if any, in respect of the above pending resolution of the respective proceedings. The Group does not expect any reimbursement in respect of the above contingent liabilities. The Group is of the opinion that above demands are not sustainable and expects to succeed in its appeals. The management believes that the ultimate outcome of these proceedings will not have a material adverse effect on the financial position and results of operations of the Group.

(B) Commitments not provided for

Particulars	(Rs. in crores)	
	As at March 31, 2024	As at March 31, 2023
a. Estimated amount of contracts remaining to be executed on capital account, net of advances	47.73	102.11
b. Commitments related to loans sanctioned but undrawn	841.42	839.63

49 RELATED PARTY TRANSACTIONS

Related Parties as at March 31, 2024

Relationship	Name of the party
I. Promoter	: Shriram Capital Private Limited (w.e.f. November 24, 2022) Shriram Capital Limited (upto November 23, 2022)
II. Promoter Group	: Shriram Value Services Limited Novac Technology Solutions Private Limited Shriram Fortune Solutions Limited Shriram General Insurance Company Limited Shriram Life Insurance Company Limited Shriram Insight Share Brokers Limited Shriram Asset Management Company Limited Shriram Financial Products Solutions (Chennai) Private Limited (upto March 31, 2023) Insight Commodities and Futures Private Limited (upto May 18, 2022) Shriram Credit Company Limited Shriram Overseas Investments Private Limited Shriram Wealth Limited Bharath Investments Pte. Limited, Singapore SGI Philippines General Insurance Co. Inc. Novac Digital Service Private Limited Shriram LI Holdings Private Limited Shriram GI Holdings Private Limited SEA funds Management India Private Limited

49 RELATED PARTY TRANSACTIONS (Contd.)

- II. Promoter Group : Way2wealth Insurance Brokers Private Limited
Way2wealth Securities Private Limited (upto March 31 2023)
Way2wealth Brokers Private Limited
Way2wealth Commodities Private Limited
Shriram Investment Holdings Limited (upto September 05, 2023)
Shriram Investment Holdings Private Limited (w.e.f. September 06, 2023)
Shriram Asset Reconstruction Private Limited (w.e.f. December 01, 2022)
Novac Technology FZCO (w.e.f. February 08, 2023)
Novac GT Technology LLC (Dubai) (w.e.f. October 18, 2023)
- III. Associates : Shriram Automall India Limited
Cartradeexchange Solutions Private Limited
Adroit Inspection Service Private Limited
Augeo Asset Management Private Limited
- IV. Key Management Personnel (KMP) : Mr. Umesh Revankar, Executive Vice Chairman (w.e.f. December 05, 2022)
Mr. Umesh Revankar, Vice Chairman & Managing Director (upto December 04, 2022)
Mr. Y. S. Chakravarti, Managing Director & CEO (w.e.f. December 05, 2022)
Mr. Y. S. Chakravarti, Director (upto December 04, 2022)
Mr. Jugal Kishore Mohapatra, Chairman (w.e.f. December 04, 2022)
Mr. Parag Sharma, Whole Time Director, Joint Managing Director & CFO
Mr. S. Sridhar, Independent Director
Mr. Pradeep Kumar Panja, Independent Director
Mrs. Maya Sinha, Independent Director (w.e.f. December 04, 2022)
Mr. S. Ravindran, Non-Executive Independent Director (w.e.f. August 31, 2023)
Mr. D. V. Ravi, Director
Mr. Ignatius Michael Viljoen, Director
Mr. S.Sunder, Joint Managing Director
Mr. R. Chandrasekar, Joint Managing Director & Chief Compliance Officer (w.e.f. December 04, 2022)
Mr. U Balasundararao, Company Secretary & Compliance officer
Mr. Hardeep Singh Tur, Chief Risk Officer
Mr. Srinivas K., Joint Managing Director (w.e.f. December 04, 2022 and upto January 25, 2024)
Mr. G. M. Jilani, Joint Managing Director (w.e.f. December 04, 2022 and upto January 25, 2024)
Mr. P. Sridharan, Joint Managing Director (upto January 25, 2024)
Mr. Sudarshan Holla, Joint Managing Director (upto January 25, 2024)
Mr. Nilesh Odedara, Joint Managing Director (upto January 25, 2024)
Mr. Aseem Gandhi, Executive Director (w.e.f. December 04, 2022 and upto July 27, 2023)
Mr. S. Lakshminarayanan (upto December 04, 2022)
Mrs. Kishori Udeshi (upto December 04, 2022)

49 RELATED PARTY TRANSACTIONS (Contd.)

- V. Close members of Key Management Personnel (with whom the company has transactions) :
- Mrs. Suchita U. Revankar (Spouse of Mr. Umesh Revankar)
 - Mrs. Geeta G. Revankar (Mother of Mr. Umesh Revankar)
 - Mr. Anil G. Revankar (Brother of Mr. Umesh Revankar)
 - Mr. Shreyas U. Revankar (Son of Mr. Umesh Revankar)
 - Mr. Shrishgovind U. Revankar (Son of Mr. Umesh Revankar)
 - Mrs. Yalamati Sujatha (spouse of Mr. Y. S. Chakravarti)
 - Mr. Sree Bhargav Y. (Son of Mr. Y. S. Chakravarti)
 - Mrs. Rama Sharma (Mother of Mr. Parag Sharma)
 - Ms. Atibhi Sharma (Daughter of Mr. Parag Sharma)
 - Mr. Amit Sharma (Brother of Mr. Parag Sharma)
 - Mrs. P. Suchitra (Sister of Mr. Pradeep Kumar Panja)
 - Mrs. P. Surekha (Sister of Mr. Pradeep Kumar Panja)
 - Mrs. Sujatha Sunder (Spouse of Mr. S. Sunder)
 - Mrs. Barathy Chandrasekar (Spouse of Mr. R. Chandrasekar) (w.e.f. December 04, 2022)
 - Mrs. Deepika Karthik (Daughter of Mr. R. Chandrasekar) (w.e.f. December 04, 2022)
 - Mr. Karthik (Husband of Daughter of Mr. R. Chandrasekar) (w.e.f. December 04, 2022)
 - Mrs. Uma Swaminathan (Mother of Mrs. Maya Sinha) (w.e.f. December 04, 2022)
 - Mrs. S. Arulmozhi (Spouse of Mr. P. Sridharan) (upto January 25, 2024)
 - Ms. S. Karunyalakshmi (Daughter of Mr. P. Sridharan) (upto January 25, 2024)
 - Mr. Jayendra Purshottamdas Udeshi (Spouse of Director Mrs. Kishori Udeshi) (upto December 04, 2022)
- VI. Employees' Benefit Plan :
- Shriram Transport Finance Company Limited Employees' Group Gratuity Assurance Scheme
 - Shriram City Union Finance Limited Employees' Group Gratuity Assurance Scheme (w.e.f. April 01, 2022)
 - Shriram Housing Finance Company Limited Employees Group Gratuity Fund Trust (w.e.f. April 01, 2022)

49 RELATED PARTY TRANSACTIONS (Contd.)

Summary of Related Party Transactions

Particulars	Promoter		Promoter group		Associates		Employee's benefit plan		Key management personnel		Close members of key management personnel		(Rs. in crores)	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	Total	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	Total	
Payments/ Expenses														
Payment to key management personnel *	-	-	-	-	-	-	-	-	13.48	11.32	-	-	13.48	11.32
Royalty	-	-	-	-	-	-	-	-	-	-	-	-	364.27	305.95
Service charges	22.37	39.58	364.27	305.95	-	-	-	-	-	-	-	-	22.37	39.58
I.T. and BPO charges	-	-	141.97	126.96	-	-	-	-	-	-	-	-	141.97	126.96
Intangible assets under development	-	-	63.00	56.00	-	-	-	-	-	-	-	-	63.00	56.00
Rent	-	-	0.02	0.03	16.04	14.21	-	-	-	-	-	-	16.06	14.24
Business mobilisation expenses	-	-	-	-	0.17	0.04	-	-	-	-	-	-	0.17	0.04
Other administrative expenses	-	-	0.03	10.36	11.63	13.84	-	-	-	-	-	-	11.66	24.20
Insurance premium	-	-	27.51	24.04	-	-	-	-	-	-	-	-	27.51	24.04
Security deposit paid	-	-	0.01	0.45	-	-	-	-	-	-	-	-	0.01	0.45
Commission	-	-	31.46	100.51	1.00	0.32	-	-	-	-	-	-	32.46	100.83
Sales promotion	-	-	11.79	56.01	-	-	-	-	-	-	-	-	11.79	56.01
Direct Selling Agent commission	-	-	-	-	-	-	-	-	-	-	-	-	0.20	-
Debt Syndication Services	-	-	0.60	-	-	-	-	-	-	-	-	-	0.60	-
Revenue sharing paid	-	-	-	-	0.42	0.29	-	-	-	-	-	-	0.42	0.29
Valuation charges	-	-	-	-	-	0.00	-	-	-	-	-	-	-	0.00
Investment in mutual fund	-	-	43.00	31.50	-	-	-	-	-	-	-	-	43.00	31.50
Purchase of property, plant and equipment	-	-	-	0.37	-	-	-	-	-	-	-	-	-	0.37
Gratuity & leave encashment paid	-	-	0.02	-	-	-	-	-	-	-	-	-	0.02	-
Interest paid	-	-	106.16	75.81	7.44	2.44	-	-	0.05	0.04	0.12	0.08	113.77	78.38
Equity dividend	335.73	100.72	64.97	18.89	-	-	-	-	0.33	0.10	0.00	0.00	401.03	119.72
Subordinated debts matured	-	-	192.50	33.90	-	-	-	-	-	-	-	-	192.50	33.90
Non-convertible debenture (secured) matured	-	-	52.11	32.11	8.19	1.10	-	-	-	0.10	-	0.07	60.34	33.39
Fixed deposit matured	-	-	22.54	4.07	22.00	8.00	-	-	0.25	0.04	0.98	0.45	45.77	12.55
Employer contribution to employees group gratuity assurance scheme	-	-	-	-	-	-	17.98	-	-	-	-	-	62.39	17.98
Inter-corporate deposit repaid	-	-	-	-	-	48.28	-	-	-	-	-	-	-	48.28
Receipts/ Income														
Recovery of common sharing expenses	0.03	0.02	0.21	0.62	0.28	0.24	-	-	-	-	-	-	0.52	0.88
Reimbursement of expenses	-	-	-	0.04	-	-	-	-	-	-	-	-	-	0.04
Dividend received	-	-	-	-	-	5.35	-	-	-	-	-	-	-	5.35
Gratuity, leave encashment, bonus and leave travel allowances received	-	0.03	0.61	5.63	0.28	0.15	-	-	-	-	-	-	0.89	5.81
Sale of property, plant and equipment	-	-	-	0.02	0.00	-	-	-	-	-	-	-	0.00	0.02
Rent and electricity	-	0.10	-	0.10	3.73	4.21	-	-	-	-	-	-	3.73	4.41
Business auxiliary services	0.11	0.07	-	-	-	-	-	-	-	-	-	-	0.11	0.07
Other income	-	-	0.00	0.00	-	-	-	-	-	-	-	-	0.00	0.00
Insurance claims	-	-	0.32	0.54	-	-	-	-	-	-	-	-	0.32	0.54
Insurance premium received	-	0.00	0.07	25.10	-	-	-	-	-	-	-	-	0.07	0.00
Investment in mutual fund redeemed	-	-	45.19	-	-	-	-	-	-	-	-	-	45.19	25.10
Revenue sharing received	-	-	-	-	0.07	0.42	-	-	-	-	-	-	0.07	0.42
Commission received	-	-	246.99	92.39	-	-	-	-	-	-	-	-	246.99	92.39
Fixed deposit received	-	-	10.00	22.07	54.74	19.66	-	-	0.19	1.12	2.05	1.53	66.98	44.39
Inter-corporate deposit received	-	-	-	-	-	20.83	-	-	-	-	-	-	-	20.83
Balance outstanding at the year end														
Equity share capital	67.15	67.15	20.77	12.99	-	-	-	-	0.05	0.07	0.00	0.00	87.97	80.21
Investment in equity shares	-	-	-	-	188.48	183.74	-	-	-	-	-	-	188.48	183.74
Commission and other receivables	-	-	38.28	29.97	-	-	-	-	-	-	-	-	38.28	29.97
Outstanding expenses	5.71	0.02	50.81	90.22	3.24	1.06	-	-	-	-	-	-	59.76	91.30
Investment in mutual fund	-	-	10.01	12.00	-	-	-	-	-	-	-	-	10.01	12.00
Fixed deposit	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- Public deposit	-	-	-	-	-	-	-	-	1.29	1.30	3.44	2.17	4.73	3.47
- Deposit from corporates	-	-	50.34	64.11	144.35	107.76	-	-	-	-	-	-	194.69	171.87

49 RELATED PARTY TRANSACTIONS (Contd.)

Particulars	Promoter		Promoter group		Associates		Employee's benefit plan		Key management personnel		Close members of key management personnel		(Rs. in crores)	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	Total	
Subordinated debt	-	-	330.21	523.20	-	-	-	-	-	-	-	-	330.21	523.20
Non-convertible debenture (secured)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- Public issue	-	-	68.74	70.80	-	16.88	-	-	-	-	-	-	76.56	87.68
- Privately placed	-	-	511.02	370.13	-	-	-	-	-	-	-	-	511.02	370.13

Income / expenses are presented excluding GST.

Amounts less than Rs. 1.00 lac are presented as Rs. 0.00 crores in the above statement.

It is to be noted that there are no guarantees given on behalf of related parties during the year.

*Some of the Key management personnel/ Senior management personnel are eligible for superannuation benefits of a trust formed by the promoter group and as the benefits are decided by the committee of the trust, the same neither come within the purview of the Company nor have any impact on the Statement Profit and Loss of the Company and hence are not included as part of remuneration.

It is to be noted that the Group has not granted loans or advances to promoters, directors, KMPs and the related parties (as defined under the Companies Act, 2013), either severally or jointly with any other person, that is repayable on demand or without specifying any terms or period of repayment for the financial year ended March 31, 2024 and March 31, 2023.

Breakup of Related Party Transactions

Particulars	Promoter		Promoter group		Associates		Employee's benefit plan		Key management personnel		Close members of key management personnel		(Rs. in crores)	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	Total	
Payments/ Expenses														
Employee benefits for key management personnel *														
- Short term benefits	-	-	-	-	-	-	-	-	10.45	7.99	-	-	10.45	7.99
- Post employment benefits	-	-	-	-	-	-	-	-	1.73	1.78	-	-	1.73	1.78
Commission and sitting fee paid to directors														
- Mr. S. Lakshminarayanan	-	-	-	-	-	-	-	-	-	0.32	-	-	0.32	0.32
- Mrs. Kishori Udeshi	-	-	-	-	-	-	-	-	-	0.30	-	-	0.30	0.30
- Mr. S. Sridhar	-	-	-	-	-	-	-	-	0.38	0.37	-	-	0.38	0.37
- Mr. Pradeep Kumar Panja	-	-	-	-	-	-	-	-	0.38	0.39	-	-	0.38	0.39
- Mrs. Maya Sinha	-	-	-	-	-	-	-	-	0.24	0.09	-	-	0.24	0.09
- Mr. S Ravindran	-	-	-	-	-	-	-	-	0.11	-	-	-	0.11	-
- Mr. Jugal Kishore Mohapatra	-	-	-	-	-	-	-	-	0.19	0.07	-	-	0.19	0.07
Royalty														
- Shriram Value Services Limited	-	-	364.27	305.95	-	-	-	-	-	-	-	-	364.27	305.95
Service charges														
- Shriram Capital Limited	-	32.25	-	-	-	-	-	-	-	-	-	-	-	32.25
- Shriram Capital Private Limited	22.37	7.33	-	-	-	-	-	-	-	-	-	-	22.37	7.33
Voice call services														
- Novac Technology Solutions Private Limited	-	-	37.19	11.05	-	-	-	-	-	-	-	-	37.19	11.05
IT and BPO charges														
- Novac Technology Solutions Private Limited	-	-	104.78	115.91	-	-	-	-	-	-	-	-	104.78	115.91
Intangible assets under development														
- Novac Technology Solutions Private Limited	-	-	63.00	56.00	-	-	-	-	-	-	-	-	63.00	56.00
Rent														
- Shriram Automall India Limited	-	-	-	-	16.04	14.21	-	-	-	-	-	-	16.04	14.21
- Shriram Financial Products Solutions (Chennai) Private Limited	-	-	-	0.01	-	-	-	-	-	-	-	-	-	0.01
- Shriram Fortune Solutions Limited	-	-	-	0.01	-	-	-	-	-	-	-	-	-	0.01
- Shriram Asset Management Company Limited	-	-	0.02	0.02	-	-	-	-	-	-	-	-	0.02	0.02
Business mobilisation expenses														
- Shriram Automall India Limited	-	-	-	-	0.17	0.04	-	-	-	-	-	-	0.17	0.04
Other administrative expenses														
- Shriram Insight Share Brokers Limited	-	-	0.03	0.04	-	-	-	-	-	-	-	-	0.03	0.04
- Shriram Financial Products Solutions (Chennai) Private Limited	-	-	-	10.02	-	-	-	-	-	-	-	-	-	10.02
- Shriram Credit Company Limited	-	-	-	0.30	-	-	-	-	-	-	-	-	-	0.30

49 RELATED PARTY TRANSACTIONS (Contd.)

Particulars	Promoter		Promoter group		Associates		Employee's benefit plan		Key management personnel		Close members of key management personnel		Total	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
	(Rs. in crores)													
Insurance premium	-	-	-	-	11.63	13.84	-	-	-	-	-	-	11.63	13.84
- Shriram Automall India Limited	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Security deposit paid	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- Shriram Life Insurance Company Limited	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- Shriram General Insurance Company Limited	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- Shriram Asset Management Company Limited	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- Shriram General Insurance Company Limited	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Commission	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- Shriram Fortune Solutions Limited	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- Adroit Inspection Service Private Limited	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- Shriram Financial Products Solutions (Chennai) Private Limited	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- Shriram Insight Share Brokers Limited	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- Shriram Wealth Limited	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- Shriram Credit Company Limited	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- Way2wealth Securities Private Limited	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Sales promotion	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- Shriram Fortune Solutions Limited	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- Shriram Financial Products Solutions (Chennai) Private Limited	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- Shriram Insight Share Brokers Limited	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- Shriram Wealth Limited	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- Shriram Credit Company Limited	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- Way2wealth Securities Private Limited	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Direct Selling Agent commission	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- Way2wealth Brokers Private Limited	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Debt Syndication Services	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- Shriram Credit Company Limited	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Revenue sharing paid	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- Shriram Automall India Limited	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest on Inter corporate Deposit	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- Shriram Automall India Limited	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Valuation charges paid	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- Shriram Automall India Limited	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Investment in mutual fund	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- Shriram Asset Management Company Limited	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Purchase of property, plant and equipment	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- Shriram Life Insurance Company Limited	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- Shriram Fortune Solutions Limited	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Gratuity & leave encashment paid	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- Shriram Life Insurance Company Limited	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest on fixed deposit	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- Key management personnel	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- Mr. Parag Sharma	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- Mr. Pradeep Kumar Panja	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- Mr. Hardeep Singh Tur	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- Mr. S. Sridhar	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- Close members of key management personnel	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- Shriram Automall India Limited	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- Shriram Fortune Solutions Limited	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- Shriram Asset Management Company Limited	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- Cartradeexchange Solutions Private Limited	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest on subordinated debt	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- Shriram Life Insurance Company Limited	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- Shriram General Insurance Company Limited	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest on non-convertible debenture (secured)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- Shriram Life Insurance Company Limited	-	-	-	-	-	-	-	-	-	-	-	-	-	-

49 RELATED PARTY TRANSACTIONS (Contd.)

Particulars	Promoter		Promoter group		Associates		Employee's benefit plan		Key management personnel		Close members of key management personnel		(Rs. in crores)	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
	Total													
Particulars														
- Shriram General Insurance Company Limited	-	-	33.37	16.20	-	-	-	-	-	-	-	-	33.37	16.20
- Shriram Asset Management Company Limited	-	-	0.20	0.27	-	-	-	-	-	-	-	-	0.20	0.27
- Shriram Insight Share Brokers Limited	-	-	0.01	0.01	-	-	-	-	-	-	-	-	0.01	0.01
- Shriram Automall India Limited	-	-	-	-	-	2.03	1.49	-	-	-	-	-	2.03	1.49
- Shriram Value Services Limited	-	-	3.96	-	-	-	-	-	-	-	-	-	3.96	-
- Key management personnel	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- Mr. Pradeep Kumar Panja	-	-	-	-	-	-	-	0.04	-	-	-	-	0.04	0.04
- Close members of key management personnel	-	-	-	-	-	-	-	-	-	0.03	-	-	-	0.03
Equity dividend														
- Close members of key management personnel	-	-	-	-	-	-	-	-	-	0.00	-	-	0.00	0.00
- Key management personnel	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- Mr. Parag Sharma	-	-	-	-	-	-	-	0.23	0.07	-	-	-	0.23	0.07
- Mr. S. Sunder	-	-	-	-	-	-	-	0.00	0.00	-	-	-	0.00	0.00
- Mr. P. Sridharan	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- Mr. Sudarshan Holla	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- Mr. U Balasundarao	-	-	-	-	-	-	-	0.00	0.00	-	-	-	0.00	0.00
- Mr. R. Chandrasekar	-	-	-	-	-	-	-	0.03	0.01	-	-	-	0.03	0.01
- Mr. D. V. Ravi	-	-	-	-	-	-	-	0.00	0.00	-	-	-	0.00	0.00
- Mr. G. M. Jilani	-	-	-	-	-	-	-	0.06	0.02	-	-	-	0.06	0.02
- Shriram Capital Private Limited	335.73	100.72	-	-	-	-	-	-	-	-	-	-	335.73	100.72
- Shriram Value Services Limited	-	-	64.97	18.89	-	-	-	-	-	-	-	-	64.97	18.89
Subordinated debts matured														
- Shriram General Insurance Company Limited	-	-	165.80	27.90	-	-	-	-	-	-	-	-	165.80	27.90
- Shriram Life Insurance Company Limited	-	-	26.70	6.00	-	-	-	-	-	-	-	-	26.70	6.00
Non convertible debenture (secured) matured														
- Shriram Life Insurance Company Limited	-	-	-	31.90	-	-	-	-	-	-	-	-	-	31.90
- Shriram Insight Share Brokers Limited	-	-	0.06	-	-	-	-	-	-	-	-	-	0.06	-
- Shriram Asset Management Company Limited	-	-	2.09	0.21	-	-	-	-	-	-	-	-	2.09	0.21
- Shriram Automall India Limited	-	-	-	-	-	8.19	1.10	-	-	-	-	-	8.19	1.10
- Shriram Value Services Limited	-	-	50.00	-	-	-	-	-	-	-	-	-	50.00	-
- Key management personnel	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- Mr. Pradeep Kumar Panja	-	-	-	-	-	-	-	0.10	-	-	-	-	-	0.10
- Close members of key management personnel	-	-	-	-	-	-	-	-	-	0.07	-	-	-	0.07
Fixed deposit matured														
- Key management personnel	-	-	-	-	-	-	-	-	0.00	-	-	-	0.00	-
- Mr. Parag Sharma	-	-	-	-	-	-	-	0.05	0.05	-	-	-	0.05	-
- Mr. Pradeep Kumar Panja	-	-	-	-	-	-	-	0.20	-	-	-	-	0.20	-
- Mr. S. Sridhar	-	-	-	-	-	-	-	-	0.03	-	-	-	-	-
- Mr. Hardeep Singh Tur	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- Close members of key management personnel	-	-	-	-	-	-	-	-	-	0.98	-	-	0.98	0.03
- Shriram Automall India Limited	-	-	-	-	-	22.00	5.00	-	-	-	-	-	22.00	5.00
- Shriram Fortune Solutions Limited	-	-	4.07	-	-	-	-	-	-	-	-	-	4.07	-
- Shriram Asset Management Company Limited	-	-	22.54	-	-	-	-	-	-	-	-	-	22.54	-
- Cartradeexchange Solutions Private Limited	-	-	-	-	-	3.00	-	-	-	-	-	-	-	-
Employer contribution to employees group gratuity assurance scheme														
- Cartradeexchange Solutions Private Limited	-	-	-	-	-	-	62.39	17.98	-	-	-	-	62.39	17.98
Inter-corporate deposit repaid														
- Shriram Automall India Limited	-	-	-	-	-	-	-	-	-	-	-	-	-	48.28
TOTAL	358.10	140.30	1,122.18	876.97	66.89	88.52	62.39	17.98	14.10	11.60	1.10	0.60	1,624.76	1,135.96
Receipts/ Income														
Recovery of common sharing expenses														
- Shriram Automall India Limited	-	-	-	-	-	0.28	-	-	-	-	-	-	0.28	0.24
- Shriram Capital Limited	-	0.02	-	-	-	-	-	-	-	-	-	-	-	0.02
- Shriram Insight Share Brokers Limited	-	-	0.02	0.03	-	-	-	-	-	-	-	-	0.02	0.03
- Shriram Fortune Solutions Limited	-	-	0.03	0.50	-	-	-	-	-	-	-	-	0.03	0.50
- Shriram Credit Company Limited	-	-	-	0.12	-	-	-	-	-	-	-	-	0.12	0.09
- Shriram General Insurance Company Limited	-	-	0.03	0.09	-	-	-	-	-	-	-	-	0.03	-
- Shriram Capital Private Limited	0.03	-	-	-	-	-	-	-	-	-	-	-	0.03	-

49 RELATED PARTY TRANSACTIONS (Contd.)

Particulars	Promoter		Promoter group		Associates		Employee's benefit plan		Key management personnel		Close members of key management personnel		Total	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
	(Rs. in crores)													
Particulars														
Reimbursement of expenses														
- Shriram Asset Management Company Limited	-	-	0.02	-	-	-	-	-	-	-	-	-	0.02	-
Dividend received														
- Shriram Fortune Solutions Limited	-	-	-	0.04	-	-	-	-	-	-	-	-	-	0.04
- Shriram Insight Share Brokers Limited	-	-	-	0.01	-	-	-	-	-	-	-	-	-	0.01
Gratuity, leave encashment, bonus and leave travel allowances received														
- Shriram Automall India Limited	-	-	-	-	-	5.35	-	-	-	-	-	-	-	5.35
- Shriram Automall India Limited	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- Shriram Capital Limited	-	0.03	-	-	0.28	0.15	-	-	-	-	-	-	0.28	0.15
- Shriram General Insurance Company Limited	-	-	-	0.55	-	-	-	-	-	-	-	-	-	0.55
- Shriram Life Insurance Company Limited	-	-	0.47	0.80	-	-	-	-	-	-	-	-	0.47	0.80
- Shriram Insight Share Brokers Limited	-	-	0.06	-	-	-	-	-	-	-	-	-	0.06	-
- Shriram Fortune Solutions Limited	-	-	-	4.25	-	-	-	-	-	-	-	-	-	4.25
- Novac Technology Solutions Private Limited	-	-	0.09	0.01	-	-	-	-	-	-	-	-	0.09	0.01
- Shriram Financial Products Solutions (Chennai) Private Limited	-	-	-	0.00	-	-	-	-	-	-	-	-	-	0.00
- Adroit Inspection Service Private Limited	-	-	-	-	0.00	-	-	-	-	-	-	-	0.00	-
- Shriram Value Services Limited	-	-	-	0.01	-	-	-	-	-	-	-	-	-	0.01
Sale of property, plant and equipment														
- Shriram Life Insurance Company Limited	-	-	-	0.02	-	-	-	-	-	-	-	-	-	0.02
- Shriram Automall India Limited	-	-	-	-	0.00	-	-	-	-	-	-	-	0.00	-
Rent and electricity														
- Shriram Fortune Solutions Limited	-	-	-	0.10	-	-	-	-	-	-	-	-	-	0.10
- Shriram Insight Share Brokers Limited	-	-	-	0.01	-	-	-	-	-	-	-	-	-	0.01
- Shriram Capital Limited	-	0.10	-	-	-	-	-	-	-	-	-	-	-	0.10
- Shriram Automall India Limited	-	-	-	-	3.73	4.21	-	-	-	-	-	-	3.73	4.21
Business auxiliary services														
- Shriram Capital Private Limited	0.11	0.07	-	-	-	-	-	-	-	-	-	-	0.11	0.07
Other income														
- Shriram Asset Management Company Limited	-	-	0.00	0.00	-	-	-	-	-	-	-	-	0.00	0.00
Insurance claim														
- Shriram General Insurance Company Limited	-	-	0.32	0.54	-	-	-	-	-	-	-	-	0.32	0.54
Insurance premium received														
- Shriram Capital Limited	-	0.00	-	-	-	-	-	-	-	-	-	-	-	0.00
- Shriram Life Insurance Company Limited	-	-	0.07	-	-	-	-	-	-	-	-	-	0.07	-
Investment in mutual fund redeemed														
- Shriram Asset Management Company Limited	-	-	45.19	25.10	-	-	-	-	-	-	-	-	45.19	25.10
Revenue sharing received														
- Shriram Automall India Limited	-	-	-	-	0.07	0.42	-	-	-	-	-	-	0.07	0.42
Commission received														
- Shriram General Insurance Company Limited	-	-	122.90	50.90	-	-	-	-	-	-	-	-	122.90	50.90
- Shriram Life Insurance Company Limited	-	-	124.09	41.49	-	-	-	-	-	-	-	-	124.09	41.49
Fixed deposit														
- Key management personnel	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- Mr. S. Sridhar	-	-	-	-	-	-	0.13	0.10	-	-	-	-	0.13	0.10
- Mr. Parag Sharma	-	-	-	-	-	-	0.00	0.00	-	-	-	-	0.00	0.00
- Mr. Hardeep Singh Tur	-	-	-	-	-	-	-	0.00	-	-	-	-	-	0.00
- Mr. Pradeep Kumar Panja	-	-	-	-	-	-	0.06	-	-	-	-	-	0.06	-
- Mr. R. Chandrasekar	-	-	-	-	-	-	-	1.02	-	-	-	-	-	1.02
- Close members of key management personnel	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- Shriram Asset Management Company Limited	-	-	10.00	20.00	-	-	-	-	-	-	-	-	2.05	1.53
- Shriram Fortune Solutions Limited	-	-	-	2.07	-	-	-	-	-	-	-	-	-	2.07
- Shriram Automall India Limited	-	-	-	-	46.74	11.16	-	-	-	-	-	-	46.74	11.16
- Cartradeexchange Solutions Private Limited	-	-	-	-	8.00	8.50	-	-	-	-	-	-	8.00	8.50

49 RELATED PARTY TRANSACTIONS (Contd.)

Particulars	Promoter		Promoter group		Associates		Employee's benefit plan		Key management personnel		Close members of key management personnel		Total	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
	(Rs. in crores)	(Rs. in crores)	(Rs. in crores)	(Rs. in crores)	(Rs. in crores)	(Rs. in crores)	(Rs. in crores)	(Rs. in crores)	(Rs. in crores)	(Rs. in crores)	(Rs. in crores)	(Rs. in crores)	(Rs. in crores)	(Rs. in crores)
Inter-corporate deposit														
- Shriram Automall India Limited	-	-	-	-	-	20.83	-	-	-	-	-	-	-	20.83
TOTAL	0.14	0.23	303.41	146.52	59.10	50.86	-	-	0.19	1.12	2.05	1.53	364.89	200.27

Income / expenses are presented excluding GST.

Amounts less than Rs. 1.00 lac are presented as Rs. 0.00 crores in the above statement.

It is to be noted that no guarantees given on behalf of related parties during the year.

*Some of the Key management personnel/ Senior management personnel are eligible for superannuation benefits of a trust formed by the promoter group and as the benefits are decided by the committee of the trust, the same neither come within the purview of the Company nor have any impact on the Statement Profit and Loss of the Company and hence are not included as part of remuneration.

† e Group has not granted loans or advances to promoters, directors, KMPs and the related parties (as defined under the Companies Act, 2013), either severally or jointly with any other person, that is repayable on demand or without specifying any terms or period of repayment for the financial year ended March 31, 2024 and March 31, 2023.

Particulars	Promoter		Promoter group		Associates		Employee's benefit plan		Key management personnel		Close members of key management personnel		Total	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
	(Rs. in crores)	(Rs. in crores)	(Rs. in crores)	(Rs. in crores)	(Rs. in crores)	(Rs. in crores)	(Rs. in crores)	(Rs. in crores)	(Rs. in crores)	(Rs. in crores)	(Rs. in crores)	(Rs. in crores)	(Rs. in crores)	(Rs. in crores)
Balance outstanding at the year end														
Equity Share capital														
- Close members of key management personnel	-	-	-	-	-	-	-	-	-	-	0.00	0.00	0.00	0.00
- Key management personnel	-	-	-	-	-	-	-	-	0.05	0.05	-	-	0.05	0.05
- Mr. Parag Sharma	-	-	-	-	-	-	-	-	0.00	0.00	-	-	0.00	0.00
- Mr. S. Sunder	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- Mr. P. Sridharan	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- Mr. Sudarshan Holla	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- Mr. U Balasundararao	-	-	-	-	-	-	-	-	0.00	0.00	-	-	0.00	0.00
- Mr. D. V. Ravi	-	-	-	-	-	-	-	-	0.00	0.00	-	-	0.00	0.00
- Mr. G. M. Jilani	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- Mr. R. Chandrasekar	-	-	-	-	-	-	-	-	0.01	0.01	-	-	0.01	0.01
- Shriram Capital Private Limited	67.15	67.15	-	-	-	-	-	-	-	-	-	-	67.15	67.15
- Shriram Value Services Limited	-	-	20.77	12.99	-	-	-	-	-	-	-	-	20.77	12.99
Investment in equity shares														
- Shriram Automall India Limited	-	-	-	-	188.48	183.74	-	-	-	-	-	-	188.48	183.74
Commission & other receivables														
- Shriram General Insurance Company Limited	-	-	28.58	6.81	-	-	-	-	-	-	-	-	28.58	6.81
- Shriram Life Insurance Company Limited	-	-	9.69	7.03	-	-	-	-	-	-	-	-	9.69	7.03
- Shriram Fortune Solutions Limited	-	-	-	4.25	-	-	-	-	-	-	-	-	-	4.25
- Shriram Investment Holding Limited	-	-	-	11.87	-	-	-	-	-	-	-	-	-	11.87
- Shriram Asset Management Company Limited	-	-	0.01	-	-	-	-	-	-	-	-	-	0.01	-
Outstanding expenses														
- Adroit Inspection Service Private Limited	-	-	-	-	0.07	-	-	-	-	-	-	-	0.07	-
- Shriram Capital Private Limited	5.71	0.02	-	-	-	-	-	-	-	-	-	-	5.71	0.02
- Shriram Automall India Limited	-	-	-	-	3.16	1.06	-	-	-	-	-	-	3.16	1.06
- Shriram Value Services Limited	-	-	42.25	79.35	-	-	-	-	-	-	-	-	42.25	79.35

49 RELATED PARTY TRANSACTIONS (Contd.)

Particulars	Promoter		Promoter group		Associates		Employee's benefit plan		Key management personnel		Close members of key management personnel		Total	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
	(Rs. in crores)													
- Novac Technology Solutions Private Limited	-	-	5.02	7.88	-	-	-	-	-	-	-	-	5.02	7.88
- Shriram Fortune Solutions Limited	-	-	-	0.30	-	-	-	-	-	-	-	-	-	0.30
- Shriram Financial Products Solutions (Chennai) Private Limited	-	-	-	1.90	-	-	-	-	-	-	-	-	-	1.90
- Shriram Insight Share Brokers Limited	-	-	0.74	0.68	-	-	-	-	-	-	-	-	0.74	0.68
- Shriram Wealth Limited	-	-	0.09	0.04	-	-	-	-	-	-	-	-	0.09	0.04
- Shriram Credit Company Limited	-	-	2.45	-	-	-	-	-	-	-	-	-	2.45	-
- Way2wealth Brokers Private Limited	-	-	0.26	0.07	-	-	-	-	-	-	-	-	0.26	0.07
Investment in mutual fund														
- Shriram Asset Management Company Limited	-	-	10.01	12.00	-	-	-	-	-	-	-	-	10.01	12.00
Fixed deposit														
- Key management personnel														
- Mr. Pradeep Kumar Panja	-	-	-	-	-	-	-	0.07	0.06	-	-	-	0.07	0.06
- Mr. S. Sridhar	-	-	-	-	-	-	-	0.12	0.22	-	-	-	0.12	0.22
- Mr. Parag Sharma	-	-	-	-	-	-	-	0.00	0.00	-	-	-	0.00	0.00
- Mr. R. Chandrasekar	-	-	-	-	-	-	-	1.10	1.02	-	-	-	1.10	1.02
- Relative of key management personnel	-	-	-	-	-	-	-	-	-	-	3.44	2.17	3.44	2.17
- Shriram Asset Management Company Limited	-	-	50.34	64.11	-	-	-	-	-	-	-	-	50.34	64.11
- Shriram Automall India Limited	-	-	-	-	116.39	89.33	-	-	-	-	-	-	116.39	89.33
- Cartradeexchange Solutions Private Limited	-	-	-	-	27.96	18.43	-	-	-	-	-	-	27.96	18.43
Non-convertible debenture (secured)														
- Shriram Life Insurance Company Limited	-	-	172.61	172.33	-	-	-	-	-	-	-	-	172.61	172.33
- Shriram General Insurance Company Limited	-	-	407.15	213.15	-	-	-	-	-	-	-	-	407.15	213.15
- Shriram Asset Management Company Limited	-	-	-	2.24	-	-	-	-	-	-	-	-	-	2.24
- Shriram Insight Share Brokers Limited	-	-	0.00	0.07	-	-	-	-	-	-	-	-	0.00	0.07
- Shriram Value Services Limited	-	-	-	53.14	-	-	-	-	-	-	-	-	-	53.14
- Shriram Automall India Limited	-	-	-	-	7.82	16.88	-	-	-	-	-	-	7.82	16.88
Subordinated debt														
- Shriram Life Insurance Company Limited	-	-	140.87	168.95	-	-	-	-	-	-	-	-	140.87	168.95
- Shriram General Insurance Company Limited	-	-	189.34	354.25	-	-	-	-	-	-	-	-	189.34	354.25

Income / expenses are presented excluding GST
Amounts less than Rs. 1.00 lac are presented as Rs. 0.00 crores in the above statement.

There were no guarantees given on behalf of related parties during the year.

The Group has not granted loans or advances to promoters, directors, KMPs and the related parties (as defined under the Companies Act, 2013), either severally or jointly with any other person, that is repayable on demand or without specifying any terms or period of repayment for the financial years ended March 31, 2024 and March 31, 2023.

49 RELATED PARTY TRANSACTIONS (Contd.)

Disclosure pursuant to Schedule V of Clause A.2 of Regulation 34 (3) and Regulation 53(f) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

I. Disclosures relating Loans and Advances/ Investments

(Rs. in crores)					
Sr. No.	Loans and Advances in the nature of Loans	Amount outstanding as at		Maximum amount outstanding during the year	
		March 31, 2024	March 31, 2023	March 2024	March 2023
A)	To Subsidiary				
	- Shriram Housing Finance Limited	-	-	-	-
B)	To Associate				
	- Shriram Automall India Limited	-	-	-	-

II. Shriram Finance Limited (SFL) holds 44.56 % (March 31, 2023: 44.56%) of equity shares of Shriram Automall India Limited (Associate) and 83.78 % (March 31, 2023: 84.82%) of Shriram Housing Finance Limited (Subsidiary). Disclosure relating to transactions with the Company is given above.

50 RETIREMENT BENEFIT PLAN
A. Shriram Finance Limited ("the Company") :
a) Defined contribution plan

A defined contribution plan is a pension plan under which the Company pays fixed contributions; there is no legal or constructive obligation to pay further contributions. The assets of the plan are held separately from those of the Company in a fund under the control of trustees.

The Company makes Provident Fund and Employee State Insurance Scheme contributions which are defined contribution plans for qualifying employees. Under the schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The Company recognised Rs.148.38 crores (March 31, 2023: Rs. 112.05 crores) for Provident Fund contributions and Rs.29.92 crores (March 31, 2023: Rs. 20.35 crores) for Employee State Insurance Scheme contributions in the Statement of Profit and Loss. The contributions payable to these plans by the Company are at rates specified in the rules of the schemes.

b) Defined benefit plan
Gratuity

The Company has a defined benefit gratuity plan (funded). The gratuity plan is governed by the Payment of Gratuity Act, 1972. Under the act, employee who has completed five years of service is entitled to specific benefit. The level of benefits provided depends on the member's length of service and last drawn salary. The fund is managed by third party fund managers.

Each year, the Board of Trustees reviews the level of funding in the gratuity plan. Such a review includes the asset-liability matching strategy and investment risk management policy. It includes employing the use of annuities and longevity swaps to manage the risks. The Board of Trustees decides contribution to be made by the Company based on the results of this annual review. The trust is in process of investing entire funds in government securities through third party fund managers and as on March 31, 2024, 85.53% funds are invested in government securities and balance 14.47% funds are invested in money market and corporate debt instruments. The Board of Trustees aim to keep annual contributions of the Company relatively stable at a level such that no plan deficits (based on valuation performed) will arise.

The following tables summarises the components of net benefit expense recognised in the statement of profit and loss and the funded status and amounts recognised in the balance sheet for the gratuity plan.

Amount recognised in the statement of profit and loss in respect of the defined benefit plan are as follows:

	(Rs. in crores)	
Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Amounts recognised in statement of profit and loss in respect of defined benefit plans are as follows:		
Current service cost	15.47	13.88
Interest expense	12.28	9.87
Interest income	(12.09)	(10.31)
Past service cost	-	-
Components of defined benefit costs recognised in statement of profit and loss (A)	15.66	13.44
Remeasurement of gains/(losses) in other comprehensive income:		
Return on plan assets (excluding amounts included in net interest expense)	(0.42)	(0.94)
Actuarial changes arising from changes in demographic assumptions	0.92	(2.92)
Actuarial changes arising from changes in financial assumptions	61.10	(6.77)
Experience adjustments	16.49	18.65
Components of defined benefit costs recognised in other comprehensive income (B)	78.09	8.02
Total (A + B)	93.75	21.46

50 RETIREMENT BENEFIT PLAN (Contd.)

Movement in the present value of the defined benefit obligation are as follows:

	(Rs. in crores)	
Particulars	As at March 31, 2024	As at March 31, 2023
Change in the obligation during the year ended		
Present value of defined obligation at the beginning of the year	168.89	82.20
Expenses recognised in statement of profit and loss:		
Current service cost	15.47	13.88
Interest expense/(income)	12.28	9.87
Recognised in other comprehensive income remeasurement gains/(losses)	78.51	8.96
Liability transferred in/acquisitions	(3.03)	60.83
Benefits paid from the fund	(13.99)	(6.85)
Present value of defined obligation at the end of the year	258.13	168.89

Change in the fair value of plan assets:

	(Rs. in crores)	
Particulars	As at March 31, 2024	As at March 31, 2023
Fair value of plan assets at the beginning of the year	166.33	79.96
Interest income	12.09	10.31
Contributions by the employer	62.40	12.54
Assets transferred in acquisitions	(3.03)	69.43
Benefits paid from the fund	(13.99)	(6.85)
Return on plan assets excluding interest income	0.42	0.94
Fair value of plan assets at the end of the year	224.22	166.33

Calculation of benefit liability/ (asset):

	(Rs. in crores)	
Particulars	As at March 31, 2024	As at March 31, 2023
Defined benefit obligation/ liability	258.13	168.89
Fair value of plan assets	224.22	166.33
Benefit liability	33.91	2.56

The principal assumptions used in determining gratuity obligations for the Company's plans are shown below:

Particulars	As at March 31, 2024	As at March 31, 2023
Expected return on plan assets	7.21%	7.41%
Rate of discounting	7.21%	7.41%
Expected rate of salary increase	8.00%	5.00%
Rate of employee turnover	For service 4 years and below 23.00% p.a. and for service 5 years and above 6.00% p.a.	For service 4 years and below 26.00% p.a. and for service 5 years and above 6.00% p.a.
Mortality rate during employment	Indian Assured Lives mortality (2012-14) Urban	Indian Assured Lives mortality (2012-14) Urban
Mortality rate after employment	NA	NA

50 RETIREMENT BENEFIT PLAN (Contd.)

Investments quoted in active markets:

	(Rs. in crores)	
Particulars	As at March 31, 2024	As at March 31, 2023
Government securities	191.77	124.38
Debt and other instruments	32.45	41.95
Total	224.22	166.33

(Rs. in crores)			
Assumptions	Sensitivity level	Impact on defined benefit obligation March 31, 2024	Impact on defined benefit obligation March 31, 2023
Discount rate	1% increase	(22.08)	(11.95)
	1% decrease	25.82	13.77
Future salary increases	1% increase	25.14	13.78
	1% decrease	(21.95)	(12.14)
Attrition rate	1% increase	(2.32)	2.49
	1% decrease	2.55	(2.82)

	(Rs. in crores)	
Expected payment for future years	As at March 31, 2024	As at March 31, 2023
Within the next 12 months (next annual reporting period)	21.73	19.70
Between 2 and 5 years	68.26	55.50
Between 5 and 10 years	98.06	68.11
Beyond 10 years	412.29	205.60
Total expected payments	600.34	348.91

The Company expects to contribute Rs. 62.19 crores to the fund in the next financial year.

The weighted average duration of the defined benefit obligation as at March 31, 2024 is 11 years (March 31, 2023: 9 years).

Asset liability matching strategies

The plan faces the ALM risk as to the matching cash flow. Since the plan is invested in lines of Rule 101 of Income Tax Rules, 1962, this generally reduces ALM risk.

c) Compensated Absences

The principal assumptions used in determining obligations for the Company are shown below:

Particulars	As at March 31, 2024	As at March 31, 2023
Rate of discounting	7.21%	7.41%
Expected rate of salary increase	8.00%	5.00%
Rate of employee turnover		
Service 4 years and below	23.00%	26.00%
Service 5 years and above	6.00%	6.00%
Mortality	Indian Assured Lives mortality (2012-14) Urban	Indian Assured Lives mortality (2012-14) Urban

50 RETIREMENT BENEFIT PLAN (Contd.)

Particulars	(Rs. in crores)	
	Year ended March 31, 2024	Year ended March 31, 2023
Expenses recognised in statement of profit and loss	83.19	46.72

the Company has not funded its compensated absences liability and the same continues to remain as unfunded as at March 31, 2024.

the estimate of future salary increase takes into account inflation, seniority, promotion and other relevant factors.

Discount rate is based on the prevailing market yields of Indian Government Bonds as at the balance sheet date for the estimated term of the obligation.

B. Shriram Housing Finance Limited ("SHFL") :

a) Defined contribution plan

SHFL makes Provident Fund and Employee State Insurance Scheme contributions which are defined contribution plans, for qualifying employees. Under the schemes, SHFL is required to contribute a specified percentage of the payroll costs to fund the benefits. SHFL recognized Rs. 7.19 crores for the year ended March 31, 2024 for Provident Fund contributions (Rs. 3.16 crores for the year ended March 31, 2023) and Rs.0.39 crores for Employee State Insurance Scheme contributions (Rs. 0.13 crores for the year ended March 31, 2023) in the statement of profit and loss. the contributions payable to these plans by SHFL are at rates specified in the rules of the Schemes.

b) Defined benefit plan

Gratuity

SHFL 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 2015-16, SHFL created "Shriram Housing Finance Company 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 a insurance Company as permitted by law in India.

the following tables summarise 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, SHFL is exposed to a number of risks, the most significant of which are detailed below:

1. Interest rate risk: the defined benefit obligation calculated uses a discount rate based on government bonds. If bond yields fall, the defined benefit obligation will tend to increase.
2. Salary Inflation risk : Higher than expected increases in salary will increase the defined benefit obligation.
3. Demographic risk : this is the risk of variability of results due to unsystematic nature of decrements that include mortality, withdrawal, disability and retirement. the effect of these decrements on the defined benefit obligation is not straight forward and depends upon the combination of salary increase, discount rate and vesting criteria. It is important not to overstate withdrawals because in the financial analysis the retirement benefit of a short career employee typically costs less per year as compared to a long service employee.
4. 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.

50 RETIREMENT BENEFIT PLAN (Contd.)

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. If the government may amend the Payment of Gratuity Act, 1972, thus requiring the companies to pay higher benefits to the employees. It 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.

Amount recognised in the Statement of Profit and Loss

Net employee benefit expense recognised in the employee cost

	(Rs. in crores)	
Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Current service cost	2.15	1.04
Interest cost on benefit obligation	0.50	0.17
Expected return on plan assets	(0.26)	(0.21)
Net (benefit) / expense	2.39	1.01

Amount recognised in the Balance Sheet

Reconciliation of present value of the obligation and the fair value of plan assets:

	(Rs. in crores)	
Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Defined benefit obligation	(9.23)	(3.78)
Fair value of plan assets	5.50	3.46
Asset/(liability) recognized in the balance sheet	(3.73)	(0.31)

Amount recognised in the Other Comprehensive Income

	(Rs. in crores)	
Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Due to change in financial assumptions	0.22	0.05
Due to change in experience adjustments	0.08	(0.47)
(Return) on plan assets (excl. interest income)	0.04	(0.07)
Total Other Comprehensive Income	0.34	(0.49)

Changes in the present value of the defined benefit obligation are as follows:

	(Rs. in crores)	
Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Opening defined benefit obligation	3.78	2.62
Transfer in/Out	-	-
Interest cost	0.50	0.17
Current service cost	2.15	1.04
Liability transferred in/on account of transfer of employees	-	-
Benefits paid	(0.26)	(0.48)
Actuarial loss / (gain) on obligation	3.07	0.42
Closing defined benefit obligation	9.24	3.78

50 RETIREMENT BENEFIT PLAN (Contd.)

Changes in the fair value of plan assets are as follows:

	(Rs. in crores)	
Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Opening fair value of plan assets	3.46	2.31
Interest Income	0.26	0.21
Expected return	-	-
Contributions by employer & others exp	2.50	1.50
Adjustment / transfer	-	-
Beneffts paid	(0.26)	(0.48)
Actuarial loss / (gain) on obligation	(0.46)	(0.07)
Closing fair value of plan assets	5.50	3.46

fi e major categories of plan assets as a percentage of fair value of total plan assets are as follows:

	(Rs. in crores)	
Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Investments with insurer	100%	100%

fi e principal assumptions used in determining gratuity obligations for the SHFL's plans are shown below:

	(Rs. in crores)	
Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Discount rate	7.22%	7.50%
Salary escalation	5.00%	5.00%
Attrition rate	5.00%	5.00%
Mortality table	IALM (2012-14)	IALM (2012-14)
Normal retirement age	58 Years	58 Years

fi e estimates of future salary increases, considered in actuarial valuation are on account of infation, seniority, promotion and other relevant factor, such as supply and demand in the employment market.

fi e overall expected rate of return on assets is determined based on the market prices prevailing on that date, applicable to the period over which the obligation is to be settled.

Amounts for the current year is as follows:

	(Rs. in crores)	
Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Defne benefft obligation	(9.23)	(3.78)
Plan assets	5.50	3.46
Surplus/(defcit)	(3.73)	(0.31)

	(Rs. in crores)		
Assumptions	Sensitivity Level	Impact on defned benefft obligation March 31, 2024	Impact on defned benefft obligation March 31, 2023
Discount Rate	1% increase	0.77	0.31
	1% decrease	(0.89)	(0.36)
Future salary increases	1% increase	(0.88)	(0.36)
	1% decrease	0.78	0.32

50 RETIREMENT BENEFIT PLAN (Contd.)

	(Rs. in crores)	
	Year ended March 31, 2024	Year ended March 31, 2023
Expected payment for future years		
Within the next 12 months (next annual reporting period)	0.47	0.19
Between 2 and 5 years	2.70	1.16
Between 6 and 10 years	4.60	2.01
Total expected payments	7.77	3.36

the weighted average duration of the defined benefit obligation as at March 31, 2024 is 10 years (March 31, 2023 10.05 Years).

the fund is administered by "Shriram Housing Finance Company Employees Group Gratuity Trust". the overall expected rate of return on assets is determined based on the market prices prevailing on that date, applicable to the period over which the obligation is to be settled.

the estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

the discount rate is based on the prevailing market yields of Government of India securities as at the balance sheet date for the estimated term of the obligations.

the estimate of future salary increases considered, takes into account the inflation, seniority, promotion, increments and other relevant factors.

c) Compensated Absences

the principal assumptions used in determining obligations for the Company are shown below:

Particulars	As at March 31, 2024	As at March 31, 2023
Discount rate	7.22%	7.50%
Salary escalation	5.00%	5.00%
Attrition rate	5.00%	5.00%
Mortality table	IALM (2012-14)	IALM (2012-14)
Normal retirement age	58 Years	58 Years

	(Rs. in crores)	
	Year ended March 31, 2024	Year ended March 31, 2023
Particulars		
Expenses recognised in statement of profit and loss	1.15	0.67

51 BUSINESS COMBINATION DONE DURING THE PREVIOUS YEAR

the Board of Directors of the Company in its meeting held on December 13, 2021 had approved a Composite Scheme of Arrangement and Amalgamation ("Scheme"), inter alia, involving amalgamation of Shriram Capital Limited (SCL) (after de-merger of a few undertakings from the said Shriram Capital Limited) and Shriram City Union Finance Limited (SCUF) with the Company under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013. the Reserve Bank of India vide its letter dated June 15, 2022 conveyed its No-Objection to the Scheme. As per the directions of the Hon'ble National Company Law Tribunal, Chennai Bench, ("NCLT") in the common order dated May 11, 2022, the meeting of the Equity Shareholders, Secured Creditors and Unsecured Creditors was held on July 04, 2022 and the Scheme was approved by the requisite majority of the Equity shareholders, Secured Creditors and Unsecured Creditors in their respective meetings. the Company had obtained approvals/no objection to the Scheme from various statutory authorities, as applicable. the Hon'ble NCLT had sanctioned the Scheme, vide order dated November 09, 2022 to be read with Corrigendum order dated November 17, 2022 effective from appointed date of the Scheme being April 01, 2022. Pursuant to the scheme, Shrilekha Business Consultancy Private Limited ("SBCPL") was amalgamated with SCL. the undertaking carrying on the business of financial services from SCL was demerged and transferred to Shriram Investment Holdings Limited ("SIHL"). the undertakings which were carrying on the businesses of Life Insurance and General Insurance were demerged from SCL and transferred to Shriram LI Holdings Private Limited ("SLIH"), and Shriram GI Holdings Private Limited ("SGIH") respectively. the remaining undertaking of SCL and its investments in STFC and SCUF were amalgamated with STFC.

51 BUSINESS COMBINATION DONE DURING THE PREVIOUS YEAR (Contd.)

Pursuant to the Scheme, the name of the Company was changed to Shriram Finance Limited upon receipt of necessary approval from the Registrar of Companies, Tamil Nadu, Chennai, Ministry of Corporate Affairs, with effect from November 30, 2022. Pursuant to the Scheme, new equity shares of face value of Rs. 10/- each fully paid-up have been issued and allotted to the eligible shareholders of SCL and SCUF on December 12, 2022 as per the share exchange ratio contained in the Scheme. As per Ind AS 103, the amalgamation has been accounted under "acquisition method". The difference between the purchase consideration and fair value has been accounted as goodwill/capital reserve on amalgamation, as applicable.

The Group has determined the useful life of the intangible asset in the nature of branch network of SCUF acquired through the scheme of amalgamation as five years and started amortising the same over its useful life by making a suitable change in the accounting estimate. Impact for future periods will be Rs. 302.58 crores per annum over the balance three out of five years as on March 31, 2024. The Group has determined the useful life of the intangible asset in the nature of branch network of SHFL acquired through the scheme of amalgamation as one year and amortised the same over its useful life. The figures for the current and previous reporting period include the effect of merger of transferor Companies SCUF and SCL as discussed above.

Summary of acquisitions done during the financial year ended March 31, 2023

(i) Shriram City Union Finance Limited ("SCUF")

The Hon'ble National Company Law Tribunal, Chennai Bench, ("NCLT") had approved the Composite Scheme of Arrangement and Amalgamation ("Scheme"), inter alia, involving amalgamation of Shriram City Union Finance Limited (SCUF) with its entire undertaking with the Company, vide order dated November 09, 2022 to be read with Corrigendum order dated November 17, 2022 effective from Appointed date of the Scheme being April 01, 2022, for a share exchange ratio of 1.55:1. The percentage of voting equity interests acquired was 100%. This acquisition is highly beneficial to all the stakeholders, by bringing together the capabilities and the presence of the Company in the categories of transport finance, and retail finance, and in the process create a larger financial lending entity with both these businesses combined, and the resulting benefits of scale and synergies of operation. This acquisition further consolidates the leadership position of the Company in the Commercial Vehicle market. Following the acquisition, the amalgamated entity is able to launch retail finance products in new locations.

(a) The fair value of assets and liabilities recognised as a result of the acquisition are as follows:

	(Rs. in crores)
Particulars	Amounts*
Assets	
Cash and cash equivalents	5,269.09
Bank balance other than above	1,573.25
Receivables	4.39
Loans	35,203.60
Investments	1,311.98
Other financial assets	192.50
Current tax assets (net)	32.36
Deferred tax assets (net)	119.80
Investment property (net)	0.00
Property, plant and equipment (net)	69.55
Intangible assets (net)	4.99
Right-of-use assets	176.82
Other non-financial assets	227.67
Distribution network	1,575.80
Total assets	45,761.80
Liabilities	
Derivative financial instrument	(0.05)
Payables	(53.10)
Debt securities	(7,152.68)
Borrowings (other than debt securities)	(20,708.90)
Deposits	(7,274.04)
Other financial liabilities	(385.58)
Provisions	(29.92)
Other non-financial liabilities	(65.19)
Total liabilities	(35,669.46)
Net identifiable assets acquired	10,092.34
Non-controlling interest	(275.30)

Amounts less than Rs. 1.00 lac are presented as Rs. 0.00 crores in the above statement.

*Consolidated basis

51 BUSINESS COMBINATION DONE DURING THE PREVIOUS YEAR (Contd.)
(b) Calculation of goodwill

the difference between the purchase consideration and amount attributable to identified intangible assets / assets and liabilities represents residual goodwill in the business. As a result of the merger, the Company receives customer information such as names, contact information, historical credit provided and repayment information, etc. of existing customers of SCUF and vice versa. This information can further be divided into different customer profiles based on demography, zones, age groups, etc., which helps businesses target products/services according to their target audience that will be used by the merged entity to gain synergies from cross selling its products. Consequently, the Goodwill in the transaction subsumes the above synergy benefit, along with assembled workforce, future potential of the new branches that are planned to open, new customers, new geographies etc.

	(Rs. in crores)
Particulars	Amounts
Purchase consideration	12,068.81
Less: Net identifiable assets acquired	(10,092.34)
Less: Deferred tax liability on net identifiable assets acquired	(235.53)
Goodwill #	1,740.94

#Goodwill is not deductible for tax purpose

(c) The revenues and profits contributed to the Group for the financial year ended March 31, 2023 are as follows:

	(Rs. in crores)
Particulars	Amounts
Revenue	7,949.32
Profit before tax	1,742.31

(d) Acquired Receivables

	(Rs. in crores)
Particulars	Amounts
Fair value of acquired trade receivables	4.39
Gross contractual amount for trade receivables	4.39
Contractual cash flows not expected to be collected	-

(e) Purchase consideration - cash outflow

	(Rs. in crores)
Particulars	Amounts
Net outflow of cash - investing activities	-

(f) Acquisition related costs:

Acquisition related costs of Rs. 26.53 crores have been recognised under miscellaneous expenses in the Statement of Profit and Loss.

(ii) Shriram Capital Limited ("SCL")

The Hon'ble National Company Law Tribunal, Chennai Bench, ("NCLT") had approved the Composite Scheme of Arrangement and Amalgamation ("Scheme"), inter alia, involving amalgamation of Shriram Capital Limited (SCL) with its remaining undertaking with the Company, vide order dated November 09, 2022 to be read with Corrigendum order dated November 17, 2022, effective from Appointed date of the Scheme being April 01, 2022 for a share exchange ratio 1:0.97. The amalgamation will achieve the combination of the remaining line of business activities of SCL with the Company which is a listed entity engaged in the business of financial lending. This will ensure that the companies forming part of the Shriram Group, which are focused on the business of lending are concentrated in a single large entity, which has the necessary means, presence and resources to achieve still larger scales in the business of lending, while reducing the presence of multiple entities across the Group, with an interest and presence in the same line of business.

51 BUSINESS COMBINATION DONE DURING THE PREVIOUS YEAR (Contd.)

- (a) **fi e fair value of assets and liabilities recognised as a result of the acquisition are as follows:**

(Rs. in crores)	
Particulars	Amounts
Assets	
Property, plant and equipment (net)	0.01
Bank balance	0.10
Trade receivables	12.47
Total assets	12.58
Liabilities	
Trade payables	0.02
Total liabilities	0.02
Net identifiable assets acquired	12.56

- (b) **Amount recognised directly in other equity (Capital reserve):**

(Rs. in crores)	
Particulars	Amounts
Purchase consideration	-
Less: Net identifiable assets acquired	12.56
Capital reserve	12.56

- (c) **fi e revenues and profits contributed to the company for the ffinancial year ended March 31, 2023 are as follows:**

(Rs. in crores)	
Particulars	Amounts
Revenue	-
Profit before tax	(0.58)

- (d) **Acquired Receivables**

(Rs. in crores)	
Particulars	Amounts
Fair value of acquired trade receivables	12.45
Gross contractual amount for trade receivables	12.45
Contractual cash flows not expected to be collected	-

- (e) **Purchase Consideration - Cash Outflow**

(Rs. in crores)	
Particulars	Amounts
Net outflow of cash - investing activities	-

52 FAIR VALUE MEASUREMENT

52.01: Valuation principle

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e. an exit price), regardless of whether that price is directly observable or estimated using a valuation technique. In order to show how fair values have been derived, financial instruments are classified based on a hierarchy of valuation techniques, as explained in material accounting policies of the year ended March 31, 2024.

52 FAIR VALUE MEASUREMENT (Contd.)

52.02: Fair value hierarchy of assets and liabilities

The following table shows an analysis of financial instruments recorded at fair value by level of the fair value hierarchy:

As at March 31, 2024

(Rs. in crores)

Assets measured at fair value on a recurring basis	Level-1	Level-2	Level-3	Total
<i>Derivative financial instruments</i>				
Forward contracts	-	(419.00)	-	(419.00)
Currency swaps	-	162.27	-	162.27
Interest rate swaps	-	288.05	-	288.05
Cross currency interest rate swaps	-	269.89	-	269.89
Interest rate caps	-	25.27	-	25.27
Total derivative financial instruments	-	326.48	-	326.48
<i>Financial assets held for trading</i>				
Mutual funds	300.38	-	-	300.38
Equity instruments	79.84	-	25.82	105.66
Investment in security receipts	-	2.73	-	2.73
Venture capital fund	-	1.52	-	1.52
Total financial assets held for trading	380.22	4.25	25.82	410.29
Total assets measured at fair value on a recurring basis	380.22	330.73	25.82	736.77
<i>Assets measured at fair value on a non-recurring basis</i>				
Non-current assets and disposals held for sale	-	-	-	-
Total assets measured at fair value on a non-recurring basis	-	-	-	-
Total assets measured at fair value	380.22	330.73	25.82	736.77

(Rs. in crores)

Liabilities measured at fair value on a recurring basis	Level-1	Level-2	Level-3	Total
Total financial liabilities measured at fair value on a recurring basis	-	-	-	-
<i>Liabilities measured at fair value on a non-recurring basis</i>				
Non-current liabilities and disposals held for sale	-	-	-	-
Total financial liabilities measured at fair value on a non-recurring basis	-	-	-	-
Total liabilities measured at fair value	-	-	-	-

As at March 31, 2023

(Rs. in crores)

Assets measured at fair value on a recurring basis	Level-1	Level-2	Level-3	Total
<i>Derivative financial instruments</i>				
Forward contracts	-	(193.01)	-	(193.01)
Currency swaps	-	121.65	-	121.65
Interest rate swaps	-	116.65	-	116.65
Cross currency interest rate swaps	-	588.33	-	588.33
Interest rate caps	-	35.75	-	35.75
Total derivative financial instruments	-	669.37	-	669.37

52 FAIR VALUE MEASUREMENT (Contd.)

(Rs. in crores)

Assets measured at fair value on a recurring basis	Level-1	Level-2	Level-3	Total
<i>Financial assets held for trading</i>				
Mutual funds	587.35	-	-	587.35
Equity instruments	63.35	-	25.40	88.75
Investment in security receipts	-	6.44	-	6.44
Venture capital fund	-	1.53	-	1.53
Total financial assets held for trading	650.70	7.97	25.40	684.07
Total assets measured at fair value on a recurring basis	650.70	677.34	25.40	1,353.44
Assets measured at fair value on a non-recurring basis				
Non-current assets and disposals held for sale	-	-	-	-
Total assets measured at fair value on a non-recurring basis	-	-	-	-
Total assets measured at fair value	650.70	677.34	25.40	1,353.44

(Rs. in crores)

Liabilities measured at fair value on a recurring basis	Level-1	Level-2	Level-3	Total
Total financial liabilities measured at fair value on a recurring basis	-	-	-	-
Liabilities measured at fair value on a non-recurring basis				
Non-current liabilities and disposals held for sale	-	-	-	-
Total financial liabilities measured at fair value on a non-recurring basis	-	-	-	-
Total liabilities measured at fair value	-	-	-	-

52.03: Valuation techniques

Fair values of financial assets, other than those which are subsequently measured at amortised cost, have been arrived at as under:

Investments in Mutual funds/ Equity instruments

Investment in units of mutual funds are measured based on their published net asset value (NAV), taking into account redemption and/or other restrictions. Such instruments are generally Level 1. Equity instruments in non-listed entities are initially recognised at transaction price and re-measured (to the extent information is available) and valued on a case-by-case and classified as Level 3. Quoted equity instruments on recognised stock exchanges are valued at Level 1 hierarchy being the unadjusted quoted price as the reporting date.

Derivative Financial Instruments

Foreign exchange contracts include foreign exchange forward and swap contracts, interest rate swaps and over-the-counter foreign exchange options. These instruments are valued by either observable foreign exchange rates, observable or calculated forward points and option valuation models. With the exception of contracts where a directly observable rate is available which are disclosed as Level 1, the Group classifies derivative financial instruments as Level 2 financial instruments when no unobservable inputs are used for their valuation or the unobservable inputs used are not significant to the measurement (as a whole).

52 FAIR VALUE MEASUREMENT (Contd.)

Certificate of deposits (CDs)

Certificate of deposits are short-term financial instruments issued by Banks. Financial Benchmark India Private Limited (FBIL) has developed the FBIL-CD, a new benchmark for the money market based on traded CDs reported on the FIMMDA Trade Reporting and Confirmation System (FTRAC) platform of the Clearing Corporation of India Ltd (CCIL). FBIL-CD is announced for seven tenors of 14 days, 1 month, 2 months, 3 months, 6 months, 9 months and 12 months. For valuation, the Group uses FBIL-CD benchmark and based on that benchmark the Group interpolates and calculates CD prices corresponding to their residual maturities and such instruments are classified as Level 2.

52.04: Transfer between fair value hierarchy levels

During the year there were no transfers between Level 1 and Level 2. Similarly, there were no transfers from or transfer to Level 3.

52.05: Movements in Level 3 financial instruments measured at fair value

The following tables show a reconciliation of the opening and closing amounts of Level 3 financial assets and liabilities which are recorded at fair value. Transfers from Level 3 to Level 2 occur when the market for some securities became more liquid, which eliminates the need for the previously required significant unobservable valuation inputs. Since the transfer, these instruments have been valued using valuation models incorporating observable market inputs. Transfers into Level 3 reflect changes in market conditions as a result of which instruments become less liquid. Therefore, the Group requires significant unobservable inputs to calculate their fair value.

The following tables show the reconciliation of the opening and closing amounts of Level 3 financial assets and liabilities measured at fair value:

Particulars	(Rs. in crores)	
	Equity instruments	
	As at March 31, 2024	As at March 31, 2023
Opening balance	25.40	23.89
On account of business combination	-	0.01
Purchase	-	-
Sales	-	-
Issuances	-	-
Settlements	-	-
Transfers into Level 3	-	-
Transfers from Level 3	-	-
Net interest income, net trading income and other income	-	-
Other comprehensive income	-	-
Unrealised gains and losses related to balances held at the end of the year	0.42	1.50
Closing balance	25.82	25.40

52.06: Impact of changes to key assumptions on fair value of Level 3 financial instruments measured at fair value

The table summarises the valuation techniques together with the significant unobservable inputs used to calculate the fair value of the Group's Level 3 assets and liabilities. The range of values indicates the highest and lowest level input used in the valuation technique and, as such, only reflects the characteristics of the instruments as opposed to the level of uncertainty to their valuation. Relationships between unobservable inputs have not been incorporated in this summary.

Particulars	Fair value		Valuation technique	Significant unobservable inputs
	Level 3 assets	Level 3 assets		
	As at March 31, 2024	As at March 31, 2023		
Equity instruments measured at FVTPL	25.82	25.40	Based on the discounted cashflow	Based on the discounted cashflow

52 FAIR VALUE MEASUREMENT (Contd.)

52.07: Sensitivity of fair value measurements to changes in unobservable market data

The table below describes the effect of changing the significant unobservable inputs to reasonable possible alternatives. All changes would be reflected in the Statement of profit and loss. Sensitivity data are calculated using a number of techniques, including analysing price dispersion of different price sources, adjusting model inputs to reasonable changes within the fair value methodology.

The ranges are not comparable or symmetrical as the model inputs are usually not in the middle of the favourable/unfavourable range.

The table below shows data in relation to Level 3 inputs that are already aggregated on the underlying product levels without assuming any potential diversification effect, but including potential off-sets from economic or accounting hedge relationships in place. The Group is of the opinion that, whilst there may be some diversification benefits, incorporating these would not be significant to the analysis.

(Rs. in crores)

Particulars	As at March 31, 2024		As at March 31, 2023	
	Favourable changes 5% increase	Unfavourable changes 5% decrease	Favourable changes 5% increase	Unfavourable changes 5% decrease
Equity instruments based on the discounted cashflow	27.11	24.53	26.67	24.13

52.08: Fair value of financial instruments not measured at fair value

Set out below is a comparison, by class, of the carrying amounts and fair values of the Group's financial instruments that are not carried at fair value in the financial statements. The table does not include the fair values of non-financial assets and non-financial liabilities.

(Rs. in crores)

As at March 31, 2024	Carrying amount	Fair value			
		Level-1	Level-2	Level-3	Total
Financial assets:					
Cash and cash equivalents	6,182.36	3,214.58	2,972.69	-	6,187.27
Bank balance other than cash and cash equivalents	4,990.44	201.77	4,773.97	-	4,975.74
Trade receivables	51.63	-	-	51.63	51.63
Other receivables	340.53	-	-	340.53	340.53
Loans	218,695.61	-	-	215,363.81	215,363.81
Investments at amortised cost	8,870.07	6,381.63	196.60	2,257.32	8,835.55
Other investments	191.46	-	-	191.46	191.46
Other financial assets	370.56	-	-	355.00	355.00
Total financial assets	239,692.66	9,797.98	7,943.26	218,559.75	236,300.99
Financial liabilities:					
Trade payables	245.91	-	-	245.91	245.91
Other payables	5.41	-	-	5.41	5.41
Debt securities	46,450.68	-	42,480.53	-	42,480.53
Borrowings (other than debt securities)	100,152.44	-	99,559.20	-	99,559.20
Deposits	44,443.66	-	-	44,111.89	44,111.89
Subordinated liabilities	4,449.30	-	4,409.89	-	4,409.89
Other financial liabilities	2,030.24	-	-	2,030.24	2,030.24
Total financial liabilities	197,777.64	-	146,449.62	46,393.45	192,843.07
Offbalance sheet items					
Other commitments	841.42	-	-	841.42	841.42
Total offbalance sheet items	841.42	-	-	841.42	841.42

52 FAIR VALUE MEASUREMENT (Contd.)

(Rs. in crores)

As at March 31, 2023	Carrying amount	Fair value			
		Level-1	Level-2	Level-3	Total
Financial assets:					
Cash and cash equivalents	9,932.84	5,008.79	4,937.42	-	9,946.21
Bank balance other than cash and cash equivalents	6,374.11	70.63	6,280.10	-	6,350.73
Trade receivables	17.00	-	-	17.00	17.00
Other receivables	429.69	-	-	429.69	429.69
Loans	178,685.14	-	-	177,980.42	177,980.42
Investments at amortised cost	6,562.26	5,077.41	175.40	1,187.68	6,440.49
Other investments	183.74	-	-	183.74	183.74
Other financial assets	77.47	-	-	68.63	68.63
Total financial assets	202,262.25	10,156.83	11,392.92	179,867.16	201,416.91
Financial liabilities:					
Trade payables	313.19	-	-	313.19	313.19
Other payables	1.45	-	-	1.45	1.45
Debt securities	44,924.03	-	40,485.75	-	40,485.75
Borrowings (other than debt securities)	78,544.75	-	77,242.75	-	77,242.75
Deposits	36,139.83	-	-	35,308.09	35,308.09
Subordinated liabilities	4,593.63	-	4,611.19	-	4,611.19
Other financial liabilities	1,675.90	-	-	1,675.90	1,675.90
Total financial liabilities	166,192.78	-	122,339.69	37,298.63	159,638.32
Offbalance sheet items					
Other commitments	839.63	-	-	839.63	839.63
Total offbalance sheet items	839.63	-	-	839.63	839.63

Note:

the management assessed that cash and cash equivalents, trade receivables, trade payables, other receivables, other payables and other financial liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

52.09: Valuation methodologies of financial instruments not measured at fair value

Below are the methodologies and assumptions used to determine fair values for the above financial instruments which are not recorded and measured at fair value in the Group's financial statements. These fair values were calculated for disclosure purposes only. The below methodologies and assumptions relate only to the instruments in the above tables.

Short-term financial assets and liabilities

For financial assets and financial liabilities that have a short-term maturity (less than twelve months), the carrying amounts, which are net of impairment, are a reasonable approximation of their fair value. Such instruments include: trade receivables, other receivables, balances other than cash and cash equivalents and trade payables without a specific maturity.

Loans and advances to customers

The fair values of loans and receivables are estimated by discounted cash flow models based on contractual cash flows using actual yields.

Pass through certificates

These instruments include asset backed securities. The market for these securities is not active. Therefore, the Group uses a variety of valuation techniques to measure their fair values. Expected cash flow levels are estimated by using quantitative and qualitative measures regarding the characteristics of the underlying assets including prepayment rates, default rates and other economic drivers such as loan-to-value ratios, emergence period estimation, indebtedness and rental income levels. Instruments with no comparable instruments or valuation inputs are classified as Level 3.

Investment in associate at cost

As per Ind AS 28 Interest in associate are recognised at cost and not adjusted to fair value at the end of each reporting period. Cost represents amount paid for acquisition of the said investments. The Group assesses at the end of each reporting

52 FAIR VALUE MEASUREMENT (Contd.)

period, if there are any indications that the said investments may be impaired. If so, the Group estimates the recoverable value/amount of the investment and provides for impairment, if any i.e. the deficit in the recoverable value over cost.

Investment in government securities at amortised cost

the fair values financial assets held-to-maturity investments are estimated using a discounted cash flow model based on contractual cash flows using actual or estimated yields and discounting by yields incorporating the counterparties credit risk.

Issued debt and borrowings

the fair value of issued debt is estimated by a discounted cash flow model incorporating interest rate from market-observable data such as secondary prices for its traded debt.

Deposits

the fair value of public deposits and deposit from corporates is estimated by discounting the future cash flows considering the interest rate applicable on the reporting date for deposits of similar tenure and scheme (cumulative / non-cumulative). Inter-corporate deposits are estimated at their carrying amounts due to the short-term maturities of these deposits.

Off-balance sheet positions

Estimated fair values of off-balance sheet positions are based on the carrying amounts due to the short-term maturities of these positions.

the carrying value of financial instruments by categories is as follows:

(Rs. in crores)

As at March 31, 2024	Amortised cost	Derivative instruments in hedging relationship	At Fair value through OCI	At Fair value through profit or loss	Others (at cost)	Total
Financial assets:						
Cash and cash equivalents	6,182.36	-	-	-	-	6,182.36
Bank balance other than cash and cash equivalents	4,990.44	-	-	-	-	4,990.44
Derivative financial instruments	-	326.48	-	-	-	326.48
Receivables						
(I) Trade receivables	51.63	-	-	-	-	51.63
(II) Other receivables	340.53	-	-	-	-	340.53
Loans	218,695.61	-	-	-	-	218,695.61
Investments	8,870.07	-	79.84	330.45	191.46	9,471.82
Other financial assets	370.56	-	-	-	-	370.56
Total financial assets	239,501.20	326.48	79.84	330.45	191.46	240,429.44
Financial liabilities:						
Payables						
(I) Trade payables	245.91	-	-	-	-	245.91
(II) Other payables	5.41	-	-	-	-	5.41
Debt securities	46,450.68	-	-	-	-	46,450.68
Borrowings (other than debt securities)	100,152.44	-	-	-	-	100,152.44
Deposits	44,443.66	-	-	-	-	44,443.66
Subordinated liabilities	4,449.30	-	-	-	-	4,449.30
Other financial liabilities	2,030.24	-	-	-	-	2,030.24
Total financial liabilities	197,777.64	-	-	-	-	197,777.64

52 FAIR VALUE MEASUREMENT (Contd.)

						(Rs. in crores)
As at March 31, 2023	Amortised cost	Derivative instruments in hedging relationship	At Fair value through OCI	At Fair value through profit or loss	Others (at cost)	Total
Financial assets:						
Cash and cash equivalents	9,932.84	-	-	-	-	9,932.84
Bank balance other than cash and cash equivalents	6,374.11	-	-	-	-	6,374.11
Derivative financial instruments	-	669.37	-	-	-	669.37
Receivables						
(I) Trade receivables	17.00	-	-	-	-	17.00
(II) Other receivables	429.69	-	-	-	-	429.69
Loans	178,685.14	-	-	-	-	178,685.14
Investments	6,562.26	-	63.35	620.72	183.74	7,430.07
Other financial assets	77.47	-	-	-	-	77.47
Total financial assets	202,078.51	669.37	63.35	620.72	183.74	203,615.69
Financial liabilities:						
Payables						
(I) Trade payables	313.19	-	-	-	-	313.19
(II) Other payables	1.45	-	-	-	-	1.45
Debt securities	44,924.03	-	-	-	-	44,924.03
Borrowings (other than debt securities)	78,544.75	-	-	-	-	78,544.75
Deposits	36,139.83	-	-	-	-	36,139.83
Subordinated liabilities	4,593.63	-	-	-	-	4,593.63
Other financial liabilities	1,675.90	-	-	-	-	1,675.90
Total financial liabilities	166,192.78	-	-	-	-	166,192.78

53 RISK MANAGEMENT

Whilst risk is inherent in the Group's activities, it is managed through an integrated risk management framework including ongoing identification, measurement and monitoring, subject to risk limits and other controls. The process of risk management is critical to the Group's continuing profitability and each individual within the Group is accountable for the risk exposures relating to his or her responsibilities. The Group is exposed to credit risk, liquidity risk and market risk. It is also subject to various operating and business risks.

53.01: Introduction and risk profile

53.01.01: Risk management structure

The Board of Directors are responsible for the overall risk management approach and for approving the risk management strategies and principles.

The Board has constituted the Risk Management Committee which is responsible for monitoring the overall risk process within the Group.

The Risk Management Committee has the overall responsibility for the development of the risk strategy and implementing principles, frameworks, policies and limits. The Risk Management Committee is responsible for managing risk decisions and monitoring risk levels.

The Chief Risk Officer is responsible for implementing and maintaining risk related procedures to ensure an independent control process is maintained. The Risk owners within each department will report to the Risk Committee.

The Risk owners are responsible for monitoring compliance with risk principles, policies and limits across the Group. Each department has its Risk owner who is responsible for the control of risks, including monitoring the actual risk of exposures against authorised limits and the assessment of risks.

The Group's Treasury is responsible for managing its assets and liabilities and the overall financial structure. It is also primarily responsible for the funding and liquidity risks of the Group.

53 RISK MANAGEMENT (Contd.)

the Group's policy is that risk management processes throughout the Group are audited annually by the Internal Audit function, which examines both the adequacy of the procedures and the Group's compliance with the procedures. Internal Audit discusses the results of all assessments with management, and reports its findings and recommendations to Risk Management Committee.

53.01.02: Risk mitigation and risk culture

As part of its overall risk management, the Group can use derivatives and other instruments to manage exposures resulting from changes in interest rates and foreign currencies associated with foreign currency transactions.

53.01.03: Risk measurement and reporting systems

the Group's risks are measured using a method that reflects both the expected loss likely to arise in normal circumstances and unexpected losses, which are an estimate of the ultimate actual loss. the models make use of probabilities derived from historical experience, adjusted to reflect the economic environment, as necessary.

the Group's policy is to measure and monitor the overall risk-bearing capacity in relation to the aggregate risk exposure across all risk types and activities.

Information compiled from all the departments is examined and processed in order to analyse, control and identify risks on a timely basis. this information is presented and explained to the Risk Management Committee and the head of each department.

the Risk Management Committee receives a comprehensive risk report once a quarter which is designed to provide all the necessary information to assess and conclude on the risks of the Group.

It is the Group's policy to ensure that a robust risk awareness is embedded in its organisational risk culture. Employees are expected to take ownership and be accountable for the risks the Group is exposed to that they decide to take on. the Group's continuous training and development emphasises that employees are made aware of the Group's risk appetite and they are supported in their roles and responsibilities to monitor and keep their exposure to risk within the Group's risk appetite limits. Compliance breaches and internal audit findings are important elements of employees annual ratings and remuneration reviews.

53.01.04: Excessive risk concentration

Concentrations arise when a number of counterparties are engaged in similar business activities, or activities in the same geographical region, or have similar economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions.

In order to avoid excessive concentrations of risk, the Group's policies and procedures include specific guidelines to focus on spreading its lending portfolio across all the states with a cap on maximum limit of exposure for a state and also for an individual/Group.

53.02: Credit risk

Credit risk is the risk that the Group will incur a loss because its customers or counterparties fail to discharge their contractual obligations. the Group manages and controls credit risk by setting limits on the amount of risk it is willing to accept for individual counterparties and for geographical concentrations, and by monitoring exposures in relation to such limits.

Credit risk is monitored by the credit department of the Group. It is their responsibility to review and manage credit risk, including environmental and social risk for all types of counterparties. Credit risk consists of line credit managers who are responsible for their business lines and manage specific portfolios and experts who support both the line credit manager, as well as the business with tools like credit risk systems, policies, models and reporting.

the Group has established a credit quality review process to provide early identification of possible changes in the creditworthiness of counterparties.

the credit quality review process aims to allow the Group to assess the potential loss as a result of the risks to which it is exposed and take corrective actions.

the Group's internal credit rating grades on days past due(dpd) basis:

Internal rating grade	Internal rating description
Performing	
High grade	0 dpd
Standard grade	1 to 30 dpd
Sub-standard grade	31 to 60 dpd
Past due but not impaired	61 to 89 dpd
Non-performing	90 and above dpd

53 RISK MANAGEMENT (Contd.)

53.02.01: Derivative financial instruments

Credit risk arising from derivative financial instruments is, at any time, limited to those with positive fair values, as recorded on the balance sheet.

With gross-settled derivatives, the Group is also exposed to a settlement risk, being the risk that the Group honours its obligation, but the counterparty fails to deliver the counter value.

53.02.02: Impairment assessment

The references below show where the Group's impairment assessment and measurement approach is set out in this report. It should be read in conjunction with the Summary of material accounting policies.

The Group's definition and assessment of default (Note 53.02.02.01).

- How the Group defines, calculates and monitors the probability of default, exposure at default and loss given default (Notes 53.02.02.01 to 53.02.02.04)
- When the Group considers there has been a significant increase in credit risk of an exposure (Note 53.02.02.05)
- The Group's policy of segmenting financial assets where ECL is assessed on a collective basis (Note 53.02.02.07)
- The details of the ECL calculations and categorisation of loans for stage 1, stage 2 and stage 3 assets (Note 7.1(ix))

53.02.02.01: Definition of default

The Group considers a financial instrument defaulted and therefore stage 3 (credit-impaired) for ECL calculations in all cases when the borrower becomes 90 days past due on its contractual payments.

As a part of a qualitative assessment of whether a customer is in default, the Group also considers a variety of instances that may indicate unlikelihood to pay. When such events occur, the Group carefully considers whether the event should result in treating the customer as defaulted and therefore assessed as stage 3 for ECL calculations or whether stage 2 is appropriate. Such events include:

- The borrower requesting emergency funding from the Group.
- A material decrease in the underlying collateral value where the recovery of the loan is expected from the sale of the collateral.
- A covenant breach not waived by the Group.
- The debtor (or any legal entity within the debtor's Group) filing for bankruptcy application/protection.
- All the facilities of a borrower are treated as stage 3 when one of his facility becomes 90 days past due i.e. credit impaired.
- The restructuring of a loan or advance by the Group on terms that the Group would not consider otherwise.

53.02.02.02: PD estimation process

It is an estimate of the likelihood of default over a given time horizon. PD estimation process is done based on historical internal data available with the Group. While arriving at the PD, the Group also ensures that the factors that affects the macro economic trends are considered to a reasonable extent, wherever necessary. Group calculates the 12 month PD by taking into account the past historical trends of the portfolio and its credit performance. In case of assets where there is a significant increase in credit risk, lifetime PD has been applied which is computed based on survival analysis. For credit impaired assets, a PD of 100% has been applied.

53.02.02.03: Exposure at Default (EAD)

The exposure at default (EAD) represents the gross carrying amount of the financial instruments subject to the impairment calculation, addressing both the ability to increase its exposure while approaching default and potential early repayments too.

To calculate the EAD for a Stage 1 loan, the Group assesses the possible default events within 12 months for the calculation of the 12 months ECL.

For stage 2 and stage 3 financial assets, the exposure at default is considered for events over the lifetime of the instruments.

In case of undrawn loan commitments, a credit conversion factor of 100% is applied for expected drawdown.

53 RISK MANAGEMENT (Contd.)

53.02.02.04: Loss Given Default (LGD)

LGD is an estimate of the loss arising in case where a default occurs. It is based on the difference between the contractual cash flows due and those that the Group would expect to receive, including from the realisation of any security.

53.02.02.05: Significant increase in credit risk(SICR)

The Group continuously monitors all assets subject to ECLs in order to determine whether an instrument or a portfolio of instruments is subject to 12 month ECL or lifetime ECL. The Group assesses whether there has been an event which could cause a significant increase in the credit risk of the underlying asset or the customer's ability to pay and accordingly change the 12 month ECL to a lifetime ECL.

In certain cases, the Group may also consider that events explained in Note 53.02.02.01 are a significant increase in credit risk as opposed to a default. Regardless of the above, if contractual payments are more than 30 days past due, the credit risk is deemed to have increased significantly since initial recognition.

When estimating ECLs on a collective basis for a Group of similar assets (as set out in Note 53.02.02.07), the Group applies the same principles for assessing whether there has been a significant increase in credit risk since initial recognition.

53.02.02.06: Forward looking information

As explained in Note 7.1.(ix), the Group has incorporated forward looking information and macro-economic factors while calculating PD and LGD rate.

53.02.02.07: Grouping financial assets measured on a collective basis

As explained in Note 7.1.(ix), the Group calculates ECLs only on a collective basis. The Group segments the exposure into smaller homogeneous portfolios, based on a combination of internal and external characteristics of the loans as described below.

1. Commercial Vehicles
2. Construction Equipments
3. Farm Equipments
4. MSME
5. Gold Loans
6. Personal Loans
7. Passenger Vehicles
8. Loan against property

53.02.03: Analysis of risk concentration

The maximum credit exposure to any individual client or counterparty as of March 31, 2024 was Rs. 63.10 crores (March 31, 2023: Rs. 61.78 crores).

Credit risk exposure analysis

(Rs. in crores)

Particulars	As at March 31, 2024			
	Stage 1 collective	Stage 2 collective	Stage 3 collective	Total
Credit risk exposure	205,159.78	15,157.37	12,192.54	232,509.69

53 RISK MANAGEMENT (Contd.)**53.03: Liquidity risk and funding management**

In assessing the Group's liquidity position, consideration shall be given to: (1) present and anticipated asset quality (2) present and future earnings capacity (3) historical funding requirements (4) current liquidity position (5) anticipated future funding needs, and (6) sources of funds. The Group maintains a portfolio of marketable assets that are assumed to be easily liquidated and undrawn cash credit limits which can be used in the event of an unforeseen interruption in cash flow. The Group also enters into securitisation deals (direct assignment as well as pass through certificates) of their loan portfolio, the funding from which can be accessed to meet liquidity needs. In accordance with the Group's policy, the liquidity position is assessed under a variety of scenarios, giving due consideration to stress factors relating to both the market in general and specifically to the Group. Net liquid assets consist of cash, short-term bank deposits and investments in mutual fund available for immediate sale, less issued securities and borrowings due to mature within the next month. Borrowings from banks and financial institutions, issue of debentures and bonds and acceptance of public deposits are considered as important sources of funds to finance lending to customers. They are monitored using the advances to borrowings ratio, which compares loans and advances to customers as a percentage of secured and unsecured borrowings.

The Board of Directors also approves constitution of Asset Liability Committee (ALCO), Asset Liability Management Committee (ALCO) reviews or monitors Asset Liability Management (ALM) mismatch. ALCO conducts periodic reviews relating to the liquidity position and stress test assuming various what if scenarios. The ALCO is responsible for ensuring adherence to the limits set by the Board as well as for deciding the business strategy of the Group in line with the Group's budget and decided risk management objectives. The ALCO is a decision-making unit responsible for balance sheet planning from risk-return perspective including strategic management of interest rate and liquidity risks. The ALCO also evaluates the Borrowing Plan of subsequent quarters on the basis of previous borrowings of the Group. The ALCO will be responsible for ensuring the adherence to the target set by the Board of Directors. The meetings of ALCO are held at quarterly intervals. The ALM Support Groups consisting of operating staff are responsible for analysing, monitoring and reporting the risk profiles to the ALCO. ALCO support group meets every fortnight. The minutes of ALCO meetings are placed before the RMC and the Board of Directors in its next meeting for its ratification.

53 RISK MANAGEMENT (Contd.)

53.03.01: Analysis of financial assets and liabilities by remaining maturities

The table below summarises the maturity profile of the Group's financial assets and liabilities as at March 31. All derivatives used for hedging and natural hedges are shown by maturity. Repayments which are subject to notice are treated as if notice were to be given immediately. However, the Group expects that many customers will not request repayment on the earliest date it could be required to pay and the table does not reflect the expected cash flows indicated by its deposit retention history.

Maturity pattern of assets and liabilities as on March 31, 2024:

(Rs. in crores)

Particulars	Less than 3 months	Over 3 months & upto 6 months	Over 6 months & upto 1 year	Over 1 year & upto 3 years	Over 3 years & upto 5 years	Over 5 years	Total
Financial assets							
Cash and cash equivalents	6,182.36	-	-	-	-	-	6,182.36
Bank balance other than above	2,171.34	996.60	1,700.91	26.66	99.78	-	4,995.29
Derivative Financial Instruments	0.09	-	(4.00)	307.79	-	22.60	326.48
Financial assets at fair value through profit and loss	300.38	-	-	-	-	30.07	330.45
Loans *	35,289.51	32,283.53	55,004.27	118,805.48	28,801.91	7,469.89	277,654.59
Financial investments at FVOCI	-	-	-	-	-	79.84	79.84
Financial investments at amortised cost	494.28	134.79	515.04	1,731.61	1,137.00	5,042.13	9,054.85
Trade receivables	51.63	-	-	-	-	-	51.63
Other receivables	59.93	50.30	59.45	131.12	24.76	14.97	340.53
Other financial assets	22.90	21.77	41.45	125.72	69.70	91.68	373.22
Total undiscounted financial assets	44,572.42	33,486.99	57,317.12	121,128.38	30,133.15	12,751.18	299,389.24
Financial liabilities							
Deposits *	2,763.26	3,691.30	7,065.55	25,392.78	14,336.53	-	53,249.42
Debt securities *	5,274.15	2,979.80	5,983.27	17,586.12	13,491.31	13,841.67	59,156.32
Borrowings (other than debt securities) *	15,360.85	10,443.19	19,176.02	54,185.65	12,832.07	2,306.44	114,304.22
Subordinated liabilities *	1,858.94	33.96	731.81	584.95	1,670.41	494.97	5,375.04
Trade payables	245.91	-	-	-	-	-	245.91
Other payables	5.41	-	-	-	-	-	5.41
Other financial liabilities	1,065.30	128.13	245.03	402.94	235.37	215.71	2,292.48
Total undiscounted financial liabilities	26,573.82	17,276.38	33,201.68	98,152.44	42,565.69	16,858.79	234,628.80
Net undiscounted financial assets/ (liabilities)	17,998.60	16,210.61	24,115.44	22,975.94	(12,432.54)	(4,107.61)	64,760.44
Cumulative net undiscounted financial assets/ (liabilities)	17,998.60	34,209.21	58,324.65	81,300.59	68,868.05	64,760.44	

* includes future interest

53 RISK MANAGEMENT (Contd.)

Maturity pattern of assets and liabilities as on March 31, 2023:

Particulars	Less than 3 months	Over 3 months & upto 6 months	Over 6 months & upto 1 year	Over 1 year & upto 3 years	Over 3 years & upto 5 years	Over 5 years	Total
(Rs. in crores)							
Financial assets							
Cash and cash equivalents	9,932.84	-	-	-	-	-	9,932.84
Bank balance other than above	3,824.87	841.87	1,927.54	116.39	95.60	-	6,806.28
Derivative Financial Instruments	-	490.73	8.47	104.49	65.68	-	669.37
Financial assets at fair value through profit and loss	587.35	-	-	2.15	2.15	29.08	620.72
Loans *	27,947.97	25,377.05	45,038.04	98,339.25	23,573.38	6,532.48	226,808.16
Financial investments at FVOCI	-	-	-	-	-	63.35	63.35
Financial investments at amortised cost	436.51	111.28	443.19	1,299.96	1,021.34	3,334.90	6,647.19
Trade receivables	17.00	-	-	-	-	-	17.00
Other receivables	61.47	49.68	84.35	172.09	50.02	17.35	434.96
Other financial assets	1.62	0.77	2.55	2.78	1.06	74.39	83.16
Total undiscounted financial assets	42,809.63	26,871.38	47,504.15	100,037.11	24,809.22	10,051.54	252,083.03
Financial liabilities							
Deposits *	2,252.10	2,671.47	5,513.94	21,117.21	9,750.56	-	41,305.28
Debt securities *	5,842.10	4,410.68	10,808.44	14,834.48	4,976.24	15,299.50	56,171.44
Borrowings (other than debt securities) *	11,886.32	11,330.16	14,716.52	39,622.65	9,886.16	1,729.50	89,171.32
Subordinated liabilities *	275.03	171.98	311.35	2,878.26	1,859.71	395.86	5,892.18
Trade payables	310.14	2.45	0.45	0.15	-	-	313.19
Other payables	1.45	-	-	-	-	-	1.45
Other financial liabilities	875.11	115.77	188.61	335.88	143.63	206.72	1,865.72
Total undiscounted financial liabilities	21,442.25	18,702.50	31,539.31	78,788.62	26,616.30	17,631.58	194,720.57
Net undiscounted financial assets/ (liabilities)	21,367.38	8,168.88	15,964.84	21,248.48	(1,807.07)	(7,580.04)	57,362.46
Cumulative net undiscounted financial assets/ (liabilities)	21,367.38	29,536.26	45,501.09	66,749.58	64,942.50	57,362.46	

* includes future interest

53 RISK MANAGEMENT (Contd.)

fit e table below shows the expiry by maturity of the contingent liabilities and commitments of the Group and its associate:: Each undrawn loan commitment is included in the time band containing the earliest date it can be drawn down.

(Rs. in crores)								
Particulars	Less than 3 months	Over 3 months & upto 6 months	Over 6 months & upto 1 year	Over 1 year & upto 3 years	Over 3 years & upto 5 years	Over 5 years	Total	
As at March 31, 2024								
In respect of Income tax demands where the Group has filed appeal before various authorities	-	-	-	-	-	102.58	102.58	
VAT demand where the Group has filed appeal before various appellates	-	-	-	-	-	0.02	0.02	
Service tax demands where the Group has filed appeal before various authorities	-	-	-	-	-	2,056.83	2,056.83	
GST demand where the Group has filed appeals	-	-	-	-	-	7.72	7.72	
Stamp duty demand raised by District Registrar office against which the Group has filed appeal.	-	-	-	-	-	6.69	6.69	
Bank Guarantees	-	-	-	-	-	185.14	185.14	
Estimated amount of contracts remaining to be executed on capital account, net of advances	47.73	-	-	-	-	-	47.73	
Commitments related to loans sanctioned but undrawn	841.42	-	-	-	-	-	841.42	
Total commitments	889.15	-	-	-	-	2,358.98	3,248.13	
As at March 31, 2023								
In respect of Income tax demands where the Group has filed appeal before various authorities	-	-	-	-	-	91.68	91.68	
VAT demand where the Group has filed appeal before various appellates	-	-	-	-	-	4.92	4.92	
Service tax demands where the Group has filed appeal before various authorities	-	-	-	-	-	2,056.83	2,056.83	
Bank Guarantees	19.99	0.60	23.37	15.96	-	-	59.92	
Penalty levied for Contravention of provisions of Section 6(3)(b) of FEMA, 1999 read with Regulation 4 of Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000	-	-	-	-	-	5.00	5.00	
Estimated amount of contracts remaining to be executed on capital account, net of advances	102.11	-	-	-	-	-	102.11	
Commitments related to loans sanctioned but undrawn	839.63	-	-	-	-	-	839.63	
Total commitments	961.73	0.60	23.37	15.96	-	2,158.43	3,160.09	

53 RISK MANAGEMENT (Contd.)

53.04: Market Risk

Market risk that the fair value or future cash flows of financial instruments will fluctuate due to changes in market variables such as interest rates, foreign exchange rates and equity prices. The Group classifies exposures to market risk into either trading or non-trading portfolios and manages each of those portfolios separately.

Interest rate risk

The Group's exposure to changes in interest rates relates to the Group's outstanding floating rate liabilities. Most of the Group's outstanding liability is on fixed rate basis and hence not subject to interest rate risk. Some of the borrowings of the Group are linked to rate benchmarks such as Bank Marginal Cost of Funds based Lending Rate (MCLR) or London Inter-bank Offered Rate (LIBOR), Euro Interbank Offered Rate (EURIBOR), Secured Overnight Financing Rate (SOFR) and Mumbai Inter-Bank Offer Rate (MIBOR) and hence subject to interest rate risk. The Group hedges interest rate risks of foreign currency borrowings through derivative transactions. The sensitivity of the Group's floating rate borrowings to change in interest rate (assuming all other variables constant) is given below:

As at March 31, 2024 (Rs. in crores)

Particulars	Carrying amount	Favourable change 1% increase	Unfavourable change 1% decrease
Debt instrument	1,246.11	88.83	(109.21)
Term loans	29,127.25	1,905.71	(2,355.41)
Total floating rate borrowings	30,373.36	1,994.54	(2,464.62)

As at March 31, 2023 (Rs. in crores)

Particulars	Carrying amount	Favourable change 1% increase	Unfavourable change 1% decrease
Debt instrument	7,644.34	984.28	(445.85)
Term loans	37,568.87	3,126.89	(4,390.33)
Total floating rate borrowings	45,213.21	4,111.17	(4,836.18)

Fair value sensitivity analysis for fixed rate instruments

The Group's fixed rate instruments are carried at amortised cost and are not measured for interest rate risk, as neither the carrying amount nor the future cash flows will fluctuate because of changes in market interest rates.

Inter-Bank Offered Rate (IBOR) reform

The U.S. Dollar LIBOR bank panel ended on June 30, 2023, and therefore the exposure with the Group was transitioned from LIBOR to SOFR. Currently there is no exposure to IBOR risk as at March 31, 2024.

Most of the Group's outstanding loans are on fixed rate basis and hence not subject to interest rate risk. The Group's exposure to changes in interest rates relates to the Group's outstanding floating rate loans hence subject to interest rate risk. The sensitivity of the Group's floating rate loans to change in interest rate (assuming all other variables constant) is given below:

As at March 31, 2024 (Rs. in crores)

Particulars	Carrying amount	Favourable change 1% increase	Unfavourable change 1% decrease
Loans	5,175.55	(51.76)	51.76
Total floating rate loans	5,175.55	(51.76)	51.76

As at March 31, 2023 (Rs. in crores)

Particulars	Carrying amount	Favourable change 1% increase	Unfavourable change 1% decrease
Loans	2,691.16	(26.91)	26.91
Total floating rate loans	2,691.16	(26.91)	26.91

53 RISK MANAGEMENT (Contd.)

Foreign currency risk

Foreign Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. The Group is exposed to foreign currency fluctuation risk for its foreign currency borrowing. The Group's borrowings in foreign currency are governed by RBI Master Direction External Commercial Borrowings, Trade Credits and Structured Obligations dated March 26, 2019 (as and when updated) which requires entities raising External Commercial Borrowings (ECB) for an average maturity of less than 5 years to hedge minimum 70% of the its ECB exposure. The Group hedges its entire ECB and external commercial bond exposure as per Board approved hedging policy and resource mobilisation policy. The Group manages foreign currency risk by entering in to cross currency swaps and forward contract. When a derivative is entered in to for the purpose of being a hedge, the Group negotiates the terms of those derivatives to match with the terms of the hedge exposure. The Group holds derivative financial instruments such as Cross currency interest rate swap to mitigate risk of changes in exchange rate in foreign currency and floating interest rate. The Counterparty for these contracts is generally a bank. These derivative financial instruments are valued based on quoted prices for similar assets and liabilities in active markets or inputs that are directly or indirectly observable in market place. Refer note 22A - Redeemable Non-Convertible Debenture (NCD) Secured, note 22B - External commercial bond (ED) Secured, note 22D - Redeemable Non-Convertible Debenture (NCD) Unsecured, note 23A - Term loans from banks Secured (INR) and note 23C - External commercial borrowing, respectively for terms and conditions of external commercial bonds and external commercial borrowings.

Exposure to currency risk

The summary quantitative data about exposure to Currency risk (based on Notional amounts) as reported :

(Amount in crores)

Particulars	As at March 31, 2024				As at March 31, 2023			
	Contracts in EURO		Contracts in USD		Contracts in EURO		Contracts in USD	
	EURO	INR	USD	INR	EURO	INR	USD	INR
Total foreign currency exposure in respect of recognised assets and liabilities	1.48	1,331.02	53.16	48,892.94	0.67	533.08	49.69	39,552.52
Cross currency Interest rate swap /Forward exchange contracts	1.48	1,331.02	53.16	48,892.94	0.67	533.08	49.69	39,552.52
Net Exposure	-	-	-	-	-	-	-	-

Movement in Cash flow hedge reserve

(Rs. in crores)

Cash flow hedge reserve	As at March 31, 2024			As at March 31, 2023		
	Realised	Unrealised	Total	Realised	Unrealised	Total
Balance at the beginning of the year	-	(224.42)	(224.42)	-	(213.40)	(213.40)
Add: Changes in the fair value during the year	-	(56.00)	(56.00)	-	(14.73)	(14.73)
Less: Income tax relating to items that will be reclassified to profit or loss	-	14.08	14.08	-	3.71	3.71
Balance at the end of the year	-	(266.34)	(266.34)	-	(224.42)	(224.42)

Nature and terms and conditions of outstanding derivative contracts

(Rs. in crores)

Particulars	As at March 31, 2024				As at March 31, 2023			
	Rate of interest	Maturity date	Notional amounts	Fair Value - Assets	Rate of interest	Maturity date	Notional amounts	Fair Value - Assets
(i) Currency derivatives:								
- Spots and forwards	-	June 17, 2024 to December 15, 2031	19,162.15	(413.73)	3 months LIBOR + 1.95%	June 10, 2022 to August 10, 2023	6.71	0.05
- Spots and forwards	-	-	-	-	SOFR + 2%	December 27, 2023 to December 27, 2027	3,141.79	(11.58)

53 RISK MANAGEMENT (Contd.)

(Rs. in crores)

Particulars	As at March 31, 2024				As at March 31, 2023			
	Rate of interest	Maturity date	Notional amounts	Fair Value - Assets	Rate of interest	Maturity date	Notional amounts	Fair Value - Assets
- Spots and forwards	-	-	-	-	4.08% to 6.91%	June 15, 2023 to December 15, 2031	13,715.75	(182.04)
- Currency swaps	2.53% to 4.72%	July 18, 2025 to April 22, 2027	6,514.26	162.27	SOFR + 2%	January 20, 2026	1,425.88	14.24
- Currency swaps	-	-	-	-	4.78% to 5.25 %	March 13, 2024 to July 18, 2025	1,290.05	107.41
- Cross currency interest rate swaps	6M EURIBOR + 1.15%	April 25, 2026	380.77	35.14	3 months LIBOR + 1.95%	August 10, 2023	2,402.33	474.96
- Cross currency interest rate swaps	USD O/N SOFR + 2.93%	December 11, 2026	80.18	72.84	6 months EURIBOR + 1.15%	April 26, 2022 to April 25, 2026	533.08	74.01
- Cross currency interest rate swaps	USD O/N SOFR + 2.10%	December 03, 2024	187.35	166.29	6 months LIBOR + 2.50%	June 13, 2022 to December 11, 2026	106.91	15.87
Cross currency interest rate swaps	USD O/N SOFR + 2.00 %	September 28, 2026	332.72	(4.38)	SOFR + 2.10%	December 03, 2024	187.35	23.49
(ii) Interest rate derivatives:								
Interest rate swaps	4.08% to 6.91%	July 18, 2025 to December 15, 2031	11,512.97	176.55	4.08% to 5.10%	July 17, 2023 to December 15, 2031	12,927.25	103.18
Interest rate swaps	USD 3M CME SOFR + 2.00 %	January 20, 2026 to February 16, 2027	6,280.60	49.30	SOFR + 2.00%	January 20, 2026 to December 27, 2027	4,303.17	13.47
Interest rate swaps	USD 3M CME SOFR + 1.75%	March 23, 2027	2,076.00	(5.37)	-	-	-	-
Interest rate swaps	USD 6M CME SOFR + 2.00 %	December 27, 2027	736.54	6.74	-	-	-	-

53 RISK MANAGEMENT (Contd.)

(Rs. in crores)

Particulars	As at March 31, 2024				As at March 31, 2023			
	Rate of interest	Maturity date	Notional amounts	Fair Value - Assets	Rate of interest	Maturity date	Notional amounts	Fair Value - Assets
Interest rate swaps	USD O/N SOFR + 2.10 %	May 24, 2027	833.00	(4.03)	-	-	-	-
Interest rate swaps	USD O/N SOFR + 2.25 %	September 29, 2027	1,233.00	70.78	-	-	-	-
Interest rate swaps	3M EURIBOR + 2.10 %	September 15, 2026	445.00	(4.99)	-	-	-	-
Interest rate swaps	INR 3M Tbill	June 30, 2026	200.00	(0.08)	-	-	-	-
Interest rate swaps	INR 3M Tbill + 2.10 %	June 12, 2025	200.00	0.09	-	-	-	-
Interest rate swaps	INR 12M Tbill + 1.86 %	April 29, 2026	1,150.00	(0.44)	-	-	-	-
Interest rate swaps	INR 3M OIS + 1.50 %	June 30, 2026	200.00	(1.77)	-	-	-	-
Interest rate caps	6M EURIBOR + 1.15%	April 25, 2026	-	22.93	6 months EURIBOR + 1.15%	April 26, 2022 to April 25, 2026	-	35.75
Interest rate caps	INR O/N OIS + 1.95 %	October 3, 2025	300.00	0.03	-	-	-	-
Interest rate caps	INR O/N OIS + 2.80 %	April 21, 2025	400.00	2.31	-	-	-	-
-Spots and forwards	12M SOFR 3.54% + 0.91%	Aug 27, 2024	31.98	(0.06)	12M SOFR 3.54% + 0.91%	August 31, 2022 to August 30, 2023	45.33	0.56
Spots and Forwards	3month term SOFR +200bps	July 6, 2026	438.70	(5.21)	-	-	-	-
Interest rate swaps	6.69%	July 6, 2026	416.95	1.27	-	-	-	-
TOTAL			53,112.17	326.48			40,085.60	669.37

53 RISK MANAGEMENT (Contd.)

Price-risk

The Group's hedging policy only allows for effective hedge relationships to be established. Hedge effectiveness is determined at the inception of the hedge relationship, and through periodic prospective effectiveness assessments to ensure that an economic relationship exists between the hedged item and hedging instrument. The Group enters into hedge relationships where the critical terms of the hedging instrument match exactly with the terms of the hedged item, and so a qualitative assessment of effectiveness is performed. If changes in circumstances affect the terms of the hedged item such that the critical terms no longer match exactly with the critical terms of the hedging instrument, the Group uses the hypothetical derivative method to assess effectiveness.

Ineffectiveness is recognised on a cash flow hedge where the cumulative change in the designated component value of the hedging instrument exceeds on an absolute basis the change in value of the hedged item attributable to the hedged risk. In such cases, ineffectiveness may arise if:

- The critical terms of the hedging instrument and the hedged item differ (i.e. nominal amounts, timing of the forecast transaction, interest resets changes from what was originally estimated), or
- Differences arise between the credit risk inherent within the hedged item and the hedging instrument.

There were no ineffectiveness recognised in the statement of profit and loss.

There were no other sources of ineffectiveness in these hedge relationships.

54 DISCLOSURE UNDER THE MSME ACT 2006, (AS PER THE INTIMATION RECEIVED FROM THE VENDOR)

Based on the intimation received by the Group, some of the suppliers have confirmed to be registered under "The Micro, Small and Medium Enterprises Development ('MSMED') Act, 2006". Accordingly, the disclosures relating to amounts unpaid as at the year ended together with interest paid / payable are furnished below:

Particulars	(Rs. in crores)	
	As at March 31, 2024	As at March 31, 2023
The principal amount remaining unpaid to supplier as at the end of the year	2.27	0.36
The interest due thereon remaining unpaid to supplier as at the end of the year	-	-
The amount of interest paid in terms of Section 16, along with the amount of payment made to the supplier beyond the appointed day during the year	-	-
The amount of interest due and payable for the year of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this Act	-	-
The amount of interest accrued during the year and remaining unpaid at the end of the year	-	-
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	-	-

55 DISCLOSURE REGARDING AUDITORS REMUNERATION DISCLOSED UNDER LEGAL AND PROFESSIONAL FEES

In addition to the auditors remuneration shown in note-42 Other expenses, the Group has also incurred auditors remuneration in connection with audit and related statutory services to be performed by auditors in connection with issue of senior secured notes of Rs. 0.33 crores (March 31, 2023: Rs. 0.60 crores) shown under Legal and professional fees in note 42-Other expenses.

56 SEGMENT REPORTING

the Group operates in a single reporting segment i.e. financing. Its associate is primarily engaged in the business of facilitation service. Since, it does not meet the quantitative thresholds laid down under the Ind AS 108 – Operating Segments for reportable segments, it has not been considered for segment reporting.

i) Information about geographical areas

the Group operates within India. therefore it neither generates any revenue from outside India nor have any non-current asset located outside India for the financial years ended March 31, 2024 and March 31, 2023.

ii) Information about major customers

No single external customer contributes 10% or more to the revenues of the Group for the financial year ended March 31, 2024 and March 31, 2023.

57 TRANSFER OF FINANCIAL ASSETS

57.01: Transferred financial assets that are not derecognised in their entirety

the following table provides a summary of financial assets that have been transferred in such a way that part or all of the transferred financial assets do not qualify for derecognition, together with the associated liabilities.

Particulars	(Rs. in crores)	
	As at March 31, 2024	As at March 31, 2023
Securitisation		
Carrying amount of transferred assets measured at amortised cost (held as collateral)	28,816.87	22,596.75
Carrying amount of associated liabilities (Borrowings (other than debt securities)- measured at amortised cost)	30,034.86	22,476.91
Fair value of assets	28,512.98	22,459.82
Fair value of associated liabilities	29,729.11	22,262.08
Net position at fair value	(1,216.13)	197.74

57.02: Transferred financial assets that are derecognised in their entirety

the Group has assigned loans (earlier measured at amortised cost) by way of direct assignment. As per the terms of these deals, since substantial risk and rewards related to these assets were transferred to the extent of 90% of the assets transferred to the buyer, the assets have been de-recognised from the Group's balance sheet. the table below summarises the carrying amount of the derecognised financial assets:

Particulars	(Rs. in crores)	
	As at March 31, 2024	As at March 31, 2023
Direct assignment		
Carrying amount of transferred assets measured at amortised cost	5,870.16	3,959.79
Carrying amount of exposures retained by the Group at amortised cost	633.68	437.74

57.03: Transferred financial assets that are derecognised in their entirety but where the Group has continuing involvement

the Group has not transferred any assets that are derecognised in their entirety where the Group continues to have continuing involvement.

58 EXPENDITURE IN FOREIGN CURRENCY (ACCRUAL BASIS)

Particulars	(Rs. in crores)	
	Year ended March 31, 2024	Year ended March 31, 2023
Professional charges-resource mobilisation	150.24	106.28
Professional charges on securitisation	30.53	2.93
Total	180.77	109.21

59 DETAILS OF CSR EXPENSES

Particulars	(Rs. in crores)	
	Year ended March 31, 2024	Year ended March 31, 2023
a) Gross amount required to be spent by the Group during the year	92.83	95.40
b) Amount spent during the year		
- On purposes other than construction/acquisition of any asset	-	-
Paid in cash	93.33	95.48
Yet to be paid in cash	-	-
Total	93.33	95.48

There is no shortfall in the CSR amount required to be spent by the Group as per section 135(5) of the Act for the financial years ended March 31, 2024 and March 31, 2023.

CSR activities include Education, Preservation of Arts, Culture and Heritage, Preventive Healthcare, Scholarship Scheme, Training and Skill Development, Road Safety Awareness Program, Contribution towards - Primary, Secondary and Higher Education, Mathematical and Scientific Research, School Repairs and renovation and other activities which are specified under Schedule VII of Companies Act, 2013.

The Group has neither made any CSR contributions towards its related parties nor recorded any provision for CSR expenditure during the financial years ended March 31, 2024 and March 31, 2023.

60 MOVEMENT IN PROVISIONS

(Rs. in crores)				
Provision for taxes - contested	Opening balance	Additional provision	Utilisation /reversal during the year	Closing balance
As at March 31, 2024	98.59	-	9.40	89.19
As at March 31, 2023	90.93	7.66	-	98.59

The above provisions relate to disputed tax demands in relation to VAT and Service Tax. Due to the very nature of such provisions and the litigations involved, it is not possible to estimate the timing/ uncertainties relating to their outflows.

61 EVENTS AFTER REPORTING DATE

There have been no events after the reporting date.

62 FLOATING CHARGE ON INVESTMENT IN GOVERNMENT SECURITIES

In accordance with the Master Direction - Non-Banking Financial Companies Acceptance of Public Deposits (Reserve Bank) Directions, 2016 dated August 25, 2016, the Group has created a floating charge on the statutory liquid assets comprising of investment in government securities (face value) to the extent of Rs. 6,550.44 crores (March 31, 2023: Rs. 5,346.44 crores) in favour of trustees representing the public deposit holders of the Group.

63 DISCLOSURE ON RESOLUTION FRAMEWORK

The Group invoked resolution plans to relieve COVID-19 pandemic related stress to eligible borrowers. The resolution plans are based on the parameters laid down in the resolution policy approved by the Board of Directors of the Company and in accordance with the guidelines issued by the RBI on August 06, 2020 and May 05, 2021. The staging of accounts and provisioning for the eligible accounts where the resolution plans are invoked and implemented is in accordance with the Board Approved Policy in this regard.

63 DISCLOSURE ON RESOLUTION FRAMEWORK (Contd.)

Disclosure on Resolution Framework 2.0 implemented in terms of RBI notification no. RBI/2020-21/16 DoR. NO.BP.BC/3/21.04.048/2020-21 dated August 06, 2020 and RBI/2021-22/31/DoR.STR.REC.11 /21.04.048/2021-22 dated May 05, 2021

(Rs. in crores)

Type of borrower	(A)	(B)	(C)	(D)	(E)
	Exposure to accounts classified as Standard consequent to implementation of Resolution Plan – Position as at the half year September 30, 2023 (A)	Of (A), aggregate debt that slipped into NPA during the half-year	Of (A) amount written off during the half-year	Of (A) amount paid by the borrowers during the half-year	Exposure to accounts classified as Standard consequent to implementation of Resolution Plan – Position as at the half year March 31, 2024
Personal Loans #	472.11	16.34	1.07	117.41	337.29
Corporate persons*	13.84	2.51	-	0.27	11.05
Of which, MSMEs	-	-	-	-	-
Others	-	-	-	-	-
Total	485.95	18.85	1.07	117.68	348.34

*As defined in Section 3(7) of the Insolvency and Bankruptcy Code, 2016

pertains to automobile loans

64 EMPLOYEE STOCK OPTION PLAN

A. Shriram Finance Limited (“the Company”):

the Company provides share-based payment schemes to its Employees.

Employee Stock Option Plan (2013)

64.01: About the plan

Pursuant to clause 3.35.11 of the approved Composite Scheme of Arrangement and Amalgamation (“Scheme”), all the employees in service of Shriram City Union Finance Limited (“Transferor Company”) have become employee of the Company with effect from appointed date of the scheme i.e April 01, 2022. the Transferor Company prior to the Scheme had framed and implemented the Shriram City Union Finance Limited Employee Stock Options Scheme 2013 (“SCUF ESOS 2013”) under which Employee Stock Options were granted to certain of its eligible employees. Shriram Finance Limited Employee Stock Options Scheme 2023 (“SFL ESOS 2023”) has been created in lieu of the SCUF ESOS 2013 to issue stock options to the eligible employee of the Transferor Company taking into account the share exchange ratio as provided in terms of clause 3.36.1 of the Scheme. the objective of SFL ESOS 2023 plan is that the eligible employees of the Transferor Company continue to enjoy the benefit of stock options upon becoming the employees of the Company and to restore the value of options post amalgamation in the manner provided in terms of Clause 3.35.17 of the Scheme. the SFL ESOS 2023 plan has been adopted on March 15, 2023 by the Board and Nomination and Remuneration Committee of the Company.

Details of the Options issued under SFL ESOS 2023 plan is as follows:

Particulars	Number of options
Options Outstanding under SFL ESOS 2023 as on April 01, 2023	2,126,875
Options allotted during the year	1,365,534
Options lapsed during the year	6,680
Options Outstanding under SFL ESOS 2023 as on March 31, 2024	754,661

64 EMPLOYEE STOCK OPTION PLAN (Contd.)

the options shall vest in the hands of the Option holder after a minimum period of 12 months from the date of grant of option or such longer period as may be determined by the Committee subject to the condition that the Option grantee continues to be an employee of the Company and the performance or other conditions as may be determined by the Committee. the maximum period of vesting shall be 5 years from the date of grant.

the period during which the options granted by the Transferor Company under SCUF ESOS 2013 plan were held by the eligible employee shall be adjusted against the minimum vesting period. that is, the date of vesting under the SCUF ESOS 2013 plan shall be considered as the vesting date under SFL ESOS 2023 plan.

the exercise price shall be Rs.193.55 per Fresh Options under the SFL ESOS 2023.

the options vested shall be exercised within period of ten years from the vesting date. When exercisable, each option is convertible into one equity share. Any option granted shall be exercisable according to the terms and conditions as determined by the Scheme.

64.02: Fair value of the options granted

the Company has recorded employee stock-based compensation expense relating to the SFL ESOS 2023 options on the basis of fair value of SCUF ESOS 2013 options.

the fair value of the options granted is mentioned below as per vesting period. the fair value of the options is determined using Black-Scholes model which takes into account the exercise price, the term of the option (time to maturity), the share price as at the grant date and expected price volatility (standard deviation) of the underlying share, the expected dividend yield and risk-free interest rate for the term of the option.

Fair value and assumptions for the equity-settled grants under the SCUF ESOS 2013 plan is as under:

Particulars	Grant I	Grant II	Grant III	Grant IV	Grant V	Grant VI	Grant VII	Grant VIII
Grant Date	August 11, 2020	November 02, 2020	January 29, 2021	July 29, 2021	October 27, 2021	January 28, 2022	April 29, 2022	July 27, 2022
No. of Options Granted	300,221	300,030	315,396	302,601	303,270	301,582	599,800	28,913.00
Vesting Date	August 11, 2020	November 02, 2021	January 29, 2022	July 29, 2022	October 27, 2022	January 28, 2023	April 29, 2023	July 27, 2023
Exercise Price (in Rs.)	300.00	300.00	300.00	300.00	300.00	300.00	300.00	300.00
Fair value of option (in Rs.)	399.20	560.18	756.39	1,539.79	1,985.23	1,517.66	1,440.68	1,686.59
Input Variables:								
Share price as on grant date (in Rs.)	661.80	822.75	1,018.70	1,814.10	2,257.45	1,787.90	1,708.60	1,949.95
Standard deviation (Volatility)	38.28%	44.52%	47.21%	27.52%	49.85%	53.76%	51.12%	49.47%
Risk-free rate	5.85%	5.88%	6.20%	4.48%	4.82%	5.03%	5.51%	6.46%
Time to maturity (in years)	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
Expected Dividend per annum (in Rs.)	20.00	25.00	30.00	-	-	-	-	-
Dividend yield	3.00%	3.00%	3.00%	-	-	-	-	-

Since the SFL ESOS scheme 2023 is already recorded by applying fair value method, the disclosure required under para 48 of guidance note on "Accounting for Employees Share Based Payments" issued by ICAI for reconciling the impact on net profit and earnings per share is not required.

64 EMPLOYEE STOCK OPTION PLAN (Contd.)

64.03: Rationale for the variables use

The variables used for calculating the fair values and their rationale are as follows:

a. Stock Price

The latest available closing market price on the National Stock Exchange (NSE) date on which options are granted under SCUF ESOS 2023 plan has been considered for the purpose of valuation.

b. Volatility

Volatility is a measure of the amount by which a price has fluctuated or is expected to fluctuate during a period. The measure of volatility used in the Black-Scholes option pricing model is the annualised standard deviation of the continuously compounded rates of return on the stock over a period of time.

The period to be considered for volatility must be adequate to represent a consistent trend in the price movements. Accordingly, the annualised volatility has been computed based on the share price data of past one year, from the date of the valuation.

The fair value is very sensitive to this variable. Higher the volatility, higher is the fair value. The rationale being, the more volatile a stock is, the more is its potential to go up (or come down), and the more is the probability to gain from the movement in the price. Accordingly, an option to buy a highly volatile stock is more valuable than the one to buy a less volatile stock, since the probability of gaining is lesser in the latter case.

c. Risk free interest rate

The risk-free interest rate being considered for the calculation is the interest rate applicable on Government securities - having 10 year maturity period.

d. Exercise price

Exercise price of the options granted is as per SCUF ESOS 2023 plan.

e. Time to maturity/ Expected life of options

Time to maturity/ expected life of options is the period from the grant date to the date on which option is expected to be exercised. The minimum life of stock option is the minimum period before which the options cannot be exercised and maximum life is the period after which the options cannot be exercised.

Considering the deep discount on the market price i.e. 55% to 70%, it is expected that the options will be exercised in 1 year from the vesting date. As such the average expected life of options is considered at 2 years.

64.04: Effect of the employee share-based payment plans on the Statement of profit and loss and on its financial position

The Company has recorded employee stock-based compensation cost of Rs. 9.17 crores in the Statement of profit and loss for the year ended March 31, 2024 (March 31, 2023: Rs. 164.56 crores)

The share option outstanding in the Balance Sheet as at March 31, 2024 is Rs.70.40 crores (March 31, 2023: Rs. 194.84 crores).

64 EMPLOYEE STOCK OPTION PLAN (Contd.)

B. Shriram Housing Finance Limited ("SHFL"):

the company provides share-based payment schemes to its employees. For the year ended March 31, 2024 following employee stock option plans (ESOPs) were in existence. the relevant details of the schemes and the grants are as below:

Details of Employee Stock Option Schemes	ESOP Scheme 2013 (Tranche I - 13)	ESOP Scheme 2013 (Tranche II - 13)	ESOP Scheme 2013 (Tranche III - 13)	ESOP Scheme 2016 (Tranche I - 16)	ESOP Scheme 2016 (Tranche II - 16)	ESOP Scheme 2016 (Tranche III - 16)	ESOP Scheme 2016 (Tranche IV - 16)	ESOP Scheme 2016 (Tranche V - 16)
Date of shareholder's approval of plan	March 28, 2013	March 28, 2013	March 28, 2013	December 13, 2016	December 13, 2016	December 13, 2016	December 13, 2016	December 13, 2016
Date of grant	August 28, 2013 & April 20, 2015	December 19, 2018	February 23, 2021	February 01, 2020	01 November, 2021	01 May, 2022	01 July, 2023	01 August, 2023
Number of options granted	350,000	2,500,000	500,000	1,240,000	1,570,000	200,000	1,925,000	40,000
Method of settlement	Equity	Equity	Equity	Equity	Equity	Equity	Equity	Equity
Vesting period	3 - 5 years	3 - 10 years	1 - 8 years	1 - 3 years	1 - 3 years	1 - 3 years	2 - 5 years	2 - 5 years
Exercise price	10.00	10.00	10.00	35.00	35.00	35.00	35.00	35.00
Exercise period	Not later than 5 years from the date of vesting of options	Not later than 5 years from the date of vesting of options	Not later than 5 years from the date of vesting of options	Not later than 3 years from the date of vesting of options	Not later than 5 years from the date of vesting of options	Not later than 5 years from the date of vesting of options	Not later than 5 years from the date of vesting of options	Not later than 5 years from the date of vesting of options
Vesting conditions	Employee remaining in the employment of the enterprise during the vesting period							

Details of vesting

Vesting period from the grant date	ESOP Scheme 2013 (Tranche I - 13)	ESOP Scheme 2013 (Tranche II - 13)	ESOP Scheme 2016 (Tranche I, II & III - 16)	ESOP Scheme 2013 (Tranche III - 13)	ESOP Scheme 2016 (Tranche IV & V - 16)
Completion of 1 year	-	-	33.33%	12.50%	-
Completion of 2 year	-	-	33.33%	12.50%	25.00%
Completion of 3 year	-	12.50%	33.33%	12.50%	25.00%
Completion of 4 year	50.00%	12.50%	-	12.50%	25.00%
Completion of 5 year	50.00%	12.50%	-	12.50%	25.00%
Completion of 6 year	-	12.50%	-	12.50%	-
Completion of 7 year	-	12.50%	-	12.50%	-
Completion of 8 year	-	12.50%	-	12.50%	-
Completion of 9 year	-	12.50%	-	-	-
Completion of 10 year	-	12.50%	-	-	-

64 EMPLOYEE STOCK OPTION SCHEME (ESOS) (Contd.)

Details of activity under each plan

Particulars	ESOP Scheme 2013 (Tranche I - 13)		ESOP Scheme 2013 (Tranche II - 13)		ESOP Scheme 2016 (Tranche I, II & III - 16)		ESOP Scheme 2013 (Tranche III - 13)		ESOP Scheme 2016 (Tranche IV & V - 16)	
	No. of Options	Weighted Avg. Exercise Price	No. of Options	Weighted Avg. Exercise Price	No. of Options	Weighted Avg. Exercise Price	No. of Options	Weighted Avg. Exercise Price	No. of Options	Weighted Avg. Exercise Price
Outstanding as at March 31, 2023	35,000	10	1,875,000	10	2,895,000	35	375,000	10	-	-
Vested as at March 31, 2023	35,000	-	1,875,000	-	2,695,000	-	375,000	-	-	-
Outstanding as at 1 April 2023	35,000	10	1,875,000	10	2,895,000	35	375,000	10	-	-
Granted during the year	-	-	-	-	-	35	-	-	1,965,000	35
Forfeited during the year	-	10	-	-	(84,999)	35	-	-	(50,000)	-
Exercised during the year	(35,000)	10	(1,875,000)	10	(1,751,669)	-	(375,000)	10	-	-
Outstanding as at March 31, 2024	-	-	-	-	1,058,332	35	-	-	1,915,000	35
Vested as at March 31, 2024	-	-	-	-	924,999	-	-	-	-	-

the value of the underlying shares has been determined by an independent valuer. the following assumptions were used for calculation of fair value of grants in accordance with Black Scholes model, for options granted during the financial year:

Particulars	ESOP Scheme 2013 (Tranche I - 13)	ESOP Scheme 2013 (Tranche II - 13)	ESOP Scheme 2016 (Tranche I - 16)	ESOP Scheme 2013 (Tranche III - 13)	ESOP Scheme 2016 (Tranche II - 16)	ESOP Scheme 2016 (Tranche III - 16)	ESOP Scheme 2016 (Tranche IV - 16)	ESOP Scheme 2016 (Tranche V - 16)
Risk-free interest rate	7.26% - 7.42%	7.08% - 7.68%	5.75% - 6.03%	5.45% - 6.46%	4.96% - 5.70%	4.96% - 5.70%	6.95% - 7.13%	6.95% - 7.13%
Expected life of options (years) [(year to vesting) + (contractual option term)/2]	6.50 - 7.50 Years	5.50 - 6.78 Years	2.50 - 4.50 Years	3.32 - 4.60 Years	2.50 - 2.91 Years	2.50 - 4.50 Years	4.50 - 7.50 Years	4.50 - 7.50 Years
Expected volatility (%)	40.56% - 43.90%	36.58% - 42.21%	40.76% - 42.76%	36.00% - 40.16%	31.01% - 36.98%	31.01% - 36.98%	45.89% - 52.92%	45.89% - 52.92%
Dividend yield	0%	0%	0%	0%	0%	0%	0%	0%
Weighted average remaining contractual life (in years)	-	-	-	-	-	0.39	2.75	2.83

64 EMPLOYEE STOCK OPTION SCHEME (ESOS) (Contd.)

the risk free interest rates are determined based on the Government bond yields with maturity equal to the expected term of the option. Volatility calculation is based on historical stock prices of comparable listed companies using standard deviation of daily change in stock price. the historical period is taken into account to match the expected life of the option. Dividend yield has been considered taking into account the historical and expected rate of dividend on equity share price as on grant date.

the expense recognised for employee services received during year ended March 31, 2024 is shown in the following table:

Particulars	(Rs. in crores)	
	Year ended March 31, 2024	Year ended March 31, 2023
Expense arising from equity-settled share based payment transactions	1.30	3.47
Expense arising from cash-settled share based payment transactions	-	-
Total expense arising from share based payment transactions	1.30	3.47

65 CAPITAL MANAGEMENT

the Group maintains an actively managed capital base to cover risks inherent in the business which includes issued equity capital, share premium and all other equity reserves attributable to equity holders of the Group.

the primary objectives of the Group's capital management policy are to ensure that the Group complies with externally imposed capital requirements and maintains strong credit ratings and healthy capital ratios in order to support its business and to maximise shareholder value.

the Group manages its capital structure and makes adjustments to it according to changes in economic conditions and the risk characteristics of its activities. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividend payment to shareholders, return capital to shareholders or issue capital securities. No changes have been made to the objectives, policies and processes from the previous years except those incorporated on account of regulatory amendments. However, they are under constant review by the Board.

66 RELATIONSHIP WITH STRUCK OFF COMPANIES
66.01: Shriram Finance Limited

Transactions with companies whose names have been struck off under section 248 of Companies Act, 2013 or section 560 of Companies Act, 1956 in the financial years ended March 31, 2024 and March 31, 2023 are given below:

Name of the struck off company	Relationship with the Struck off company	(Rs. in crores)		Nature of transaction
		Balance outstanding as at March 31, 2024*	March 31, 2023*	
Receivables (Loans outstanding)				
Swift Equipments Private Limited	Not Related Party	0.82	0.89	Receivables
Benze Vaccations Club Public Limited	Not Related Party	0.01	0.01	Receivables
Gocha Infrastructure Private Limited	Not Related Party	0.01	0.01	Receivables
Karainthi Private Limited	Not Related Party	0.47	0.47	Receivables
Saanwi Housing Private Limited	Not Related Party	0.05	0.06	Receivables
Seven Stones TM Private Limited	Not Related Party	-	0.08	Receivables
Vekkaiamman Telecom Services Private Limited	Not Related Party	-	0.06	Receivables
Janasaathi Media And Technologies Private Limited	Not Related Party	-	0.01	Receivables
MCDN Management Services Private Limited	Not Related Party	-	0.01	Receivables

66 RELATIONSHIP WITH STRUCK OFF COMPANIES (Contd.)

Name of the struck off company	Relationship with the Struck off company	(Rs. in crores)		Nature of transaction
		Balance outstanding as at March 31, 2024*	March 31, 2023*	
Maltiton Equipments Private Limited	Not Related Party	-	0.01	Receivables
Steigen Crop Tech Private Limited	Not Related Party	-	0.44	Receivables
S. A. Industries Private Limited	Not Related Party	0.22	0.23	Receivables
ft ree G Online Services Private Limited	Not Related Party	-	0.03	Receivables
Shares held by struck off company**				
Nasik Capital and Financial Services Private Limited	Not Related Party	0.00	0.00	Equity Shares Held
Rasi Leasing Company Private Limited	Not Related Party	0.00	0.00	Equity Shares Held
Unickon Fincap Private Limited	Not Related Party	0.00	0.00	Equity Shares Held
Arunoday Holdings Private Limited #	Not Related Party	-	0.00	Equity Shares Held
Tangmarg Investment and Trading Private Limited #	Not Related Party	-	0.00	Equity Shares Held
G. V. Trading and Leasing Private Limited	Not Related Party	0.00	0.00	Equity Shares Held

*0.00 denotes amounts less than Rs. 1.00 lac.

**In the financial years ended March 31, 2024 and March 31, 2023, the Company did not have any transaction with above equity shareholders, being the companies whose names have been struck off under section 248 of Companies Act, 2013 or section 560 of Companies Act, 1956. Our Company has not allotted any Equity share to the said companies. ft e shareholding data is as per the record of beneficiary position downloaded by the Registrar and Transfer Agent of the Company from the database maintained by the depositories and reported to us for the purpose of this disclosure.

ft ese companies are no longer 'Struck off' as on March 31, 2024.

66.02: Shriram Housing Finance Limited (SHFL)

SHFL has not undertaken any transaction with any company whose name is struck off under section 248 of Companies Act, 2013 or section 560 of Companies Act, 1956 in the financial years ended March 31, 2024 and March 31, 2023.

67 REGISTRATION OF CHARGES OR SATISFACTION WITH REGISTRAR OF COMPANIES (ROC)

All charges or satisfaction are registered with ROC within the statutory period for the financial years ended March 31, 2024 and March 31, 2023. No charges or satisfactions are yet to be registered with ROC beyond the statutory period.

68 COMPLIANCE WITH NUMBER OF LAYERS OF COMPANIES

ft e 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 for the financial years ended March 31, 2024 and March 31, 2023.

69 COMPLIANCE WITH APPROVED SCHEME(S) OF ARRANGEMENTS

ft e Board of Directors of the Company in its meeting held on December 13, 2021 had approved a Composite Scheme of Arrangement and Amalgamation ("Scheme"), inter alia, involving amalgamation of Shriram Capital Limited (after de-merger of few undertakings from the said Shriram Capital Limited) and Shriram City Union Finance Limited with the Company under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013. ft e Hon'ble National Company Law Tribunal, Chennai Bench ("NCLT") has approved the Composite Scheme of Arrangement and Amalgamation ("Scheme"). ft e effect of such Scheme of Arrangements has been accounted for in the books of account of the Company in accordance with the Scheme and in accordance with accounting standards.

70 UTILISATION OF BORROWED FUNDS AND SHARE PREMIUM

the Group, as part of its normal business, grants loans and advances, makes investment, provides guarantees to and accept deposits and borrowings from its customers, other entities and persons. These transactions are part of Group's normal non-banking finance business, which is conducted ensuring adherence to all regulatory requirements.

Other than the transactions described above, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Group to or in any other persons or entities, including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in party identified by or on behalf of the Group (Ultimate Beneficiaries). The Group has also not received any fund from any parties (Funding Party) with the understanding that the Group shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

71 UNDISCLOSED INCOME

There are no transactions that are not recorded in the books of accounts for the financial years ended March 31, 2024 and March 31, 2023.

72 PREVIOUS YEAR COMPARATIVES

The figures for the previous year have been regrouped/ rearranged wherever necessary to conform to the current year presentation. There are no significant regroupings/ reclassification for the year under report.

73 TITLE DEEDS OF IMMOVABLE PROPERTIES NOT HELD IN NAME OF THE COMPANY

Consequent to effect of scheme of amalgamation of SCUF with STFC and change in the name of the company from STFC to SFL, the Company is in process of applying for the name change in respect of its immovable properties.

74 DETAILS OF CRYPTO CURRENCY OR VIRTUAL CURRENCY

The Group has not traded or invested in crypto currency or virtual currency during the financial years ended March 31, 2024 and March 31, 2023.

75 DETAILS OF BENAMI PROPERTY HELD

No proceedings have been initiated during the year or pending against the Group for holding any Benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) as amended in 2016 and rules made thereunder; in the financial years ended March 31, 2024 and March 31, 2023.

76 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.

As per our report of even date

For KKC & Associates LLP
(formerly Khimji Kunverji & Co LLP)

Chartered Accountants
ICAI Firm Registration No.: 105146W/W100621

For Sundaram & Srinivasan

Chartered Accountants
ICAI Firm Registration No.: 004207S

For and on behalf of the Board of Directors of

Shriram Finance Limited
(formerly Shriram Transport Finance Company Limited)

Devang Doshi
Partner

Membership No.: 140056
Mumbai
April 26, 2024

P Menakshi Sundaram
Partner

Membership No.: 217914
Mumbai
April 26, 2024

Jugal Kishore Mohapatra
Chairman

DIN: 03190289
Mumbai
April 26, 2024

Y. S. Chakravarti
Managing Director
& CEO
DIN: 00052308
Mumbai
April 26, 2024

Parag Sharma
Joint Managing Director & CFO
DIN: 02916744
Mumbai
April 26, 2024

U Balasundararao
Company Secretary
Mumbai
April 26, 2024

Additional information as required by paragraph 2 of the general instructions for preparation of Consolidated Financial statements to schedule III to the Companies Act, 2013.

Name of the entity in the Group	Net Asset, i.e., total assets minus total liabilities		Shares in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of Consolidated net assets	Amount (Rs. in crore)	As % of Consolidated profit or loss	Amount (Rs. in crore)	As % of consolidated other comprehensive income	Amount (Rs. in crore)	As % of total comprehensive income	Amount (Rs. in crore)
1	2	3	4	5	4	5	4	5
Parent								
Shriram Finance Limited	97.77%	48,568.39	97.18%	7,190.48	99.85%	(88.10)	97.15%	7,102.38
Subsidiaries								
Indian								
Shriram Housing Finance Limited	2.40%	1,194.21	2.50%	184.93	0.10%	(0.09)	2.53%	184.84
Foreign								
	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
Minority interests in all subsidiaries								
	1.47%	729.52	0.00	32.51	(0.00)	0.02	0.44%	32.53
Associates (Investment as per the equity method)								
Indian								
Shriram Automall India Limited	0.36%	178.09	0.11%	7.78	0.07%	(0.06)	0.11%	7.72
Foreign								
	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
Inter-company eliminations and consolidation adjustments	-2.00%	(993.52)	-0.23%	(16.81)	0.00%	-	-0.23%	(16.81)
Joint Ventures (as per proportionate consolidation / investment as per the equity method)								
Indian								
	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
Foreign								
	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
TOTAL	100.00%	49,676.69	100.00%	7,398.89	100.00%	(88.23)	100.00%	7,310.66

For and on behalf of the Board of Directors of
Shriram Finance Limited
(formerly Shriram Transport Finance Company Limited)

Jugal Kishore Mohapatra
Chairman

DIN: 03190289
Mumbai
April 26, 2024

Parag Sharma
Joint Managing Director & CFO
DIN: 02916744
Mumbai
April 26, 2024

Y. S. Chakravarti
Managing Director
& CEO
DIN: 00052308
Mumbai
April 26, 2024

U Balasundarao
Company Secretary
Mumbai
April 26, 2024

To The Members of

Shriram Finance Limited (formerly Shriram Transport Finance Company Limited)

REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Opinion

1. We have audited the accompanying consolidated financial statements of Shriram Finance Limited (formerly Shriram Transport Finance Company Limited) ('the Parent') and its subsidiary (the parent and its subsidiary together referred to as 'the Group'), its associate, which comprise the consolidated balance sheet as at 31 March 2023 and the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the Consolidated Financial Statements, including a summary of significant accounting policies and other explanatory information ('the Consolidated Financial Statements').
2. In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate financial statements of such subsidiary and associate as were audited by the other auditors, 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 accounting principles generally accepted in India, of the consolidated state of affairs of the Group and its associate as at 31 March 2023, and its consolidated profit and other comprehensive income, consolidated changes in equity and its consolidated cash flows for the year then ended.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing ('SAs') specified under section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group and its associate in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India

('ICAI') together with the ethical requirements that are relevant to our audit of the Consolidated Financial Statements under the provisions of the Act, and the rules 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 along with the consideration of audit reports of the other auditors referred to in the 'Other Matters' paragraph below is sufficient and appropriate to provide a basis for our opinion on the Consolidated Financial Statements.

Emphasis of Matter

4. We draw attention to notes 52 and 72 of the Consolidated Financial Statements which state that the Composite Scheme of Arrangement and Amalgamation ("Scheme"), has been given effect to based on the Appointed date 01 April 2022 as approved by National Company Law Tribunal which is deemed to be the acquisition date for the purpose of accounting under Ind AS 103 'Business Combinations'. Our opinion on the Consolidated Financial Statements is not modified in respect of this matter.

Key Audit Matters

5. 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 year. 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.
6. 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 our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying Consolidated Financial statement.

Key Audit Matter	How the matter was addressed in our audit								
Acquisition accounting for the Composite Scheme of Arrangement and amalgamation ("Scheme") of Shriram Capital Limited (SCL) and Shriram City Union Finance Limited (SCUF) with the Parent During the year, the Hon'ble National Company Law Tribunal, Chennai Bench ("NCLT") has approved the Composite Scheme of Arrangement and Amalgamation ("Scheme"), inter alia, involving amalgamation of Shriram Capital Limited (SCL) with its Remaining undertaking with the Parent and amalgamation of Shriram City Union Finance Limited (SCUF) with its entire undertaking with the Parent, vide order dated November 9, 2022 to be read with Corrigendum order dated November 17, 2022 effective from Appointed date of the Scheme being 1 April 2022. Accounting for the amalgamation has involved judgment in order to: - determine the fair value of consideration transferred; - identify and measure the fair value of the identifiable assets acquired and liabilities assumed; - allocate the purchase consideration between identifiable assets and liabilities, goodwill and intangible assets (distribution network); This is a material acquisitions for the Group and given the level of estimation and judgement required, we considered it to be a key audit matter. The most significant judgements relate to the identification and valuation of intangible assets acquired. The identified intangible assets are the distribution network. This includes complex valuation considerations and requires the use of specialists. (Reference to Note 52 and 72 read with Statement of Accounting Policies Note 7.15 to the Consolidated Financial Statements)	Our procedures included but were not limited to: - Obtained an understanding of the Scheme and the transaction from the management and identified key terms relevant to the accounting for the transaction. - Read relevant parts of the approval obtained from NCLT and assessed the Parent's conclusion as regard business combination accounting in accordance with Ind AS 103 with respect to the amalgamation. - We tested the completeness of the identified assets and liabilities acquired by comparison to the scheme of arrangement, through discussions with the Parent. - We assessed the Parent's determination of fair values for assets and liabilities acquired including intangible assets and the methods used to value the underlying assets by: - reading the valuation report prepared by the appointed external valuation specialists. - evaluating the competence, objectivity and integrity of the appointed external valuation specialists. - Discussing with the external valuation specialists and Parent's management the appropriateness of the methods used to determine the fair values of distribution rights including assumptions such as the discount rates applied. - evaluating appropriateness of adequate disclosures in accordance with the applicable accounting standards.								
Impairment Loss Allowance of loans and advances (Reference to Note 13 read with Statement of Accounting Policies Note 7.1(xi) and Note No. 62 of the Other Notes forming part of Consolidated Financial Statements- Schedule to the Consolidated Financial Statements). (in INR Crores) <table> <tr> <td>Gross Advances</td><td>190,073.03</td></tr> <tr> <td>Provisions*</td><td>11,387.89</td></tr> <tr> <td>Net Advances</td><td>178,685.14</td></tr> <tr> <td>COVID-19 Provisions*</td><td>1,107.49</td></tr> </table> (*COVID-19 Provisions - towards management overlay on account of COVID-19 is included in above provisions)	Gross Advances	190,073.03	Provisions*	11,387.89	Net Advances	178,685.14	COVID-19 Provisions*	1,107.49	Audit Procedures included but were not limited to the following: Auditors of one subsidiary and we have started our audit procedures with understanding of the internal control environment related to Impairment loss allowance. Our procedures over internal controls focused on recognition and measurement of impairment loss allowance. We assessed the design and tested the operating effectiveness of the selected key controls implemented by the Company. Auditors of one subsidiary and we also assessed whether the impairment methodology used by the Company is in accordance with the assumptions and methodology approved by the Board of Directors of the Company which is based on and in compliance with Ind AS 109 "Financial Instruments". Accordingly, Auditors of one subsidiary and we assessed the approach of the Company regarding definition of Default, Probability of Default (PD), Loss Given Default (LGD) and incorporation of forward-looking information for the calculation of ECL. For loans and advances which are assessed for impairment on a portfolio basis auditors of one subsidiary and we performed particularly the following procedures:
Gross Advances	190,073.03								
Provisions*	11,387.89								
Net Advances	178,685.14								
COVID-19 Provisions*	1,107.49								

Key Audit Matter	How the matter was addressed in our audit
Significant estimates and judgment involved Key Audit Matter Reserve Bank of India has issued Master circular and other clarifications on Income Recognition and Asset Classification and Provisioning pertaining to Advances ("IRAC"). These guidelines prescribe the prudential norms for identifying and classifying of advances as Stage 3 / NPAs. The Company has applied significant judgement to determine the identification and classification of such assets as Stage 3 / NPAs by applying quantitative as well as qualitative factors. The risk of identification of such assets as Stage 3 / NPAs is affected by factors like stress and liquidity concerns of such assets. Impairment loss allowance of loans and advances ("Impairment loss allowance") is a Key Audit Matter as the Company has significant credit risk exposure considering the large loan portfolio across a wide geographical range. The value of loans and advances on the balance sheet is significant and there is a high degree of complexity and judgment involved in estimating individual and collective credit impairment provisions, write-offs against these loans and to additionally determine the asset quality and provision of the Company. The Company's model to calculate expected credit loss ("ECL") is inherently complex and judgment is applied in determining the correct construction of the three-stage impairment model ("ECL Model") including the selection and input of forward looking information. ECL provision calculation require the use of large volumes of data. The completeness and reliability of data can significantly impact accuracy of the modelled impairment provisions. The accuracy of data flows and the implementation of related controls are critical for the integrity of the estimated impairment provisions.	• Read the Company's policies for identification, classification and assessing compliance for Stage 3 / NPAs customers in line with the IRAC norms; • Auditors of one subsidiary and We understood the design, reliability and operating effectiveness of key data inputs and related management controls; • Auditors of one subsidiary and We performed substantial audit procedure relating to identification and classification of Stage 3 / NPAs by the company. • Auditors of one subsidiary and We tested the identification / grouping of the loan accounts mapped with the customer code as identified by the management; • Auditors of one subsidiary and We tested the exception reports generated from the company's software systems where the loan accounts have been recorded. • Auditors of one subsidiary and We performed analytical procedures to identify possible cases of evergreening of loans and tested these on sample basis. • Auditors of one subsidiary and We checked the stage classification as at the balance sheet date as per the definition of Default of the Company and Reserve Bank of India circulars issued from time to time; • Auditors of one subsidiary and We validated the ECL Model and its calculation by involving our Information Technology Expert; • Auditors of one subsidiary and We have checked on sample basis that the stage classification for the borrowers has been given in accordance with the Resolution Framework issued by Reserve Bank of India (the 'RBI') and the Board approved policy for ECL provisioning and stage classification with respect to such accounts; • Auditors of one subsidiary and We have verified whether the ECL provision is made in accordance with the Board Approved Policy in this regard; • Auditors of one subsidiary and We have also calculated the ECL provision manually for selected samples; • Auditors of one subsidiary and We have assessed the assumptions made by the Company in making accelerated provision considering forward looking information and based on an event in a particular geographical range; • With respect to management overlay made by the Company on account of the impact of COVID-19 pandemic, Auditors of one subsidiary and we broadly reviewed the underlying assumptions and estimates used by the management for the same but as the extent of impact is dependent on future developments which are highly uncertain, we have primarily relied on those assumptions and estimates. These assumptions and estimates are a subject matter of periodic review by the Company; and • Auditors of one subsidiary and We have assessed disclosure requirements for classification and identification of Stage 3/ NPAs in accordance with RBI circulars including those issued specifically issued for COVID-19 related matters. For loans and advances which are written off during the year under audit, Auditors of one subsidiary and we read and understood the methodology and policy laid down and implemented by the Company in this regards along with its compliance on sample basis. We have also relied on such other audit procedures performed by the auditors of one subsidiary as disclosed under Key Audit Matter in their Independent Auditors Report.

Other Information

7. The Parent's Board of Directors are responsible for the other information. The other information comprises the information included in the Parent's annual report, but does not include the Consolidated Financial Statements and our auditors' report thereon. The Other Information is expected to be made available to us after the date of this auditor's report.
8. Our opinion on the Consolidated Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.
9. 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. If, based on the work we have performed and based on the work done / audit report of other auditors, we conclude that there is a material misstatement of this other information, we are required to report that fact.

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

10. The Parent's Board of Directors are responsible for the preparation and presentation of these Consolidated Financial Statements, that give a true and fair view of the consolidated state of affairs, consolidated profit and other comprehensive income, consolidated changes in equity and consolidated cash flows of the Group including its associate in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards ('Ind AS') specified under section 133 of the Act.
11. The respective Board of Directors of the companies included in the Group and of its associate are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and of its associate and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring 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 Parent, as aforesaid.

12. In preparing the Consolidated Financial Statements, the respective Board of Directors of the companies included in the Group and of its associate are responsible for assessing the ability of each company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.
13. The respective Board of Directors of the companies included in the Group and of its associate are responsible for overseeing the financial reporting process of the Group and of its associate.

Auditor's responsibilities for the audit of the Consolidated Financial Statements

14. 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.
15. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also
 - 15.1. Identify and assess the risks of material misstatement of the Consolidated Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
 - 15.2. 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 Parent has adequate internal financial controls with reference to the Consolidated Financial Statements and the operating effectiveness of such controls.

- 15.3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management.
- 15.4. Conclude on the appropriateness of Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its associate to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Consolidated Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its associate to cease to continue as a going concern.
- 15.5. Evaluate the overall presentation, structure and content of the Consolidated Financial Statements, including the disclosures, and whether the Consolidated Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.
- 15.6. Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its associate to express an opinion on the Consolidated Financial Statements. We are responsible for the direction, supervision and performance of the audit of financial statements of such entities included in the Consolidated Financial Statements of which we are the independent auditors. For the other entities included in the Consolidated Financial Statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.
16. We communicate with those charged with governance of the Parent and such other entities included in the

Consolidated Financial Statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

17. 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.
18. 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 auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

19. We did not audit the financial statements of one subsidiary whose financial statements reflect total assets of Rs. 7,742.67 crores as at 31 March 2023, total revenues of Rs. 793.63 crores and net cash flows amounting to Rs. 375.77 crores for the year ended on that date, as considered in the Consolidated Financial Statements. The Consolidated Financial Statements also include the Group's share of net profit after tax of Rs. 8.56 crores for the year ended 31 March 2023, as considered in the Consolidated Financial Statements, in respect of one associate, whose financial statements have not been audited by us. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the Consolidated Financial Statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiary and associate and our report in terms of section 143(3) of the Act, in so far as it relates to the aforesaid subsidiary and associate is based solely on the reports of the other auditors.
20. 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 reports of the other auditors.

Report on Other Legal and Regulatory Requirements

21. As required by section 143(3) of the Act, based on our audit and on the consideration of audit reports of the other auditors on separate financial statements of such subsidiary and associate as were audited by other auditors, as noted in the 'Other Matters' paragraph, we report, to the extent applicable, that:

21.1. 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.

21.2. In our opinion, proper books of account as required by law relating to preparation of the aforesaid Consolidated Financial Statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.

21.3. 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 relevant books of account maintained for the purpose of preparation of the Consolidated Financial Statements.

21.4. In our opinion, the aforesaid Consolidated Financial Statements comply with the Ind AS specified under Section 133 of the Act.

21.5. On the basis of the written representations received from the directors of the Parent as on 31 March 2023, taken on record by the Board of Directors of the Parent and the reports of the statutory auditors of its subsidiary company and associate company incorporated in India, none of the directors of the Group companies and its associate company incorporated in India are disqualified as on 31 March 2023 from being appointed as a director in terms of Section 164(2) of the Act.

21.6. With respect to the adequacy of internal financial controls with reference to the Consolidated Financial Statements of the Parent, its subsidiary company and associate company incorporated in India and the operating effectiveness of such controls, refer to our separate report in 'Annexure A'.

21.7. In our opinion and according to the information and explanations given to us and based on the

reports of the statutory auditors of such subsidiary company and associate company incorporated in India which were not audited by us, the remuneration paid during the current year by the Parent, its subsidiary company and associate company incorporated in India to its directors is in accordance with the provisions of Section 197 read with Schedule V to the Act.

22. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of audit reports of the other auditors on separate financial statements of such subsidiary and associate as noted in the 'Other Matters' paragraph:

22.1. The Consolidated Financial Statements disclose the impact of pending litigations as at 31 March 2023 on the consolidated financial position of the Group and its associate – Refer Note 49 to the Consolidated Financial Statements.

22.2. Provision has been made in the Consolidated Financial Statements, as required under the applicable law or Ind AS, for material foreseeable losses, if any, on long-term contracts including derivative contracts – Refer Note 11 to the Consolidated Financial Statements in respect of such items as it relates to the Group and its associate.

22.3. There has been no delay in transferring amounts required to be transferred, to the Investor Education and Protection Fund by the Parent and/or its subsidiary company and associate company incorporated in India during the year ended 31 March 2023.

22.4. The respective managements of the Parent, its subsidiary and associate incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiary and associate respectively, to best of their knowledge and belief, that 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 Parent or any of such subsidiary and associate to or in any other person(s) or entity(ies), including foreign entities ('Intermediaries'), with the understanding, whether recorded in writing

or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Parent or any of such subsidiary and associate ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

22.5. The respective managements of the Parent, its subsidiary and associate which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiary and associate respectively, to best of their knowledge and belief, that no funds have been received by the Parent or any of such subsidiary and associate from any person(s) or entity(ies), including foreign entities ('Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Parent or any of such subsidiary and associate 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.

22.6. Based on such audit procedures, that has been considered reasonable and appropriate in the circumstances, performed by us and those performed by auditors of the subsidiary and associate incorporated in India whose financial statements have been audited under the Act, nothing has come to our or other auditor's notice that has caused us or other auditors to believe that the representation under para 22.4 and 22.5 contain any material misstatement.

22.7. In our opinion and according to the information and explanations given to us,

- a) The final dividend paid by the associate, during the year, in respect of the same declared for the previous year, is in accordance with Section 123 of the Act to the extent it applies to payment of dividend.
 - b) The interim dividend declared and paid by the Group during the year and until the date of this report is in compliance with Section 123 of the Act.
 - c) As stated in Note 31 to the Consolidated Financial Statements, the Board of Directors of the Parent have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with Section 123 of the Act to the extent it applies to declaration of dividend.
23. As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable for the Group only w.e.f. 01 April 2023, reporting under this clause is not applicable.
24. With respect to the matters specified in paragraphs 3(xxi) and 4 of the Companies (Auditor's Report) Order, 2020 ('CARO') issued by Central Government in terms of Section 143(11) of the Act, to be included in Auditor's report, according to the information and explanations given to us, and based on the CARO reports issued by us for the Company and based on our consideration of CARO reports issued by respective auditors of the companies included in Consolidated Financial Statements, we report that there are no qualifications or adverse remarks in these CARO reports.

For **Sundaram & Srinivasan**
Chartered Accountants

Firm Registration Number - 004207S

P Menakshi Sundaram
Partner
ICAI Membership Number: 217914
UDIN: 23217914BGWPCF5016
Place: Mumbai
Date: 27 April 2023

For **KKC & Associates LLP**
Chartered Accountants
(formerly Khimji Kunverji & Co LLP)
Firm Registration Number: 105146W/W100621

Devang Doshi
Partner
ICAI Membership Number: 140056
UDIN: 23140056BGZQQO3540
Place: Mumbai
Date: 27 April 2023

Annexure 'A' to the Independent Auditors' report on the Consolidated Financial Statements of Shriram Finance Limited (formerly Shriram Transport Finance Company Limited) for the year ended 31 March 2023

(Referred to in paragraph '21.6' under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Report on the Internal Financial Controls with reference to the aforesaid Consolidated Financial Statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')

Opinion

1. We have audited the internal financial controls with reference to the Consolidated Financial Statements of Shriram Finance Limited (formerly Shriram Transport Finance Company Limited) ('the Parent Company') and its subsidiary company and its associate company for the year ended 31 March 2023 in conjunction with our audit of the Consolidated Financial statements, which are companies incorporated in India, as of that date.
2. In our opinion, the Parent Company, its subsidiary and associate company, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls with reference to the Consolidated Financial Statements and such internal financial controls were operating effectively as at 31 March 2023, based on the internal controls over financial reporting criteria established by the respective companies considering the essential components of such internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ('the Guidance Note').

Management's responsibility for Internal Financial Controls

3. The respective Board of Directors of the Parent Company, its subsidiary and associate company, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls with reference to Consolidated Financial Statements based on the internal controls over financial reporting criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and

maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's responsibility

4. Our responsibility is to express an opinion on the Parent Company, its subsidiary and associate, which are companies incorporated in India, internal financial controls with reference to the Consolidated Financial Statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing ('SA'), prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to the Consolidated Financial Statements. Those SAs and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to the Consolidated Financial Statements were established and maintained and if such controls operated effectively in all material respects.
5. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to the Consolidated Financial Statements and their operating effectiveness. Our audit of internal financial controls with reference to the Consolidated Financial Statements included obtaining an understanding of internal financial controls with reference to the Consolidated Financial Statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of the internal controls based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the Consolidated Financial Statements, whether due to fraud or error.
6. We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the 'Other Matters' paragraph below, is sufficient and appropriate to provide

a basis for our audit opinion on the internal financial controls with reference to the Consolidated Financial Statements.

Meaning of Internal Financial controls with reference to the Consolidated Financial Statements

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

company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to the Consolidated Financial Statements

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

Other Matters

9. Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls system with reference to the Consolidated Financial Statements in so far as it relates to one subsidiary company and one associate company, which are companies incorporated in India, is based on the corresponding reports of the auditors of such subsidiary and associate incorporated in India.

For **Sundaram & Srinivasan**

Chartered Accountants

Firm Registration Number - 004207S

P Menakshi Sundaram

Partner

ICAI Membership Number: 217914

UDIN: 23217914BGWPCF5016

Place: Mumbai

Date: 27 April 2023

For **KKC & Associates LLP**

Chartered Accountants

(formerly Khimji Kunverji & Co LLP)

Firm Registration Number: 105146W/W100621

Devang Doshi

Partner

ICAI Membership Number: 140056

UDIN: 23140056BGZQQO3540

Place: Mumbai

Date: 27 April 2023

(Rs. in crores)			
Particulars	Note No.	As at March 31, 2023	As at March 31, 2022
ASSETS			
(1) Financial assets			
(a) Cash and cash equivalents	9	9,932.84	10,662.44
(b) Bank balance other than (a) above	10	6,374.11	5,692.72
(c) Derivative financial instruments	11	669.37	201.40
(d) Receivables	12		
(I) Trade receivables		17.00	5.35
(II) Other receivables		429.69	190.49
(e) Loans	13	178,685.14	116,665.15
(f) Investments	14	7,430.07	6,971.23
(g) Other financial assets	15	77.47	51.45
Total financial assets		203,615.69	140,440.23
(2) Non-financial assets			
(a) Current tax assets (net)	16	728.26	228.24
(b) Deferred tax assets	44	1,981.51	869.38
(c) Investment property	17	2.62	1.97
(d) Property, plant and equipment	18	223.19	110.56
(e) Right-of-use assets	19	528.30	302.52
(f) Intangible assets under development	20A	66.08	-
(g) Goodwill	20B	1,740.94	-
(h) Other intangible assets	20B	1,218.46	3.04
(i) Other non-financial assets	21	495.10	312.22
Total non-financial assets		6,984.46	1,827.93
Total assets		210,600.15	142,268.16
LIABILITIES AND EQUITY			
Liabilities			
(1) Financial liabilities			
(a) Payables	22		
(I) Trade payables			
(i) total outstanding dues of micro enterprises and small enterprises		-	0.02
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		313.19	166.01
(II) Other payables			
(i) total outstanding dues of micro enterprises and small enterprises		0.36	1.46
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		1.09	1.21
(b) Debt securities	23	44,924.03	41,256.55
(c) Borrowings (other than debt securities)	24	78,544.75	46,676.93
(d) Deposits	25	36,139.83	21,948.98
(e) Subordinated liabilities	26	4,593.63	4,614.25
(f) Lease liabilities	19	602.08	349.43
(g) Other financial liabilities	27	1,073.82	859.64
Total financial liabilities		166,192.78	115,874.48
(2) Non-financial liabilities			
(a) Current tax liabilities (net)	28	160.89	36.82
(b) Deferred tax liabilities	44	27.46	-
(c) Provisions	29	214.50	138.18
(d) Other non-financial liabilities	30	204.98	124.42
Total non-financial liabilities		607.83	299.42
Total liabilities		166,800.61	116,173.90
(3) Equity			
(a) Equity share capital	31	374.43	270.52
(b) Other equity	32	43,138.43	25,823.74
Total equity		43,512.86	26,094.26
Non-controlling interest		286.68	-
Total liabilities and equity		210,600.15	142,268.16

See accompanying notes to the financial statements

As per our report of even date

For KKC & Associates LLP
(formerly Khimji Kunverji & Co LLP)

Chartered Accountants

ICAI Firm Registration No.: 105146W/W100621

For Sundaram & Srinivasan

Chartered Accountants

ICAI Firm Registration No.: 004207S

For and on behalf of the Board of Directors of

Shriram Finance Limited

(formerly Shriram Transport Finance Company Limited)

Devang Doshi
Partner

Membership No.: 140056
Mumbai
April 27, 2023

P Menakshi Sundaram
Partner

Membership No.: 217914
Mumbai
April 27, 2023

Jugal Kishore Mohapatra
Chairman

DIN: 03190289
New Delhi
April 27, 2023

Y. S. Chakravarti
Managing Director & CEO
DIN: 00052308
Mumbai
April 27, 2023

Parag Sharma
Joint Managing Director & CFO
DIN: 02916744
Mumbai
April 27, 2023

U Balasundararao
Company Secretary
Mumbai
April 27, 2023

CONSOLIDATED STATEMENT OF **PROFIT AND LOSS**
FOR THE YEAR ENDED MARCH 31, 2023

CONSOLIDATED ACCOUNTS

(Rs. in crores)			
Particulars	Note No.	Year ended March 31, 2023	Year ended March 31, 2022
Revenue from operations			
(i) Interest income	33	29,205.87	18,646.26
(ii) Dividend income		6.52	-
(iii) Rental income		0.24	0.17
(iv) Fees and commission income	34	266.57	100.08
(v) Net gain on fair value changes	35	363.80	221.70
(vi) Net gain on derecognition of financial instruments under amortised cost category		279.51	217.74
(vii) Other operating income	36	354.27	69.22
(I) Total Revenue from operations		30,476.78	19,255.17
(II) Other Income	37	31.61	19.06
(III) Total Income (I + II)		30,508.39	19,274.23
Expenses			
(i) Finance cost	38	12,931.27	9,734.31
(ii) Fees and commission expenses	39	313.25	91.74
(iii) Impairment on financial instruments	40	4,169.06	3,860.86
(iv) Employee benefits expenses	41	2,636.42	997.09
(v) Depreciation, amortisation and impairment (Refer note 17, 18 and 20)	42	600.69	135.37
(vi) Other expenses	43	1,643.98	905.61
(IV) Total Expenses		22,294.67	15,724.98
(V) Profit before exceptional items and tax (III - IV)		8,213.72	3,549.25
(VI) Exceptional items		-	-
(VII) Profit before tax (V + VI)		8,213.72	3,549.25
(VIII) Tax expense:			
(1) Current tax	44	2,911.40	1,112.57
(2) Deferred tax	44	(720.73)	(188.93)
(3) Tax adjustment for earlier years	44	11.58	(82.32)
(IX) Profit for the year from continuing operations (VII - VIII)		6,011.47	2,707.93
(X) Share of profit of associate		8.56	13.17
(XI) Profit for the year		6,020.03	2,721.10
(XII) Other comprehensive income			
A (i) Items that will not be reclassified to profit or loss			
Remeasurement gain/(loss) on defined benefit plan		(8.51)	(3.24)
Gain / (loss) on Fair valuation of quoted investments in equity shares		(11.80)	-
Share of other comprehensive income from associates		(0.35)	(0.03)
(ii) Income tax relating to items that will not be reclassified to profit or loss		5.11	0.82
Tax on share of other comprehensive income from associates		0.09	0.01
Subtotal (A)		(15.46)	(2.44)
B (i) Items that will be reclassified to profit or loss			
Cash flow hedge reserve			
Gain/(loss) on effective portion of hedging instruments in a cash flow hedge		(14.73)	(160.87)
(ii) Income tax relating to items that will be reclassified to profit or loss		3.71	40.49
Subtotal (B)		(11.02)	(120.38)
Other comprehensive income (A + B)		(26.48)	(122.82)
(XIII) Total Comprehensive income for the year (XI + XII)		5,993.55	2,598.28
(XIV) Profit / (Loss) for the year attributable to			
- Owners of the Company		6,011.04	-
- Non - Controlling Interests		8.99	-
(XV) Other comprehensive income / (loss) for the year attributable to			
- Owners of the Company		(26.42)	-
- Non - Controlling Interests		(0.06)	-
(XVI) Total comprehensive income / (loss) for the year attributable to			
- Owners of the Company		5,984.62	-
- Non - Controlling Interests		8.93	-
(XVII) Earnings per equity share (face value Rs. 10/- per equity share)	45		
Basic (Rs.)		160.54	102.23
Diluted (Rs.)		159.83	102.23

See accompanying notes to the financial statements

As per our report of even date

For KKC & Associates LLP
(formerly Khimji Kunverji & Co LLP)

Chartered Accountants

ICAI Firm Registration No.: 105146W/W100621

For Sundaram & Srinivasan

Chartered Accountants

ICAI Firm Registration No.: 004207S

For and on behalf of the Board of Directors of

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Partner

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DIN: 00052308
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April 27, 2023

U Balasundararao
Company Secretary
Mumbai
April 27, 2023

A. Equity Share Capital

(1) Current Reporting Period

	(Rs. in crores)		
Balance at the beginning of the current reporting period	Changes in equity share capital due to prior period errors	Restated balance at the beginning of the current reporting period	Balance at the end of the current reporting period
As at March 31, 2022	-	270.52	As at March 31, 2023
			374.43

(2) Previous Reporting Period

	(Rs. in crores)		
Balance at the beginning of the previous reporting period	Changes in equity share capital due to prior period errors	Restated balance at the beginning of the previous reporting period	Balance at the end of the previous reporting period
As at March 31, 2021	-	253.06	As at March 31, 2022
			270.52

B. Other Equity

(1) Current Reporting Period

Particulars	Share Application Money Pending Allotment	Reserves And Surplus							Other Comprehensive Income			Money Received Against Share Warrants	Total	Non Controlling Interest		
		Capital Reserve	Securities Premium	Statutory reserve (Pursuant to Section 45-1C of The RBI Act, 1934)	Statutory reserve (Pursuant to Section 29C of the NHB Act, 1987)	Debenture redemption reserve #	Capital redemption reserve	General reserve	Remeasurement gain/(loss) on defined benefit Plan	Retained earnings	Share Options Outstanding				Amalgamation Adjustment Reserves	Gain/(loss) on fair valuation of investments in equity shares
Balance at the beginning of the Current Reporting Period (As at April 1, 2022)	-	27.64	5,662.38	4,707.98	-	307.28	53.88	2,934.07	(11.56)	12,355.47	-	-	(213.40)	-	25,823.74	-
Changes in Accounting Policy/ Prior Period Errors	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Effects of business combination (Refer note 52)	-	76.93	-	1,706.81	56.11	-	-	-	-	-	(1,706.81)	-	-	-	133.04	275.30
Restated balance at the beginning of the Current Reporting Period	-	104.57	5,662.38	6,414.79	56.11	307.28	53.88	2,934.07	(11.56)	12,355.47	-	(1,706.81)	-	(213.40)	25,956.78	275.30
Profit for the year	-	-	-	-	-	-	-	-	-	6,011.04	-	-	-	-	6,011.04	8.99
Other Comprehensive income for the year	-	-	-	-	-	-	-	-	(5.83)	-	-	-	(8.83)	(11.02)	(25.68)	(0.06)
Total Comprehensive Income for the year	-	-	-	-	-	-	-	-	(5.83)	6,011.04	-	-	(8.83)	(11.02)	5,985.36	8.93
Dividends (interim)	-	-	-	-	-	-	-	-	-	(561.64)	-	-	-	-	(561.64)	-
Transferred to/ (from) Equity	-	-	-	1,195.87	23.42	111.85	-	597.94	-	(2,104.92)	86.47	-	-	-	(89.37)	-

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)

CONSOLIDATED ACCOUNTS

Particulars	Share Application Money Pending Allotment	Capital Reserve	Securities Premium	Reserves And Surplus							Other Comprehensive Income			Money Received Against Share Warrants	Total	Non Controlling Interest
				Statutory reserve (Pursuant to Section 45-1C of The RBI Act, 1934)	Statutory reserve (Pursuant to Section 29C of the NHB Act, 1987)	Debt redemption reserve #	Capital redemption reserve	General reserve	Remeasurement gain/(loss) on defined benefit Plan	Retained earnings	Share Options Out standing	Amalgamation Adjustment Reserves	Gain/(loss) on fair valuation of investments in equity shares			
Any Other Change:																
Securities Premium	-	-	11,733.89	-	-	-	-	-	-	-	-	-	-	-	11,733.89	-
Proceeds received on issue of Equity Shares (Refer Note 31 - Equity and Note 32 - Other Equity)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Expenses on Employee Stock Option Plan	-	-	-	-	-	-	-	-	-	-	167.63	-	-	-	167.63	-
Exercise of Employee Stock Option Plan	-	-	-	-	-	-	-	-	-	-	(54.22)	-	-	-	(54.22)	0.77
Movement of dilution on account of SHPL ESOP	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1.68
Transferred to/(from) (Refer note 32) on account of share forfeiture	-	-	-	-	-	-	-	0.04	-	-	(0.04)	-	-	-	-	-
Balance at the end of the Current Reporting Period (As at March 31, 2023)	-	104.57	17,396.27	7,610.66	79.53	419.13	53.88	3,532.05	(17.39)	15,699.95	199.84	(1,706.81)	(8.83)	(224.42)	43,138.43	286.68

(2) Previous reporting period

Particulars	Share application money pending allotment	Capital reserve	Securities Premium	Reserves and Surplus							Other Comprehensive Income			Money Received Against Share Warrants	Total	Non Controlling Interest
				Statutory reserve (Pursuant to Section 45-1C of The RBI Act, 1934)	Statutory reserve (Pursuant to Section 29C of the NHB Act, 1987)	Debt redemption reserve #	Capital redemption reserve	General reserve	Remeasurement gain/(loss) on defined benefit Plan	Retained earnings	Share Options Out standing	Amalgamation Adjustment Reserves	Gain/(loss) on fair valuation of investments in equity shares			
Balance at the beginning of the previous reporting period (as at April 1, 2021)	-	27.64	3,201.27	4,166.39	-	921.41	53.88	2,663.27	(9.12)	10,532.51	-	-	-	-	21,464.23	-
Changes in accounting policy/prior period errors	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Restated balance at the beginning of the Previous Reporting Period	-	27.64	3,201.27	4,166.39	-	921.41	53.88	2,663.27	(9.12)	10,532.51	-	-	(93.02)	-	21,464.23	-
Profit for the year	-	-	-	-	-	-	-	-	(2.44)	2,721.10	-	-	-	-	2,721.10	-
Other comprehensive income for the year	-	-	-	-	-	-	-	-	(2.44)	-	-	-	(120.38)	-	(122.82)	-
Total comprehensive income for the year	-	-	-	-	-	-	-	-	(2.44)	2,721.10	-	-	(120.38)	-	2,598.28	-

Particulars	Share application money pending allotment	Reserves and Surplus										Total	(Rs. in crores)
		Capital reserve	Securities Premium	Statutory reserve (Pursuant to Section 45-IC of The RBI NHB Act, 1987)	Debtenture redemption reserve #	Capital redemption reserve	General reserve	Remeasurement gain/(loss) on defined benefit Plan	Retained earnings	Share Options Outstanding	Amalgamation Adjustment Reserves		
Dividends (interim)	-	-	-	-	-	-	-	-	(539.65)	-	-	(539.65)	-
Dividends (final for the year ended March 31, 2021)	-	-	-	-	-	-	-	-	(160.23)	-	-	(160.23)	-
Transferred to/ (from) (Refer Note 32 - Other equity)	-	-	-	(614.13)	-	270.80	-	-	(198.26)	-	-	-	-
Any other change:													
Securities premium	-	-	2,482.54	-	-	-	-	-	-	-	-	2,482.54	-
proceeds received on issue of Equity Shares (Refer Note 31 - Equity and Note 32 - Other equity)	-	-	-	-	-	-	-	-	-	-	-	-	-
Share issue expenses (Refer Note 31 - Equity and Note 32 - Other equity)	-	-	(21.43)	-	-	-	-	-	-	-	-	(21.43)	-
Money received against share warrants	-	-	-	-	-	-	-	-	-	-	250.00	250.00	-
Shares allotted during the year	-	-	-	-	-	-	-	-	-	-	(250.00)	(250.00)	-
Balance at the end of the previous reporting period (as at March 31, 2022)	-	27.64	5,662.38	4,707.98	307.28	53.88	2,934.07	(11.56)	12,355.47	-	(213.40)	-	25,823.74

See accompanying notes to the financial statements

As per our report of even date
For KKC & Associates LLP
(formerly Khimji Kunverji & Co LLP)
Chartered Accountants
ICAI Firm Registration No.: 105146W/W100621

Devang Doshi
Partner
Membership No.: 140056
Mumbai
April 27, 2023

For Sundaram & Srinivasan

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Partner
Membership No.: 217914
Mumbai
April 27, 2023

For and on behalf of the Board of Directors of

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DIN: 03190289
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DIN: 02916744
Mumbai
April 27, 2023

U Balasundararao
Company Secretary
Mumbai
April 27, 2023

CONSOLIDATED **CASH FLOW STATEMENT**
FOR THE YEAR ENDED MARCH 31, 2023

CONSOLIDATED ACCOUNTS

Particulars	(Rs. in crores)	
	Year ended March 31, 2023	Year ended March 31, 2022
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax	8,213.72	3,549.25
Depreciation, amortisation and impairment	600.69	135.37
Interest on income tax refund	(14.66)	-
Share based payments to employees	168.03	-
Interest income on loans	(28,079.03)	(18,054.67)
Finance costs	12,938.04	9,734.31
Loss/(profit) on sale of property plant and equipments (net)	1.00	0.79
Fair value adjustments to investments	1.85	-
Impairment on loans	4,132.75	3,865.02
Impairment on investments	4.70	(2.00)
Impairment on undrawn loan commitment	(0.40)	(4.00)
Impairment on other assets	32.01	1.84
Net (gain)/loss on fair value changes on investment	(397.35)	(236.83)
Net (gain)/loss on fair value changes on direct assignment	33.55	15.13
Net gain on derecognition of financial instruments under amortised cost category	(279.51)	217.74
Cash inflow from interest on loans	26,902.11	18,006.70
Cash outflow towards finance costs	(11,555.67)	(8,588.09)
Operating profit before working capital changes	12,701.83	8,640.56
Movements in Working capital:		
Decrease/(increase) in loans	(29,538.15)	(12,179.16)
Decrease/(increase) in investments	1,355.72	(3,372.48)
Decrease/(increase) in receivables	173.39	(369.88)
Decrease/(increase) in bank deposits	776.09	(301.83)
Decrease/(increase) in other financial assets	(45.65)	(4.26)
Decrease/(increase) in other non-financial assets	110.00	(16.85)
Increase/(decrease) in payables	66.16	13.51
Increase/(decrease) in other financial liabilities	(16.15)	(138.25)
Increase/(decrease) in non-financial liabilities	2.58	25.16
Increase/(decrease) other provision	55.50	(3.60)
Cash used in operations	(14,358.68)	(7,707.08)
Direct taxes paid (net of refunds)	(3,266.57)	(1,151.94)
Net cash flows from/(used in) operating activities (A)	(17,625.25)	(8,859.02)
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment and intangible assets	(196.59)	(35.75)
Proceeds from sale of property, plant and equipment and intangible assets	3.55	1.42
Net cash generated from/(used in) investing activities (B)	(193.04)	(34.33)

Particulars	(Rs. in crores)	
	Year ended March 31, 2023	Year ended March 31, 2022
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from issue of share capital (including share premium and net of share issue expenses)	12.93	2,478.57
Proceeds/(repayment) on settlement of derivative contracts	(467.41)	(32.15)
Proceeds from sale of security receipts	1.76	-
Increase / (decrease) in Fixed deposits (net)	6,778.56	5,443.14
Amounts received from debt securities	10,054.43	16,637.86
Repayments of debt securities	(14,134.87)	(16,203.36)
Proceeds/(repayment) of subordinated debts	(66.34)	(50.32)
Amounts received from borrowings other than debt securities	64,820.16	41,477.93
Repayments of borrowings other than debt securities	(54,415.28)	(40,280.10)
Payment of Lease Liabilities	(201.63)	(114.90)
Dividend paid	(562.80)	(851.81)
Net cash flows from financing activities (C)	11,819.51	8,504.86
Net increase in cash and cash equivalents (A+B+C)	(5,998.78)	(388.49)
Cash and cash equivalents at the beginning of the year	10,662.44	11,050.93
Cash and bank balances taken over on account of amalgamation	5,269.18	-
Cash and cash equivalents at the end of the year	9,932.84	10,662.44

Components of cash and cash equivalents	(Rs. in crores)	
	As at March 31, 2023	As at March 31, 2022
Cash and cash equivalents at the end of the year		
i) Cash on hand	153.43	95.05
ii) Cheques on hand	4.87	5.56
iii) Balances with banks (of the nature of cash and cash equivalents)	4,144.56	2,654.78
iv) Call Money (CBLO)	499.72	3,198.60
v) Bank deposit with original maturity upto three months or less	5,130.26	4,708.45
Total	9,932.84	10,662.44

The above Cash flow statement has been prepared under the indirect method as set out in Ind AS 7 'Statement of Cash Flows'.
See accompanying notes to the financial statements

As per our report of even date

For KKC & Associates LLP
(formerly Khimji Kunverji & Co LLP)

Chartered Accountants
ICAI Firm Registration No.: 105146W/W100621

For Sundaram & Srinivasan

Chartered Accountants
ICAI Firm Registration No.: 004207S

For and on behalf of the Board of Directors of

Shriram Finance Limited
(formerly Shriram Transport Finance Company Limited)

Devang Doshi
Partner

Membership No.: 140056
Mumbai
April 27, 2023

P Menakshi Sundaram
Partner

Membership No.: 217914
Mumbai
April 27, 2023

Jugal Kishore Mohapatra
Chairman

DIN: 03190289
New Delhi
April 27, 2023

Y. S. Chakravarti
Managing Director &
CEO
DIN: 00052308
Mumbai
April 27, 2023

Parag Sharma
Joint Managing Director & CFO
DIN: 02916744
Mumbai
April 27, 2023

U Balasundararao
Company Secretary
Mumbai
April 27, 2023

1 REPORTING ENTITY

Shriram Finance Limited (formerly known as Shriram Transport Finance Company Limited) ('the Company') is a public company domiciled in India and incorporated under the provisions of the Companies Act, 1956. Its equity shares and non-convertible debentures are listed on BSE Limited and National Stock Exchange of India Limited.

The Company is registered with the Reserve Bank of India (RBI), Ministry of Corporate Affairs (MCA) and Insurance Regulatory and Development Authority of India (IRDA). The registration details are as follows:

RBI	07-00459
Corporate Identity Number (CIN)	L65191TN1979PLC007874
IRDA	CA0197

Shriram Capital Private Limited (formerly Shriram Financial Ventures (Chennai) Private Limited) and Shriram Ownership Trust are the Promoters of the Company. The Company is a Deposit Accepting Non-Banking Finance Company ('NBFC'), NBFC-Investment and Credit Company (NBFC-ICC) holding a Certificate of Registration from the RBI dated April 17, 2007 which was endorsed in the new name on January 31, 2023. The RBI, under Scale Based Regulations (SBR) had categorised the Company in Upper Layer (NBFC-UL) vide its circular dated September 30, 2022.

The registered office of the Company is Sri Towers, 14A, South Phase, Industrial Estate, Guindy, Chennai, Tamil Nadu- 600 032. The principal place of business is Wockhardt Towers, West Wing, Level-3, C-2, G-Block, Bandra - Kurla Complex, Bandra (East), Mumbai, Maharashtra - 400 051.

The Company is primarily engaged in the business of financing commercial vehicles, passenger vehicles, construction equipment, farm equipment, micro, small and medium enterprises, two-wheelers, gold and personal loans. The subsidiary of the Company is primarily engaged in the business of providing loans for construction or purchase of residential property and loans against property. The associate of the Company is a market leader in physical bidding for acquisition and disposal of pre-owned vehicles and equipment.

Pursuant to the Hon'ble National Company Law Tribunal, Chennai Bench ("NCLT") approval of the Composite Scheme of Arrangement and Amalgamation, Shriram Capital Limited (SCL) with its remaining undertaking and Shriram City Union Finance Limited (SCUF) with its entire undertaking amalgamated with the Company.

The Consolidated financial statements of the Company for the year ended March 31, 2023 were approved for issue in accordance with the resolution of the Board of Directors on April 27, 2023.

2 BASIS OF PREPARATION

The Consolidated financial statements relate to M/s. Shriram Finance Limited (the "Company"), its subsidiary and its associate (together hereinafter referred to as "the Group"). The consolidated financial statements of the Group have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015, as amended by the Companies (Indian Accounting Standards) Rules, 2016, notified under the Section 133 of the Companies Act, 2013 ('the Act') and other relevant provisions of the Companies Act, 2013. The Consolidated financial statements have been prepared under the historical cost convention, as modified by the application of fair value measurements required or allowed by relevant Accounting Standards, except for the assets and liabilities acquired under business combination are measured at fair value. The consolidated financial statements have been prepared as per the guidelines issued by the RBI as applicable to a NBFCs and other accounting principles generally accepted in India. Any applicable guidance / clarifications / directions issued by RBI or other regulators are implemented as and when they are issued / applicable.

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 (refer note 7.1 (xi)).

The preparation of financial statements requires the use of certain critical accounting estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses and the disclosed amount of contingent liabilities. Areas involving a higher degree of judgement or complexity, or areas where assumptions are significant to the Group are discussed in Note 8-Significant accounting judgements, estimates and assumptions.

The Consolidated financial statements are presented in Indian Rupees in crores (INR crores or Rs. in crores) which is also the functional currency of the Group and all values are rounded to the nearest crores, except when otherwise indicated.

3 BASIS OF CONSOLIDATION

- The financial statements of the subsidiary and associate company used in the consolidation are drawn up to the same reporting date as of the Company i.e. year ended March 31, 2023 and are prepared based on the accounting policies consistent with those used by the Group.

- (ii) The financial statements of the Group have been prepared in accordance with the Ind AS 110 - 'Consolidated Financial Statements' as per the Companies (Indian Accounting Standards) Rules, 2015 as amended by the Companies (Indian Accounting Standards) Rules, 2016, notified under Section 133 of the Companies Act, 2013 ("the Act") and the other relevant provisions of the Act.
- (iii) The consolidated financial statements have been prepared on the following basis:
- The financial statements of the Company and its subsidiary has been combined on a line-by-line basis by adding together like items of assets, liabilities, income and expenses. The intra-group balances and intra-group transactions have been fully eliminated except where losses are realised.
 - The financial statements of subsidiaries acquired or disposed off during the year are included in the consolidated Statement of Profit and Loss from the effective date of acquisition or up to the effective date of disposal, as appropriate.
 - Non-controlling interest, if any, in the net assets of consolidated subsidiary consists of the amount of equity attributable to the non-controlling shareholders at the dates on which investments are made by the Group in the subsidiary and further movements in their share in the equity, subsequent to the dates of investments as stated above.
 - Investment made by the Company in an associate company is accounted under the equity method, in accordance with the Indian Accounting Standard 28 on 'Investments in Associates and Joint Ventures'.
 - The policies of the subsidiary and associate company are consistent with those of the Company.
- (iv) The subsidiary and associate company considered in the consolidated financial statements are as below :

Name	Relationship	Country of incorporation	Share of ownership interest as at March 31, 2023	Share of ownership interest as at March 31, 2022
Shriram Housing Finance Limited (SHFL) (Refer Note 52)	Subsidiary	India	84.82%	-
Shriram Automall India Limited (SAMIL)	Associate	India	44.56%	44.56%

4 PRESENTATION OF FINANCIAL STATEMENT

The Consolidated financial statements of the Group are presented as per Schedule III (Division III) of the Companies Act, 2013 applicable to Non-banking Finance Companies (NBFCs), as notified by the MCA. The Statement of Cash Flows is presented as per the requirements of Ind-AS 7 Statement of Cash Flows. The Group classifies its assets and liabilities as financial and non-financial and presents them in the order of liquidity. An analysis regarding expected recovery or settlement within 12 months after the reporting date and more than 12 months after the reporting date is presented in notes to the financial statements. Financial assets and financial liabilities are generally reported on a gross basis except when, there is an unconditional legally enforceable right to offset the recognised amounts without being contingent on a future event and the parties intend to settle on a net basis in the following circumstances:

- The normal course of business
- The event of default
- The event of insolvency or bankruptcy of the Group and its associate and/or its counterparties

Derivative assets and liabilities with master netting arrangements (e.g. International Swaps and Derivative Association Arrangements) are presented net if all the above criteria are met.

5 STATEMENT OF COMPLIANCE

These Consolidated financial statements of the Group have been prepared in accordance with Indian Accounting Standards as per the Companies (Indian Accounting Standards) Rules, as amended by the Companies (Indian Accounting Standards) Rules, 2016, notified under Section 133 of the Companies Act, 2013 and the other relevant provisions of the Act.

The Group have consistently applied accounting policies to all the periods except for note 7.1 (xi).

6 NEW ACCOUNTING STANDARDS ISSUED BUT NOT EFFECTIVE /RECENT ACCOUNTING DEVELOPMENTS

MCA notifies new standards or amendments to the existing standards. During the year ended March 31, 2023, MCA has not notified any new standards or amendments to the existing standards applicable to the Group.

On March 23, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022 which was effective from April 01, 2022.

7 SIGNIFICANT ACCOUNTING POLICIES

7.1 Financial instruments

(i) Classification of financial instruments

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

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

The classification depends on the contractual terms of the cashflows of the financial assets and the Group's business model for managing financial assets which are explained below:

Business model assessment

The Group determines its business model at the level that best reflects how it manages groups of financial assets to achieve its business objective.

The Group's business model is not assessed on an instrument-by-instrument basis, but at a higher level of aggregated portfolios and is based on observable factors such as:

- ▶ How the performance of the business model and the financial assets held within that business model are evaluated and reported to the entity's key management personnel.
- ▶ The risks that affect the performance of the business model (and the financial assets held within that business model) and the way those risks are managed.
- ▶ How managers of the business are compensated (for example, whether the compensation is based on the fair value of the assets managed or on the contractual cash flows collected).
- ▶ The expected frequency, value and timing of sales are also important aspects of the Group's assessment. The business model assessment is based on reasonably expected scenarios without taking 'worst case' or 'stress case' scenarios into account. If cash flows after initial recognition are realised in a way that is different from the Group's original expectations, the Group does not change the classification of the remaining financial assets held in that business model, but incorporates such information when assessing newly originated or newly purchased financial assets going forward.
- ▶ At initial recognition of a financial asset, the Group determines whether newly recognised financial assets are part of an existing business model or whether they reflect the commencement of a new business model. The Group reassesses its business models each reporting period to determine whether the business model/ (s) have changed since the preceding period. For the current and prior reporting period the Group has not identified a change in its business model.

The Solely Payments of Principal and Interest (SPPI) test

As a second step of its classification process the Group assesses the contractual terms of financial assets to identify whether they meet the SPPI test.

'Principal' for the purpose of this test is defined as the fair value of the financial asset at initial recognition and may change over the life of the financial asset (for example, if there are repayments of principal or amortisation of the premium/discount).

In making this assessment, the Group considers whether the contractual cash flows are consistent with a basic lending arrangement i.e. interest includes only consideration for the time value of money, credit risk, other basic lending risks and a profit margin that is consistent with a basic lending arrangement. Where the contractual terms introduce exposure to risk or volatility that are inconsistent with a basic lending arrangement, the related financial asset is classified and measured at fair value through profit or loss.

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

(ii) Financial assets measured at amortised cost

Debt instruments

These financial assets comprise bank balances, loans, trade receivables, investments and other financial assets.

Debt instruments are measured at amortised cost where they have:

- a) contractual terms that give rise to cash flows on specified dates, that represent solely payments of principal and interest on the principal amount outstanding; and
- b) are held within a business model whose objective is achieved by holding to collect contractual cash flows.

These debt instruments are initially recognised at fair value plus directly attributable transaction costs and subsequently measured at amortised cost. However, trade receivables that do not contain a significant financing component are initially measured at transaction price.

(iii) Financial assets measured at fair value through other comprehensive income

Debt instruments

Investments in debt instruments are measured at fair value through other comprehensive income where they have:

- a) contractual terms that give rise to cash flows on specified dates, that represent solely payments of principal and interest on the principal amount outstanding; and
- b) are held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets.

These debt instruments are initially recognised at fair value plus directly attributable transaction costs and subsequently measured at fair value. Gains and losses arising from changes in fair value are included in other comprehensive income within a separate component of equity. Impairment losses or reversals, interest revenue and foreign exchange gains and losses are recognised in the Statement of profit and loss. Upon disposal, the cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to the Statement of profit and loss. As at the reporting date, the Group does not have any debt instrument measured at fair value through other comprehensive income.

Equity instruments

Investment in equity instruments that are neither held for trading nor contingent consideration recognised by the Group in a business combination to which Ind AS 103 'Business Combination' applies, are measured at fair value through other comprehensive income, where an irrevocable election has been made by management and when such instruments meet the definition of Equity under Ind AS 32 Financial Instruments: Presentation. Such classification is determined on an instrument-by-instrument basis. Amounts presented in other comprehensive income are not subsequently transferred to the Statement of Profit and Loss. Dividends on such investments are recognised in the Statement of Profit and Loss.

(iv) Financial instruments measured at fair value through profit or loss

Items at fair value through profit or loss comprise:

- Investments (including equity shares) held for trading;
- Items specifically designated as fair value through profit or loss on initial recognition; and
- Debt instruments with contractual terms that do not represent solely payments of principal and interest.

Financial instruments held at fair value through profit or loss are initially recognised at fair value, with transaction costs recognised in the Statement of profit and loss as incurred. Subsequently, they are measured at fair value and any gains or losses are recognised in the Statement of profit and loss as they arise.

Financial instruments held for trading

A financial instrument is classified as held for trading if it is acquired or incurred principally for selling or repurchasing in the near term, or forms part of a portfolio of financial instruments that are managed together and for which there is evidence of short-term profit taking, or it is a derivative not in a qualifying hedge relationship.

Trading derivatives and trading securities are classified as held for trading and recognised at fair value.

Financial instruments specifically designated as measured at fair value through profit or loss

Upon initial recognition, financial instruments may be designated as measured at fair value through profit or loss. A financial asset may only be designated at fair value through profit or loss if doing so eliminates or significantly reduces measurement or recognition inconsistencies (i.e. eliminates an accounting mismatch) that would otherwise arise from measuring financial assets or liabilities on a different basis.

As at the reporting date the Company does not have any financial instruments specifically designated as measured at fair value through profit or loss.

Debt instruments with contractual terms that do not represent solely payments of principal and interest

Debt instruments held at fair value through profit or loss are initially recognised at fair value, with transaction costs recognised in the Statement of Profit or Loss as incurred. Subsequently, they are measured at fair value and any gains or losses are recognised in the statement of profit and loss as they arise.

As at the reporting date the Company does not have any debt instruments measured at fair value through profit or loss.

Equity Investments

Investment in Associate is carried at cost in the Separate Financial Statements as permitted under Ind AS 27. The Company has accounted for its investment in subsidiary at fair value at the time of acquisition due to business combination. The investment is subsequently measured at cost.

A financial liability may be designated at fair value through profit or loss if it eliminates or significantly reduces an accounting mismatch or:

- if a host contract contains one or more embedded derivatives; or
- if financial assets and liabilities are both managed and their performance evaluated on a fair value basis in accordance with a documented risk management or investment strategy.

Where a financial liability is designated at fair value through profit or loss, the movement in fair value attributable to changes in the Group's own credit quality is calculated by determining the changes in credit spreads above observable market interest rates and is presented separately in other comprehensive income. As at the reporting date, the Group has not designated any financial liability as measured at fair value through profit or loss.

(v) Derivatives

A derivative is a financial instrument or other contract with all three of the following characteristics:

- Its value changes in response to the change in a specified interest rate, financial instrument price, commodity price, foreign exchange rate, index of prices or rates, credit rating or credit index, or other variable, provided that, in the case of a non-financial variable, it is not specific to a party to the contract (i.e., the 'underlying').
- It requires no initial net investment or an initial net investment that is smaller than would be required for other types of contracts expected to have a similar response to changes in market factors.
- It is settled at a future date.

The Group enters into derivative transactions with various counterparties to hedge its foreign currency risks and interest rate risks. Derivative transaction consists of hedging of foreign exchange transactions, which includes interest rate and currency swaps, interest rate options and forwards. The Group undertakes derivative transactions for hedging on-balance sheet liabilities.

Derivatives are recorded at fair value and carried as assets when their fair value is positive and as liabilities when their fair value is negative. The notional amount and fair value of such derivatives are disclosed separately. Changes in the fair value of derivatives are included in net gain on fair value changes.

Hedge accounting

The Group has adopted hedge accounting. The Group makes use of derivative instruments to manage exposures to interest rate risk and foreign currency risk. In order to manage particular risks, the Group applies hedge accounting for transactions that meet specified criteria. The Group has formally designated and documented the hedge relationship to which the Group wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge. The documentation includes the Group's risk management objective and strategy for undertaking hedge, the hedging/economic relationship, the hedged item or transaction, the nature of the risk being hedged, hedge ratio and how the Group would assess

the effectiveness of changes in the hedging instrument's fair value in offsetting the exposure to changes in the hedged item's cash flows attributable to the hedged risk. Such hedges are expected to be highly effective in achieving offsetting changes in cash flows and are assessed on an on-going basis to determine that they actually have been highly effective throughout the financial reporting periods for which they were designated.

Hedges that meet the criteria for hedge accounting and qualify as cash flow hedges are accounted as follows:

Cash flow hedge:

A cash flow hedge is a hedge of the exposure to variability in cash flows that is attributable to a particular risk associated with a recognised asset or liability and could affect the Statement of profit and loss. For designated and qualifying cash flow hedges, the effective portion of the cumulative gain or loss on the hedging instrument is initially recognised directly in other comprehensive income as cash flow hedge reserve. The ineffective portion of the gain or loss on the hedging instrument is recognised immediately as finance cost in the Statement of profit and loss. When the hedged cash flow affects the Statement of profit and loss, the effective portion of the gain or loss on the hedging instrument is recorded in the corresponding income or expense line of the Statement of profit and loss. When a hedging instrument expires, is sold, terminated, exercised, or when a hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss that has been recognised in OCI at that time remains in OCI and is recognised when the hedged forecast transaction is ultimately recognised in the Statement of profit and loss. When a forecast transaction is no longer expected to occur, the cumulative gain or loss that was reported in OCI is immediately transferred to the Statement of profit and loss.

(vi) Embedded Derivatives

An embedded derivative is a component of a hybrid instrument that also includes a non-derivative host contract with the effect that some of the cash flows of the combined instrument vary in a way similar to a stand-alone derivative.

If the hybrid contract contains a host that is a financial asset within the scope of Ind AS 109, the Group does not separate embedded derivatives. Rather, it applies the classification requirements contained in Ind AS 109 to the entire hybrid contract.

(vii) Debt securities and other borrowed funds

After initial measurement, debt issued and other borrowed funds are subsequently measured at amortised cost. Amortised cost is calculated by taking into account any discount or premium on issue funds, and transaction costs that are an integral part of the Effective Interest Rate (EIR).

(viii) Financial guarantees

Financial guarantees are initially recognised in the financial statements at fair value, being the premium received. Subsequent to initial recognition, the Group's liability under each guarantee is measured at the higher of the amount initially recognised less cumulative amortisation recognised in the Statement of profit and loss.

- ▶ The premium is recognised in the Statement of profit and loss on a straight-line basis over the life of the guarantee.

(ix) Reclassification of financial assets and liabilities

The Group does not reclassify its financial assets subsequent to their initial recognition. Financial liabilities are never reclassified. The Group did not reclassify any of its financial assets or liabilities for the year ended March 31, 2023.

(x) Recognition and Derecognition of financial assets and liabilities

Recognition:

- a) Loans and Advances are initially recognised when the funds are transferred to the customers' account or delivery of assets by the dealer, whichever is earlier.
- b) Investments are initially recognised on the settlement date.
- c) Debt securities, deposits and borrowings are initially recognised when funds reach the Group.
- d) Other Financial assets and liabilities are initially recognised on the trade date, i.e., the date that the Group becomes a party to the contractual provisions of the instrument. This includes regular way trades: purchases or sales of financial assets that require delivery of assets within the time frame generally established by regulation or convention in the marketplace.

Derecognition of financial assets due to substantial modification of terms and conditions:

The Group derecognises a financial asset, such as a loan to a customer, when the terms and conditions have been renegotiated to the extent that, substantially, it becomes a new loan, with the difference recognised as a derecognition gain or loss, to the extent that an impairment loss has not already been recorded. The newly recognised loans are classified as Stage 1 for ECL measurement purposes, unless the new loan is deemed to be Purchased or Originated as Credit Impaired (POCI).

If the modification does not result in cash flows that are substantially different, the modification does not result in derecognition. Based on the change in cash flows discounted at the original EIR, the Group records a modification gain or loss, to the extent that an impairment loss has not already been recorded.

Derecognition of financial assets other than due to substantial modification

a) Financial assets:

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised when the rights to receive cash flows from the financial asset have expired. The Group also derecognises the financial asset if it has both transferred the financial asset and the transfer qualifies for derecognition.

The Group has transferred the financial asset if, and only if, either:

- i. The Group has transferred its contractual rights to receive cash flows from the financial asset, or
- ii. It retains the rights to the cash flows, but has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement.

Pass-through arrangements are transactions whereby the Group retains the contractual rights to receive the cash flows of a financial asset (the 'original asset'), but assumes a contractual obligation to pay those cash flows to one or more entities (the 'eventual recipients'), when all of the following three conditions are met:

- i. The Group has no obligation to pay amounts to the eventual recipients unless it has collected equivalent amounts from the original asset, excluding short-term advances with the right to full recovery of the amount lent plus accrued interest at market rates.
- ii. The Group cannot sell or pledge the original asset other than as security to the eventual recipients.
- iii. The Group has to remit any cash flows it collects on behalf of the eventual recipients without material delay. In addition, the Group is not entitled to reinvest such cash flows, except for investments in cash or cash equivalents including interest earned, during the period between the collection date and the date of required remittance to the eventual recipients.

A transfer only qualifies for derecognition if either:

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

The Group considers control to be transferred if and only if, the transferee has the practical ability to sell the asset in its entirety to an unrelated third party and is able to exercise that ability unilaterally and without imposing additional restrictions on the transfer.

When the Group has neither transferred nor retained substantially all the risks and rewards and has retained control of the asset, the asset continues to be recognised only to the extent of the Group's continuing involvement, in which case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

On derecognition of a financial asset in its entirety, the difference between the carrying amount (measured at the date of derecognition) and the consideration received (including any new asset obtained less any new liability assumed) is recognised in the Statement of profit and loss. Accordingly, gain or loss on sale or derecognition of assigned portfolio are recorded upfront in the Statement of profit and loss as per Ind AS 109. Also, the Group recognises servicing income as a percentage of interest spread over tenure of loan in cases where it retains the obligation to service the transferred financial asset. As per the guidelines of RBI, the Group is required to retain certain portion of the loan assigned to parties in its books as Minimum Retention Requirement ("MRR"). Therefore, it continues to recognise the portion retained by it as MRR.

b) Financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expires. Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability. The difference between the carrying value of the original financial liability and the consideration paid is recognised in the Statement of profit and loss. As at the reporting date, the Group does not have any financial liabilities which have been derecognised.

(xi) Impairment of financial assets

Overview of the ECL principles

The Group records allowance for expected credit losses for all loans, other financial assets not held at fair value through profit or loss (FVTPL), together with financial guarantee contracts, in this section all referred to as 'financial instruments'. Equity instruments are not subject to impairment under Ind AS 109.

The ECL allowance is based on the credit losses expected to arise over the life of the asset (the lifetime expected credit loss), unless there has been no significant increase in credit risk since origination, in which case, the allowance is based on the 12 months' expected credit loss.

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 the portion of Lifetime ECL that represent the ECLs that result from default events on a financial instrument that are possible within the 12 months after the reporting date.

Both Lifetime ECLs and 12-month ECLs are calculated on either an individual basis or a collective basis, depending on the nature of the underlying portfolio of financial instruments. . The Company has grouped its loan portfolio into Secured Loans for New Vehicles, Secured Loans for Used Vehicles, Gold loans, MSME Loans , Two Wheelers Loans and Personal Loans.

The Group has established a policy to perform an assessment, at the end of each reporting period, of whether a financial instrument's credit risk has increased significantly since initial recognition, by considering the change in the risk of default occurring over the remaining life of the financial instrument. The Group does the assessment of significant increase in credit risk at a borrower level. If a borrower has various facilities having different past due status, then the highest days past due (DPD) is considered to be applicable for all the facilities of that borrower.

Based on the above, the Group categorises its loans into Stage 1, Stage 2 and Stage 3 as described below:

Stage 1

All exposures where there has not been a significant increase in credit risk since initial recognition or that has low credit risk at the reporting date and that are not credit impaired upon origination are classified under this stage. The Group classifies all standard advances and advances upto 30 days default under this category. Stage 1 loans also include facilities where the credit risk has improved and the loan has been reclassified from Stage 2 or Stage 3.

Stage 2

All exposures where there has been a significant increase in credit risk since initial recognition but are not credit impaired are classified under this stage. 30 Days Past Due is considered as significant increase in credit risk.

Stage 3

All exposures 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 are classified in this stage. For exposures that have become credit impaired, a lifetime ECL is recognised and interest revenue is calculated by applying the effective interest rate to the amortised cost (net of provision) rather than the gross carrying amount. 90 Days Past Due is considered as default for classifying a financial instrument as credit impaired. If an event (for e.g. any natural calamity) warrants a provision higher than as mandated under ECL methodology, the Group may classify the financial asset in Stage 3 accordingly.

As required by RBI Circular reference no. RBI/2019-20/170 DOR (NBFC).CC.PD.No. 109/22.10.106/ 2019-20 dated March 13, 2020; where impairment allowance under Ind AS 109 is lower than the provisioning required as per extant prudential norms on Income Recognition, Asset Classification and Provisioning (IRACP) including borrower/beneficiary wise classification, provisioning for standard as well as restructured assets, NPA ageing, etc., the Company shall appropriate the difference from their net profit or loss after tax to a separate 'Impairment Reserve'.

In line with Reserve Bank of India Master Circular on Prudential norms on Income Recognition, Asset Classification and Provisioning pertaining to Advances and Clarifications dated November 12, 2021 borrower accounts shall be flagged as overdue as part of the day-end processes for the due date, irrespective of the time of running such processes. Similarly, classification of borrower accounts as Non-Performing Asset / Stage 3 shall be done as part of day-end process for the relevant date i.e. more than 90 days overdue and NPA/Stage 3 classification date shall be the calendar date for which the day end process is run. In other words, the date of Non-Performing Asset / Stage 3 shall reflect the asset classification status of an account at the day-end of that calendar date.

The Group has carried out the requirement in line with Reserve Bank of India Clarification and accordingly the change in accounting policy is effective financial year 2021-22 and impact on financials is disclosed in note 76.

Upgradation of accounts classified as Stage 3/Non-performing assets (NPA) - The Group upgrades loan accounts classified as Stage 3/NPA to 'standard' asset category only if the entire arrears of interest, principal and other amount are paid by the borrower and there is no change in the accounting policy followed by the Group in this regard. With regard to upgradation of accounts classified as NPA due to restructuring, the instructions as specified for such cases as per the said RBI guidelines shall continue to be applicable.

Credit-impaired financial assets:

At each reporting date, the Group assesses whether financial assets carried at amortised cost and debt financial assets carried at FVOCI are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

- Significant financial difficulty of the borrower or issuer;
- A breach of contract such as a default or past due event;
- The restructuring of a loan or advance by the Group on terms that the Group would not consider otherwise;
- It is becoming probable that the borrower will enter bankruptcy or other financial reorganisation; or
- The disappearance of an active market for a security because of financial difficulties.

ECL on Investment in Government securities:

The Group has invested in Government of India loans. Investment in Government securities are classified under stage 1. No ECL has been applied on these investments as there is no history of delay in servicing of interest/repayments. The Group does not expect any delay in interest/redemption servicing in future.

ECL on Loans secured by the Company's fixed deposit

No ECL has been applied on loans given against the Company's fixed deposit as they are fully secured by the Company's fixed deposits.

Simplified approach for trade/other receivables and contract assets

The Group follows 'simplified approach' for recognition of impairment loss allowance on trade/other receivables that do not contain a significant financing component. The application of simplified approach does not require the Group to track changes in credit risk. It recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition. At every reporting date, the historical observed default rates are updated for changes in the forward-looking estimates. For trade receivables that contain a significant financing component a general approach is followed.

Financial guarantee contracts

The Group's liability under financial guarantee is measured at the higher of the amount initially recognised less cumulative amortisation recognised in the Statement of profit and loss, and the ECL provision. For this purpose, the Group estimates ECLs by applying a credit conversion factor. The ECLs related to financial guarantee contracts, if any, are recognised within Provisions.

ECL on Debt instruments measured at fair value through OCI

The ECLs for debt instruments measured at FVOCI do not reduce the carrying amount of these financial assets in the balance sheet, which remains at fair value. Instead, an amount equal to the allowance that would arise if the assets were measured at amortised cost is recognised in OCI as an accumulated impairment amount, with a corresponding charge to the Statement of profit and loss. The accumulated loss recognised in OCI is recycled to the Statement of profit and loss upon derecognition of the assets. As at the reporting date, the Group does not have any debt instruments measured at fair value through OCI.

Undrawn loan commitments

When estimating ECL for undrawn loan commitments, a credit conversion factor of 100% is applied for expected drawdown. The Group discloses ECL allowance on undrawn loan commitments under the head "Provisions" under non-financial liabilities.

The mechanics of ECL:

The Group calculates ECLs based on probability-weighted scenarios to measure the expected cash shortfalls, discounted at an approximation to the EIR. A cash shortfall is the difference between the cash flows that are due to the Group in accordance with the contract and the cash flows that the Group expects to receive.

The mechanics of the ECL calculations are outlined below and the key elements are, as follows:

Probability of Default (PD) - The Probability of Default is an estimate of the likelihood of default over a given time horizon. A default may only happen at a certain time over the assessed period, if the facility has not been previously derecognised and is still in the portfolio. The concept of PD is further explained in Note 54.

Exposure at Default (EAD) - The Exposure at Default is an estimate of the exposure at a future default date. The concept of EAD is further explained in Note 54.

Loss Given Default (LGD) - The Loss Given Default is an estimate of the loss arising in the case where a default occurs at a given time. It is based on the difference between the contractual cash flows due and those that the Group would expect to receive, including from the realisation of any collateral. It is usually expressed as a percentage of the EAD. The concept of LGD is further explained in Note 54.

Forward looking information

While estimating the expected credit losses, the Group reviews macro-economic developments occurring in the economy and the market it operates in. Macro-economic regression models are built to identify the key macro-economic factors (independent variables) that drive the default rates. The best possible single variable linear regression model is identified basis the R-square and the economic intuition of the relationship between the independent variable and the default rates.

The Group considers various external factors such as GDP growth, Inflation, weighted average lending rate of Scheduled Commercial Banks etc., as macro-economic factors affecting the Company's ECL estimates and the most relevant macro-economic factor affecting the particular loan product is factored in while arriving at the PD of that product. The Company formulated three different macro-economic stress scenarios under the premise of mild stress, medium stress and severe stress condition. The medium stress scenario largely reflected the current economic conditions, and accordingly was used for ECL modelling.

On a periodic basis, the Company monitors the situation and economic factors affecting the operations of the Company and assesses the requirement of any modification to ECL model.

Collateral Valuation

To mitigate its credit risks on financial assets, the Group seeks to use collateral, wherever possible. The collateral comes in various forms, such as movable and immovable assets, guarantees, etc. However, the fair value of collateral affects the calculation of ECLs. To the extent possible, the Group uses active market data for valuing financial assets held as collateral. Other financial assets which do not have readily determinable market values are valued using models. Non-financial collateral, such as vehicles, is valued based on data provided by third parties or management judgements.

Collateral repossessed

In its normal course of business whenever default occurs, the Group may take possession of properties or other assets in its retail portfolio and generally disposes such assets through auction, to settle outstanding debt. Any surplus funds are returned to the customers/obligors. The Group generally does not use the assets repossessed for the internal operations. The underlying loans in respect of which collaterals have been repossessed and not sold for more than 6 months are considered as Stage 3 assets and fully provided for net of estimated realisable value or written off. As a result of this practice, assets under legal repossession processes are not recorded on the balance sheet as it does not meet the recognition criteria in other standards and consequently the Group also does not derecognise the underlying financial asset immediately on repossession. The Company had revised its policy to fully provide for the underlying loans net of its estimated realisable value in respect of which collaterals had been repossessed and not sold for more than 6 months. The change in accounting policy is effective from financial year 2021-22 and impact on financials is disclosed in note 75. Repossessed house property of SHFL comprises of house & land properties, which were held as collaterals against the loans given to customer, whose physical and legal possessing has been taken over by the company due to customers' default on repayment of the loan. Management intends to sell these properties for which regular auctions are conducted. Asset will have to be sold within three years from possession date and if the investment in such properties (land and buildings) exceeds 20% of capital fund as per NBFC – Housing Finance Company (Reserve Bank) directions, 2021 (of which such investment over and above 10% of owned fund shall be in residential units), the excess shall be written off.

Restructured loans

The Group is permitted to restructure customer accounts. Restructuring would normally involve modification of terms of the advances / securities, which would generally include, among others, alteration of payment period / payable amount / the amount of instalments / rate of interest, sanction of additional credit facility/ release of additional funds for a customer account. The Group considers the modification of the loan only before the loans gets credit impaired. In case of restructuring, the accounts classified as 'standard' shall be immediately downgraded as non-performing assets / Stage 3 unless and other wise explicitly stated in the Circulars and Directions issued by Reserve Bank of India from time to time. Once an asset has been classified as restructured, it will remain restructured for a period of one year from the date on which it has been restructured until the customer account demonstrates satisfactory performance during the specified period.

For upgradation of accounts classified as Non-Performing Assets due to restructuring, the instructions as specified for such cases as per the said RBI guidelines shall continue to be applicable.

Loan accounts which have been restructured or modified in accordance with RBI Notifications - RBI/2020-21/16 DOR. No.BP.BC/3/21.04.048/2020-21 dated August 06, 2020- Resolution Framework for COVID-19 related Stress and RBI/2021-22/31/DOR.STR.REC.11/21.04.048/2021-22 dated May 05, 2021- Resolution Framework – 2.0: Resolution of Covid-19 related stress of Individuals and Small Businesses and RBI/2020-21/17 DOR. No.BP.BC/4/21.04.048/2020-21- dated August 06, 2020 - Micro, Small and Medium Enterprises (MSME) sector – Restructuring of Advances and RBI/2021-22/32 DOR.

STR.REC.12/21.04.048/2021-22 dated May 05, 2021 Resolution Framework 2.0 – Resolution of Covid-19 related stress of Micro, Small and Medium Enterprises (MSMEs) have been classified as Stage 2 due to significant increase in credit risk.

(xii) Write-offs

The Group reduces the gross carrying amount of a financial asset when the Group has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof. This is generally the case when the Group determines that the borrower does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subjected to write-offs. Any subsequent recoveries against such loans are credited to the statement of profit and loss. Write off in case of standard accounts is done by way of waiver of last one or two instalments in case the borrower pays all the EMIs as per the due dates mentioned in the agreement.

(xiii) Determination of fair value

On initial recognition, all the financial instruments are measured at fair value. For subsequent measurement, the Group measures certain categories of financial instruments (as explained in note 7.1(iii) to 7.1(vi)) at fair value on each balance sheet date.

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

- i. In the principal market for the asset or liability, or
- ii. 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.

In order to show how fair values have been derived, financial instruments are classified based on a hierarchy of valuation techniques, as summarised below:

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

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

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

The Group recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred. No such instances of transfers between levels of the fair value hierarchy were recorded during the reporting period.

Difference between transaction price and fair value at initial recognition

The best evidence of the fair value of a financial instrument at initial recognition is the transaction price (i.e. the fair value of the consideration given or received) unless the fair value of that instrument is evidenced by comparison with other observable current market transactions in the same instrument (i.e. without modification or repackaging) or based on a valuation technique whose variables include only data from observable markets. When such evidence exists, the Group recognises the difference between the transaction price and the fair value in profit or loss on initial recognition (i.e. on day one).

When the transaction price of the instrument differs from the fair value at origination and the fair value is based on a valuation technique using only inputs observable in market transactions, the Group recognises the difference between the transaction price and fair value in net gain on fair value changes. In those cases, where fair value is based on models for which some of the inputs are not observable, the difference between the transaction price and the fair value is deferred and is only recognised in the Statement of profit and loss when the inputs become observable, or when the instrument is derecognised.

7.2 Revenue from operations

(i) Interest Income

Interest income is recognised by applying the Effective Interest Rate (EIR) to the gross carrying amount of financial assets measured at amortised cost other than credit-impaired assets and financial assets classified as measured at FVTPL.

The EIR in case of a financial asset is computed

- As the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset.
- By considering all the contractual terms of the financial instrument in estimating the cash flows.
- Including all fees received between parties to the contract that are an integral part of the effective interest rate, transaction costs, and all other premiums or discounts.

Any subsequent changes in the estimation of the future cash flows is recognised in interest income with the corresponding adjustment to the carrying amount of the assets.

Interest income on credit impaired assets is recognised by applying the effective interest rate to the net amortised cost (net of ECL provision) of the financial asset.

Interest on delayed payments by customers are treated to accrue only on realisation, due to uncertainty of realisation and are accounted accordingly.

Interest spread under par structure of direct assignment of loan receivables is recognised upfront. On derecognition of the loan receivables in its entirety, the difference between the carrying amount (measured at the date of derecognition) and the consideration received (including any new asset obtained less any new liability assumed) shall be recognised upfront in the Statement of profit and loss.

(ii) Dividend Income

Dividend income is recognised when the right to receive the payment is established.

(iii) Rental Income

Rental income arising from operating leases is recognised on a straight-line basis over the lease term. In cases where the increase is in line with expected general inflation, rental income is recognised as per the contractual terms.

Operating leases are leases where the Group does not transfer substantially all of the risk and benefits of ownership of the asset.

(iv) Fees & Commission Income

Fees and commissions are recognised when the Group satisfies the performance obligation, at the amount of transaction price (net of variable consideration) allocated to that performance obligation based on a five-step model as set out below, unless included in the effective interest calculation:

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

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

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

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

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

(v) Net gain/loss on fair value changes

Any differences between the fair values of financial assets classified as fair value through the profit or loss held by the 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 FVTPL and debt or equity instruments measured at FVOCI is recognised in net gain/loss on fair value changes. As at the reporting date, the Group does not have any debt instruments measured at FVOCI.

(vi) Recoveries of financial assets written off

The Company recognises income on recoveries of financial assets written off on realisation basis.

(vii) Net gain/loss on derecognition of financial instruments under amortised cost category

In case where transfer of a part of financial assets qualifies for de-recognition, any difference between the proceeds received on such sale and the carrying value of the transferred asset is recognised as gain or loss on derecognition of such financial asset previously carried under amortisation cost category and is presented separately under the respective head in the Statement of profit and loss. The resulting interest only strip initially is discounted and recognised at FVTPL under interest income.

7.3 Expenses

(i) Finance costs

Finance costs represents Interest expense recognised by applying the Effective Interest Rate (EIR) to the gross carrying amount of financial liabilities other than financial liabilities classified as FVTPL.

The EIR in case of a financial liability is computed

- a. As the rate that exactly discounts estimated future cash payments through the expected life of the financial liability to the gross carrying amount of the amortised cost of a financial liability.
- b. By considering all the contractual terms of the financial instrument in estimating the cash flows.
- c. Including all fees paid between parties to the contract that are an integral part of the effective interest rate, transaction costs, and all other premiums or discounts.

Any subsequent changes in the estimation of the future cash flows is recognised in interest expense with the corresponding adjustment to the carrying amount of the financial liability.

Interest expense includes issue costs that are initially recognised as part of the carrying value of the financial liability and amortised over the expected life using the effective interest method. These include fees and commissions payable to advisers and other expenses such as external legal costs, rating fee etc, provided these are incremental costs that are directly related to the issue of a financial liability.

(ii) Retirement and other employee benefits

Short term employee benefit

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits. These benefits include short term compensated absences such as paid annual leave. The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees is recognised as an expense during the period. Benefits such as salaries and wages, etc. and the expected cost of the bonus/ex-gratia are recognised in the period in which the employee renders the related service.

Post-employment employee benefits

a) Defined contribution schemes

All the employees of the Group are entitled to receive benefits under the Provident Fund and Employees State Insurance scheme, defined contribution plans in which both the employee and the Group contribute monthly at a stipulated rate. The Group has no liability for future benefits other than its annual contribution and recognises such contributions as an expense in the period in which employee renders the related service. If the contribution payable to the scheme for service received before the Balance Sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognised as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the Balance Sheet date, then excess is recognised as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

b) Defined Benefit schemes

The Group provides for the gratuity, a defined benefit retirement plan covering all employees. The plan provides for lump sum payments to employees upon death while in employment or on separation from employment after serving for the stipulated years mentioned under 'The Payment of Gratuity Act, 1972'. The present value of the obligation under such defined benefit plan is determined based on actuarial valuation, carried out by an independent actuary at each Balance Sheet date, using the Projected Unit Credit Method, which recognises each period of service as giving rise to an additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

The obligation is measured at the present value of the estimated future cash flows. The discount rates used for determining the present value of the obligation under defined benefit plan are based on the market yields on Government Securities as at the Balance Sheet date.

Net interest recognised in profit or loss is calculated by applying the discount rate used to measure the defined benefit

obligation to the net defined benefit liability or asset. The actual return on the plan assets above or below the discount rate is recognised as part of re-measurement of net defined liability or asset through other comprehensive income. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, attrition rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, these liabilities are highly sensitive to changes in these assumptions. All assumptions are reviewed annually.

The Group fully contributes all ascertained liabilities to the Trustees - Shriram Transport Finance Company Limited Employees' Group Gratuity Assurance Scheme and Shriram City Union Finance Limited Employees' Group Gratuity Assurance Scheme. The merger of the two trusts and subsequent change of name of the trusts to Shriram Finance Limited Employees Group Gratuity Assurance Scheme is under process. Trustees administer contributions made to the trust and contributions are invested in a scheme of insurance with the IRDA approved Insurance Companies.

Re-measurement, comprising of actuarial gains and losses and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Re-measurements are not reclassified to the Statement of Profit and Loss in subsequent periods.

Other long-term employee benefits

Group's 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.

The Group presents the provision for compensated absences under provisions in the Balance Sheet.

Employee Stock Options

Eligible employees in terms of the Employees Stock Options Scheme of the Company receive remuneration in the form of share-based payments, whereby employees render services as consideration for equity instruments (equity-settled transactions).

The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model.

That cost is recognised, together with a corresponding increase in Share Option Outstanding Reserves in equity, over the period in which the performance and / or service conditions are fulfilled in employee benefits expense/ vesting period. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Company's best estimate of the number of equity instruments that will ultimately vest.

The Statement of Profit or Loss expense or credit for a period represents the movement in cumulative expense recognised as at the beginning and end of that period and is recognised in employee benefits expense. No expense is recognised for awards that do not ultimately vest.

(iii) Leases:

The Group as a lessee

The Group has adopted Ind AS 116 'Leases' with the date of initial application being April 01, 2019 (transition date). The determination of whether an arrangement is a lease, or contains a lease, is based on the substance of the arrangement and requires an assessment of whether the fulfilment of the arrangement is dependent on the use of a specific asset or assets or whether the arrangement conveys a right to use the asset. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a time in exchange for a consideration. The Group, at the inception of a contract, assesses whether the contract is a lease or not lease. For arrangements entered into prior to April 01, 2019, the Group has determined whether the arrangement contains a lease on the basis of facts and circumstances existing on the date of transition.

The Group recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received. The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the Group's incremental borrowing rate at the transition date in case of leases existing as on the date of transition date and in case of leases entered after transition date, incremental borrowing rate as on the date of lease

commencement date. In case of existing leases, the said date would be the date of transition. It is remeasured when there is a change in future lease payments arising from a change in a rate, if the Group changes its assessment of whether it will exercise an extension or termination option.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in the Statement of Profit and Loss if the carrying amount of the right-of-use asset has been reduced to zero.

The Group has elected not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The Group recognises the lease payments associated with these leases as an expense over the lease term. The Group's lease asset class consist of leases for office premises.

In case of a sub-lease, the Group accounts for its head lease and sub-lease separately.

The Company as a lessor

Leases for which the Company is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases. Rental income arising from operating leases is recognised on a straight-line basis over the lease term. In cases where the increase is in line with expected general inflation, rental income is recognised as per the contractual terms.

(iv) Other income and expenses

All other income and expense are recognised in the period they occur.

(v) Impairment of non-financial assets, wherever applicable

The Company assesses at each balance sheet date whether there is any indication that a non-financial asset may be impaired due to events or changes in circumstances indicating that their carrying amounts may not be realised. If any such indication exists, the Company estimates the recoverable amount of the asset. If such recoverable amount of the asset 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 balance sheet date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the revised recoverable amount, subject to maximum of the depreciated historical cost.

(vi) Taxes

Current Tax

Current tax assets and liabilities for the current and prior years are measured at the amount expected to be recovered from, or paid to, the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted, or substantively enacted, by the reporting date in the countries where the Group operates and generates taxable income.

Current income tax relating to items recognised outside the Statement of Profit and Loss is recognised outside the Statement of Profit and Loss (either in other comprehensive income or in equity). Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred tax assets and liabilities are recognised for temporary differences arising between the tax bases of assets and liabilities and their carrying amounts. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the reporting date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are only recognised for temporary differences, unused tax losses and unused tax credits if it is probable that future taxable amounts will arise to utilise those temporary differences and losses. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Deferred tax assets and liabilities are offset where there is a legally enforceable right to offset current tax assets and liabilities and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities are realised simultaneously.

Goods and services tax /value added taxes paid on acquisition of assets or on incurring expenses

Expenses and assets are recognised net of the goods and services tax/value added taxes paid, except:

- i. When the tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the tax paid is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable.
- ii. When receivables and payables are stated with the amount of tax included.

The net amount of tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in

the balance sheet.

(vii) Dividends on ordinary shares

The Group recognises a liability to make cash distributions to equity shareholders of the Group when the distribution is authorised and the distribution is no longer at the discretion of the Group. As per the Companies Act, 2013 final dividend is authorised when it is approved by the shareholders and interim dividend is authorised when it is approved by the Board of Directors of the Group. A corresponding amount is recognised directly in equity.

7.4 Foreign currency translation

(i) Functional and presentational currency

The consolidated financial statements are presented in Indian Rupees which is also functional currency of the Group and the currency of the primary economic environment in which the Group operates.

(ii) Transactions and balances

Initial recognition:

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

Conversion:

Monetary assets and liabilities denominated in foreign currency, which are outstanding as at the reporting date, are translated at the reporting date at the closing exchange rate and the resultant exchange differences are recognised in the Statement of Profit and Loss.

Non-monetary items that are measured at historical cost in a foreign currency are translated using the spot exchange rates as at the date of recognition.

7.5 Cash and cash equivalents

Cash and cash equivalents comprise the net amount of short-term, highly liquid investments that are readily convertible to known amounts of cash (short-term deposits with an original maturity of three months or less) and are subject to an insignificant risk of change in value, cheques on hand and balances with banks. They are held for the purposes of meeting short-term cash commitments (rather than for investment or other purposes).

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash on hand, cheques on hand, balances with banks (of the nature of cash and cash equivalents), CBLO and short-term deposits, as defined above.

7.6 Property, plant and equipment

Property, plant and equipment (PPE) are carried at historical cost of acquisition less accumulated depreciation and accumulated impairment losses, (if any). The total cost of assets comprises its purchase price, freight, duties, taxes and any other incidental expenses directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by the management. Changes in the expected useful life are accounted for by changing the amortisation period or methodology, as appropriate, and treated as changes in accounting estimates.

Subsequent expenditure related to an item of tangible asset are added to its gross value only if it increases the future benefits of the existing asset, if it is probable that future economic benefit will flow to the Group from that expenditure and cost can be measured reliably. Other repairs and maintenance costs are expensed off as and when incurred.

Depreciation

Depreciation is calculated using the straight-line method to write down the cost of property and equipment to their residual values over their estimated useful lives which is in line with the estimated useful life as specified in Schedule II of the Companies Act, 2013 except for Leasehold improvements which are amortised on a straight-line basis over the period of lease or estimated period of useful life of such improvement, subject to a maximum period of 60 months. Leasehold improvements include all expenditure incurred on the leasehold premises that have future economic benefits. Land is not depreciated.

The estimated useful lives are as follows:

Particulars	Useful life as prescribed by Schedule II of the Companies Act, 2013	Useful life estimated by Group
Building	60 years	60 years
Plant and machinery	15 years	15 years
Electrical equipment	10 years	10 years
Generator	10 years	10 years
Furniture and fixture	10 years	10 years

Particulars	Useful life as prescribed by Schedule II of the Companies Act, 2013	Useful life estimated by Group
Air conditioner	5 years	5 years
Electronic equipment	5 years	5 years
Office equipment	5 years	5 years
Refrigerator	5 years	5 years
Motor car	8 years	8 years
Vehicles	10 years	10 years
Server and networking	6 years	6 years
Computer	3 years	3 years

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

Property, plant and equipment is derecognised on disposal or when no future economic benefits are expected from its use. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is recognised in other income / expense in the Statement of Profit and Loss in the year the asset is derecognised.

Depreciation on assets acquired/sold during the year is recognised on a pro-rata basis to the Statement of Profit and Loss from/ upto the date of acquisition/sale.

The date of disposal of an item of property, plant and equipment is the date the recipient obtains control of that item in accordance with the requirements for determining when a performance obligation is satisfied in Ind AS 115.

7.7 Intangible assets

An intangible asset is recognised only when its cost can be measured reliably and it is probable that the expected future economic benefits that are attributable to it will flow to the Group.

Intangible assets acquired separately are measured on initial recognition at cost. The cost of an intangible asset comprises its purchase price and any directly attributable expenditure on making the asset ready for its intended use and net of any trade discounts and rebates. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses.

The useful lives of intangible assets are assessed to be either finite or indefinite. Intangible assets with finite lives are amortised over the useful economic life. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at each financial year-end. Changes in the expected useful life, or the expected pattern of consumption of future economic benefits embodied in the asset, are accounted for by changing the amortisation period or methodology, as appropriate, which are then treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is presented as a separate line item in the Statement of Profit and Loss. Amortisation on assets acquired/sold during the year is recognised on a pro-rata basis to the Statement of Profit and Loss from / upto the date of acquisition/sale.

Amortisation is calculated using the straight-line method to write down the cost of intangible assets to their residual values over their estimated useful lives. Intangible assets comprising of software are amortised on a straight-line basis over a period of 3 years, unless it has a shorter useful life.

The Group's intangible assets consist of computer software and distribution network with definite life and goodwill with indefinite life.

Goodwill is not subject to amortisation and is tested annually for impairment. Goodwill is carried at cost less accumulated impairment losses. The Company has determined the useful life of the intangible asset in the nature of branch network acquired through the scheme of amalgamation and started amortising the same over its useful life.

Gains or losses from derecognition of intangible assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset are recognised in the Statement of Profit and Loss when the asset is derecognised.

7.8 Investment Property

Properties, held to earn rentals and/or capital appreciation are classified as investment property and measured and reported at cost, including transaction costs.

Depreciation is recognised using straight line method so as to write off the cost of the investment property less their residual values over their useful lives specified in Schedule II to the Companies Act, 2013 or in case of assets where the useful life was determined

by technical evaluation, over the useful life so determined. Depreciation method is reviewed at each financial year end to reflect the expected pattern of consumption of the future benefits embodied in the investment property. The estimated useful life and residual values are also reviewed at each financial year end and the effect of any change in the estimates of useful life/residual value is accounted on prospective basis

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on derecognition of property is recognised in the Statement of Profit and Loss in the same period.

7.9 Ind AS 101 - First-time Adoption of Indian Accounting Standards

Exemptions applied

Ind AS 101 allows first-time adopters certain exemptions from the retrospective application of certain requirements under Ind AS. The Company has applied the following exemptions:

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment, intangible assets and investment property as at March 31, 2017 measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment, intangible assets and investment property as on April 01, 2017.

7.10 Provisions

Provisions are recognised when the enterprise has a present obligation (legal or constructive) as a result of past events, and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

When the effect of the time value of money is material, the enterprise determines the level of provision by discounting the expected cash flows at a pre-tax rate reflecting the current rates specific to the liability. The expense relating to any provision is presented in the Statement of Profit and Loss net of any reimbursement. As at reporting date, the Group does not have any such provisions where the effect of time value of money is material.

7.11 Contingent Liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Group or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognised because it cannot be measured reliably. The Group does not recognise a contingent liability but discloses its existence in the financial statements. Contingent liabilities are reviewed at each Balance Sheet date.

7.12 Contingent asset

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group. They are disclosed only when an inflow of economic benefits is probable. Contingent assets are not recognised nor disclosed in the financial statements. Contingent assets are reviewed at each Balance Sheet date.

7.13 Earning Per Share

The Group reports basic and diluted earnings per share in accordance with Ind AS 33 on Earnings per share. Basic EPS is calculated by dividing the net profit or loss for the year attributable to equity shareholders (after deducting preference dividend and attributable taxes) by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the period, unless they have been issued at a later date. In computing the dilutive earnings per share, only potential equity shares that are dilutive and that either reduces the earnings per share or increases loss per share are included.

7.14 Cash flow Statement

Cash flows are reported under the 'Indirect method' as set out in Ind AS 7 on 'Statement of Cash Flows, whereby net profit after tax is adjusted for the effects of transactions of non-cash nature, tax and any deferrals or accruals of past or future cash receipts or payments. The cash flows are prepared for the operating, investing and financing activities of the Group.

7.15 Business Combination

The Company applies the acquisition method of accounting for business combinations where common control does not exist. The consideration transferred by the Company for the acquisition of business comprises of fair value of the assets transferred, liabilities incurred, and the equity interests issued by the Company as at the acquisition date i.e. the date on which it obtains the control of the acquiree. The acquisition related costs are recognised in the statement of profit and loss as incurred, except to the extent related to the issue of debt or equity securities.

Identifiable assets acquired and liabilities assumed in a business combination are measured initially at their fair values on the acquisition date.

Intangible assets acquired in a business combination and recognised separately from Goodwill are initially recognised at their fair value at the acquisition date. Subsequent to initial recognition, intangible assets as well as Goodwill acquired in a business combination are reported at cost less accumulated amortisation and accumulated impairment losses, respectively.

Goodwill is initially measured at cost, being the excess of the consideration transferred over the fair value of the net identifiable assets acquired. After initial recognition, Goodwill is tested annually for impairment and any impairment loss for Goodwill is recognised in the statement of profit and loss.

Distribution network is the value of the transferor company's branch network. Valuation of Distribution Network is as per With & Without Method. If the consideration transferred is less than the fair value of net identifiable assets acquired, the difference is recognised as capital reserve in other equity.

Further details and impact of this merger on financial statements of the Company is disclosed in note 52.

8 SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

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

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

8.1 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.

8.2 Defined employee benefit assets and liabilities

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

8.3 Fair value measurement:

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using various valuation techniques. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgments include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

8.4 Impairment of loans portfolio

The measurement of impairment losses across all categories of financial assets requires judgement, in particular, the estimation of the amount and timing of future cash flows and collateral values when determining impairment losses and the assessment of a significant increase in credit risk. These estimates are driven by a number of factors, changes in which can result in different levels of allowances.

It has been the Group's policy to regularly review its models in the context of actual loss experience and adjust when necessary. The impairment loss on loans and advances is disclosed in more detail in Note 7.1(xi) Overview of ECL principles.

8.5 Contingent liabilities and provisions other than impairment on loan portfolio

Provisions and liabilities are recognised in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability requires the application of judgement to existing facts and circumstances, which can be subject to change. The carrying amounts of provisions and liabilities are reviewed at each Balance sheet date and revised to take account of changing facts and circumstances.

8.6 Effective Interest Rate (EIR) method

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

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

8.7 Estimating the incremental borrowing rate

The Group uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Group would have to pay to for its incremental borrowings.

8.8 Other estimates

These include contingent liabilities, useful lives of tangible and intangible assets etc. The Group has determined the useful life of the intangible asset in the nature of branch network acquired through the scheme of amalgamation and started amortising the same over its useful life by making a suitable change in the accounting estimate.

		(Rs. in crores)	
Particulars	As at March 31, 2023	As at March 31, 2022	
9 CASH AND CASH EQUIVALENTS			
Cash on hand	153.43	95.05	
Balances with banks (of the nature of cash and cash equivalents)	4,144.56	2,654.78	
Cheques on hand	4.87	5.56	
Others			
- Call money (CBLO)	499.72	3,198.60	
- Bank deposit with original maturity upto three months or less	5,130.26	4,708.45	
Total	9,932.84	10,662.44	

Balances with banks earn interest at fixed rates. Short term deposits are made for varying periods of between one day and three months, depending on the immediate cash requirements of the Group, and earn interest at the respective short-term deposit rates. The Group has not taken bank overdraft, therefore the cash and cash equivalents for cash flow statement is same as cash and for cash equivalents given above.

		(Rs. in crores)	
Particulars	As at March 31, 2023	As at March 31, 2022	
10 BANK BALANCE OTHER THAN CASH AND CASH EQUIVALENTS			
Earmarked balances with banks for			
- Unclaimed dividend accounts	8.63	9.72	
Bank deposit with original maturity for more than three months	481.03	574.16	
Balances with banks to the extent held as credit enhancement or security against the borrowings, guarantees, other commitments*	5,884.45	5,108.84	
Total	6,374.11	5,692.72	

Fixed deposit and other balances with banks earns interest at fixed rate.

*Includes deposits Rs. 4,857.80 crores (March 31, 2022: Rs. 4,829.26 crores) pledged with Banks as margin for credit enhancement, Rs. 4.34 (March 31, 2022: Rs. 33.30 crores) as margin for guarantees, Rs. 962.72 crores (March 31, 2022: Rs. 246.28 crores) pledged as lien against borrowings, deposits under lien in favour of Debenture and securitisation trustees Rs. 58.27 crores (March 31, 2022: Rs. Nil) and deposits under lien with banks for various purposes Rs.1.32 crores (March 31, 2022: Rs. Nil).

11 DERIVATIVE FINANCIAL INSTRUMENTS

The Group enters into derivatives for risk management purposes. Derivatives held for risk management purposes include hedges that either meet the hedge accounting requirements or hedges that are economic hedges. The Group has adopted hedge accounting.

The table below shows the fair values of derivative financial instruments recorded as assets or liabilities together with their notional amounts.

The notional amounts indicate the value of transactions outstanding at the year end and are not indicative of either the market risk or credit risk.

		(Rs. in crores)			
		As at March 31, 2023		As at March 31, 2022	
Particulars		Notional Amounts	Fair Value - Assets	Notional Amounts	Fair Value - Liabilities
Part I					
(i) Currency derivatives:					
- Spots and forwards		16,909.59	(193.01)	-	-
- Currency swaps		2,715.93	121.65	-	-
- Cross currency interest rate swaps		3,229.67	588.33	-	-
Sub total (i)		22,855.19	516.97	-	-

11 DERIVATIVE FINANCIAL INSTRUMENTS (Contd.)

Particulars	As at March 31, 2023				As at March 31, 2022			
	Notional Amounts	Fair Value - Assets	Notional Amounts	Fair Value - Liabilities	Notional Amounts	Fair Value - Assets	Notional Amounts	Fair Value - Liabilities
(ii) Interest rate derivatives:								
- Interest rate swaps	-	35.75	-	-	14,049.63	3.18	-	-
- Interest rate caps	17,230.41	116.65	-	-	-	13.20	-	-
- Futures	-	-	-	-	-	-	-	-
- Others	-	-	-	-	-	-	-	-
Sub total (ii)	17,230.41	152.40	-	-	14,049.63	16.38	-	-
(iii) Credit derivatives:	-	-	-	-	-	-	-	-
(iv) Equity linked derivatives:	-	-	-	-	-	-	-	-
(v) Other derivatives:	-	-	-	-	-	-	-	-
Total Derivative financial instruments (i)+(ii)+(iii)+(iv)+(v)	40,085.60	669.37	-	-	36,819.39	201.40	-	-
Part II								
Included in above (Part I) are derivatives held for hedging and risk management purposes as follows:								
(i) Fair value hedging:	-	-	-	-	-	-	-	-
(ii) Cash flow hedging:								
- Currency derivatives	22,855.19	516.97	-	-	22,769.76	185.02	-	-
- Interest rate derivatives	17,230.41	152.40	-	-	14,049.63	16.38	-	-
(iii) Net investment hedging:	-	-	-	-	-	-	-	-
(iv) Undesignated derivatives	-	-	-	-	-	-	-	-
Total Derivative financial instruments (i)+(ii)+(iii)+(iv)	40,085.60	669.37	-	-	36,819.39	201.40	-	-

Hedging activities and derivatives

The Group is exposed to certain risks relating to its ongoing business operations. The primary risks managed using derivative instruments are foreign currency risk and interest rate risk. The Group's risk management strategy and how it is applied to manage risk are explained in Note 54.

Derivatives designated as hedging instruments

The Group designates its derivatives as hedging instruments to hedge the variability in cash flows associated with highly probable forecast transactions arising from changes in foreign exchange rates and interest rates. At inception of designated hedging relationships, the Group documents the risk management objective and strategy for undertaking the hedge. The Group also documents the economic relationship between the hedged item and the hedging instrument, including whether the changes in cash flows of the hedged item and hedging instrument are expected to offset each other. There is an economic relationship between the hedged item and the hedging instrument as the terms of the cross currency swap contract match that of the foreign currency borrowing (notional amount, interest payment dates, principal repayment date etc.). The Group has established a hedge ratio of 1:1 for the hedging relationships as the underlying risk of the hedging instruments is identical to the hedged risk components. To test the hedge effectiveness, the Group uses the hypothetical derivative method and compares the changes in the fair value of the hedging instruments against the changes in fair value of the hedged items attributable to the hedged risks.

11 DERIVATIVE FINANCIAL INSTRUMENTS (Contd.)

Cash flow hedges

When a derivative is designated as a cash flow hedging instrument, the effective portion of changes in the fair value of the derivative is recognised in OCI and accumulated in other equity under 'effective portion of cash flow hedges'. The effective portion of changes in the fair value of the derivative that is recognised in OCI is limited to the cumulative change in fair value of the hedged item, determined on a present value basis, from inception of the hedge. Any ineffective portion of changes in the fair value of the derivative is recognised in the statement of profit and loss.

Derivatives not designated as hedging instruments

There are no undesignated derivatives.

Notes:

- 1) The interest rate risk and exchange rate risk on the borrowings of the Group are managed using various derivative instruments which are entered into from time to time. The risk management strategy and the use of derivatives are explained in Note 54.
- 2) The Group has designated the interest rate derivatives which were entered to mitigate interest rate risks on its external commercial bond and external commercial borrowings and borrowings in foreign currencies, as hedging instruments.

The impact of the hedging instrument on the Balance sheet is as follows:

(Rs. in crores)

	As at March 31, 2023				As at March 31, 2022			
	Notional Amount	Carrying Amount	Line item in the Balance sheet	Change in fair value used for measuring ineffectiveness for the year	Notional Amount	Carrying Amount	Line item in the Balance sheet	Change in fair value used for measuring ineffectiveness for the year
Hedged Instrument								
Currency derivatives/ Interest rate derivatives	40,085.60	669.37	Derivative Financial Instruments	(14.73)	36,819.39	201.40	Derivative Financial Instruments	160.87

The impact of hedged items on the Balance sheet is as follows:

(Rs. in crores)

	As at March 31, 2023		As at March 31, 2022	
	Change in value used for measuring ineffectiveness	Cash flow hedge reserve as on March 31, 2023	Change in value used for measuring ineffectiveness	Cash flow hedge reserve as on March 31, 2022
Hedged Item				
External commercial bond, external commercial borrowings and foreign currency term loans	(14.73)	(224.42)	160.87	(213.40)

11 DERIVATIVE FINANCIAL INSTRUMENTS (Contd.)

The effect of cash flow hedge in the statement of profit and loss and other comprehensive income is as follows:

(Rs. in crores)

Particulars	As at March 31, 2023	As at March 31, 2022
Hedged Item	External commercial bond, external commercial borrowings and foreign currency term loans	
Total hedging gain / (loss) recognised in OCI	(14.73)	160.87
Ineffectiveness recognised in the statement of profit and loss	-	-
Line item in the statement of profit and loss that include the hedge ineffectiveness	NA	NA
Amount reclassified from cash flow hedge reserve to the statement of profit and loss	-	-
Line item in the statement of profit and loss that includes the reclassification adjustment	NA	NA

12 RECEIVABLES

(I) Trade receivables

(Rs. in crores)

Particulars	As at March 31, 2023	As at March 31, 2022
Trade receivables considered good - secured	-	-
Trade receivables considered good - unsecured	17.00	5.35
Trade receivables which have significant increase in credit risk	-	-
Trade receivables - credit impaired	-	-
Gross	17.00	5.35
Less: Allowances for impairment loss on Trade receivables considered good-unsecured	-	-
Less: Allowances for impairment loss on credit impaired trade receivables	-	-
Net	17.00	5.35

Trade receivable ageing

As at March 31, 2023

(Rs. in crores)

Particulars	Unbilled	Not Due for payment	Outstanding for following periods from due date of payment					Total
			Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	-	-	17.00	-	-	-	-	17.00
(ii) Undisputed Trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
(iii) Undisputed Trade receivables – credit impaired	-	-	-	-	-	-	-	-
(iv) Disputed Trade receivables – considered good	-	-	-	-	-	-	-	-
(v) Disputed Trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
(vi) Disputed Trade receivables – credit impaired	-	-	-	-	-	-	-	-
Gross	-	-	17.00	-	-	-	-	17.00

12 RECEIVABLES (Contd.)

As at March 31, 2022

(Rs. in crores)

Particulars	Unbilled	Not Due for payment	Outstanding for following periods from due date of payment					Total
			Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	-	-	5.35	-	-	-	-	5.35
(ii) Undisputed Trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
(iii) Undisputed Trade receivables – credit impaired	-	-	-	-	-	-	-	-
(iv) Disputed Trade receivables – considered good	-	-	-	-	-	-	-	-
(v) Disputed Trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
(vi) Disputed Trade receivables – credit impaired	-	-	-	-	-	-	-	-
Gross			5.35	-	-	-	-	5.35

The Group's impairment assessment and measurement approach for trade receivables is mentioned at Note 7.1.(xi) of significant accounting policies.

Trade receivables are non-interest bearing and are generally on terms of 30 days.

There are no dues from Directors or other officers of the Group or any firm or private company in which any Director is a partner, a Director or a member.

(II) Other receivables

(Rs. in crores)

Particulars	As at March 31, 2023	As at March 31, 2022
Other receivables considered good - secured	-	-
Other receivables considered good - unsecured	374.43	190.49
Other receivables which have significant increase in credit risk	49.56	-
Other receivables - credit impaired	31.25	2.61
Gross	455.24	193.10
Less: Allowances for impairment loss on other receivables considered good - unsecured	6.35	-
Less: Allowances for impairment loss on other receivables which have significant increase in credit risk	4.17	-
Less: Allowances for impairment loss on credit impaired other receivables	15.03	2.61
Net	429.69	190.49

There are no dues from Directors or other officers of the Group or any firm or private company in which any Director is a partner, a Director or a member.

12 RECEIVABLES (Contd.)

Other receivables ageing

(Rs. in crores)

Other receivables days past due		Unbilled	Current	1-30 days past due	31-60 days past due	61-90 days past due	91-360 days past due	More than 360 days past due	Total
Estimated total gross carrying amount at default	As at March 31, 2023	263.62	0.17	15.58	4.50	4.23	37.75	129.39	455.24
Less: ECL-simplified approach		21.09	0.17	0.01	0.03	0.24	3.23	0.78	25.55
Net carrying amount		242.53	-	15.57	4.47	3.99	34.52	128.61	429.69
Estimated total gross carrying amount at default	As at March 31, 2022	-	189.16	2.78	0.01	-	0.85	0.30	193.10
Less: ECL-simplified approach		-	-	1.45	0.01	-	0.85	0.30	2.61
Net carrying amount		-	189.16	1.33	-	-	-	-	190.49

Reconciliation of impairment loss allowance on other receivables:

(Rs. in crores)

Particulars	Amount
Impairment allowance measured as per simplified approach	
Impairment allowance as per March 31, 2021	1.88
Add: Addition during the year	1.00
(Less): Reduction during the year	(0.27)
Impairment allowance as per March 31, 2022	2.61
Add: Addition during the year	22.95
(Less): Reduction during the year	(0.01)
Impairment allowance as per March 31, 2023	25.55

(Rs. in crores)

Particulars	As at March 31, 2023	As at March 31, 2022
13 LOANS		
Loans (at amortised cost)		
(A)		
i) Term loans	178,436.91	123,999.00
ii) Others @	11,636.12	1,700.03
Total (A) - Gross	190,073.03	125,699.03
Less : Impairment loss allowance (refer note 62)	11,387.89	9,033.88
Total (A) - Net	178,685.14	116,665.15
(B)		
i) Secured by tangible assets	178,316.99	123,981.87

		(Rs. in crores)	
Particulars		As at March 31, 2023	As at March 31, 2022
13	LOANS (Contd.)		
	ii) Secured by deposits	119.01	17.13
	iii) Unsecured	11,637.03	1,700.03
	Total (B) - Gross	190,073.03	125,699.03
	Less : Impairment loss allowance (refer note 62)	11,387.89	9,033.88
	Total (B) - Net	178,685.14	116,665.15
	(C)		
	Loans outside India	-	-
	Loans in India		
	i) Public sector	-	-
	ii) Others		
	Retail	188,211.47	125,285.30
	Corporates	1,861.56	413.73
	Total (C) - Gross	190,073.03	125,699.03
	Less : Impairment loss allowance (refer note 62)	11,387.89	9,033.88
	Total (C) - Net	178,685.14	116,665.15

There are no loans measured at FVOCI or FVTPL or designated at FVTPL.

@ includes unsecured working capital loans, loans to employees, trade advances, personal loans, loans to MSME and part disbursement to customers.

Credit quality of assets

The table below shows the credit quality and the maximum exposure to credit risk based on the Group's internal credit rating system and year-end stage classification. The amounts presented are gross of impairment allowances. Details of the Group's internal grading system are explained in note 54.02 and policies on whether ECL allowances are calculated on an individual or collective basis are set out in note 54.02.02.07.

					(Rs. in crores)			
Particulars	As at March 31, 2023				As at March 31, 2022			
	Stage 1 Collective	Stage 2 Collective	Stage 3 Collective	Total	Stage 1 Collective	Stage 2 Collective	Stage 3 Collective	Total
Internal rating grade								
Performing								
High grade	132,910.17	-	-	132,910.17	85,781.86	-	-	85,781.86
Standard grade	29,287.21	-	-	29,287.21	17,711.12	-	-	17,711.12
Sub-standard grade	-	12,438.12	-	12,438.12	-	8,511.97	-	8,511.97
Past due but not impaired	-	3,996.83	-	3,996.83	-	4,806.53	-	4,806.53
Non- performing	-	-	11,440.70	11,440.70	-	-	8,887.55	8,887.55
Total	162,197.38	16,434.95	11,440.70	190,073.03	103,492.98	13,318.50	8,887.55	125,699.03

13 LOANS (Contd.)

An analysis of changes in the gross carrying amount as follows:

Particulars	Year ended March 31, 2023				Year ended March 31, 2022			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
	(Rs. in crores)							
Gross carrying amount opening balance	103,492.98	13,318.50	8,887.55	125,699.03	93,915.66	13,983.12	8,292.81	116,191.59
Portfolio additions on account of business combination	30,592.57	3,719.39	897.16	35,209.12	-	-	-	-
Restated Balance as on April 01, 2022	134,085.55	17,037.89	9,784.71	160,908.15	93,915.66	13,983.12	8,292.81	116,191.59
New assets originated or purchased	105,917.59	8,137.07	1,939.83	115,994.49	54,151.77	5,925.28	1,731.40	61,808.45
Assets derecognised or repaid (excluding write offs and includes interest accruals adjusted)	(71,088.57)	(9,018.50)	(4,108.19)	(84,215.26)	(40,462.98)	(6,026.81)	(3,091.93)	(49,581.72)
Transfers to stage 1	11,934.10	(9,899.55)	(2,034.55)	-	10,616.77	(8,891.78)	(1,724.99)	-
Transfers to stage 2	(11,920.23)	12,788.59	(868.36)	-	(10,291.06)	10,849.87	(558.81)	-
Transfers to stage 3	(5,882.80)	(2,482.83)	8,365.63	-	(3,544.42)	(2,299.79)	5,844.21	-
Amounts written off	(848.26)	(127.72)	(1,638.37)	(2,614.35)	(892.76)	(221.39)	(1,605.14)	(2,719.29)
Gross carrying amount closing balance	162,197.38	16,434.95	11,440.70	190,073.03	103,492.98	13,318.50	8,887.55	125,699.03

Reconciliation of ECL balance is given below:

Particulars	Year ended March 31, 2023				Year ended March 31, 2022			
	General approach				General approach			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
ECL allowance - opening balance	3,381.35	1,211.03	4,441.50	9,033.88	3,046.35	1,356.07	3,486.13	7,888.55
New assets originated or purchased	2,716.88	641.57	717.96	4,076.41	1,735.00	628.10	754.40	3,117.50
Transfers to stage 1	1,747.73	(876.53)	(871.20)	-	1,628.92	(891.41)	(737.51)	-
Transfers to stage 2	(385.82)	755.67	(369.85)	-	(335.64)	574.88	(239.24)	-
Transfers to stage 3	(200.50)	(213.26)	413.76	-	(118.19)	(241.53)	359.72	-
Impact on year end ECL of exposures transferred between stages during the year and reversal of ECL on account of recovery	(2,435.63)	(238.76)	2,792.38	117.99	(1,682.33)	6.31	2,423.13	747.11
Provision no longer required	(263.82)	(171.29)	(1,405.28)	(1,840.39)	(892.76)	(221.39)	(1,605.13)	(2,719.28)
ECL allowance - closing balance	4,560.19	1,108.43	5,719.27	11,387.89	3,381.35	1,211.03	4,441.50	9,033.88

The contractual amount outstanding on loans that have been written off during the financial year, but were still subject to enforcement activity was Rs.1,463.57 crores (March 31, 2022 : Rs. 1,689.33 crores).

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)

CONSOLIDATED ACCOUNTS

14 INVESTMENTS

(Rs. in crores)

Particulars	As at March 31, 2023					As at March 31, 2022				
	Amor- tised Cost	At Fair value Through OCI	At Fair value Through profit and loss	Others (at cost)	Total	Amor- tised Cost	At Fair value Through OCI	At Fair value Through profit and loss	Others (at cost)	Total
i) Investments in mutual funds	-	-	587.35	-	587.35	-	-	1,523.02	-	1,523.02
ii) Investments in government securities (refer note 65)	5,318.01	-	-	-	5,318.01	3,154.39	-	-	-	3,154.39
iii) Investments in equity instruments	-	63.35	25.40	-	88.75	-	-	23.89	-	23.89
iv) Investments in associates (at cost) (refer note 46)	-	-	-	183.74	183.74	-	-	-	175.44	175.44
v) Investments in pass through certificates (unquoted)	1,218.64	-	-	-	1,218.64	1,106.88	-	-	-	1,106.88
vi) Investments in certificate of deposits	-	-	-	-	-	-	-	822.29	-	822.29
vii) Investments in commercial papers	19.07	-	-	-	19.07	199.79	-	-	-	199.79
viii) Investment in market linked debentures	47.32	-	-	-	47.32	-	-	-	-	-
ix) Others (venture capital fund)	-	-	1.53	-	1.53	-	-	1.53	-	1.53
x) Investment in security receipts	-	-	6.44	-	6.44	-	-	-	-	-
Total Gross (A)	6,603.04	63.35	620.72	183.74	7,470.85	4,461.06	-	2,370.73	175.44	7,007.23
i) Investments outside India	-	63.35	-	-	63.35	-	-	-	-	-
ii) Investments in India	6,603.04	-	620.72	183.74	7,407.50	4,461.06	-	2,370.73	175.44	7,007.23
Total Gross (B)	6,603.04	63.35	620.72	183.74	7,470.85	4,461.06	-	2,370.73	175.44	7,007.23
Less : Allowance for impairment loss (C)	(40.78)	-	-	-	(40.78)	(36.00)	-	-	-	(36.00)
Total - Net D = (A) - (C)	6,562.26	63.35	620.72	183.74	7,430.07	4,425.06	-	2,370.73	175.44	6,971.23

More information regarding the valuation methodologies can be found in Note 53.09.

There are no investments measured at designated at FVTPL.

The dividends of Rs. 6.52 crores (March 31, 2022: Rs. Nil) received from investments in shares are recorded as dividend income.

14 INVESTMENTS (Contd.)

Investments carried at amortised cost

The table below shows the credit quality and the maximum exposure to credit risk per based on the Group's internal credit rating system and year-end stage classification. The amounts presented are gross of impairment allowances. Details of the Group's internal grading system for investments carried at amortised cost are explained in note 54.02.

Particulars	As at March 31, 2023				As at March 31, 2022			
	Stage 1 individual	Stage 2 individual	Stage 3	Total	Stage 1 individual	Stage 2 individual	Stage 3	Total
Internal rating grade								
Performing								
High grade	6,592.11	-	-	6,592.11	4,461.06	-	-	4,461.06
Standard grade	10.93	-	-	10.93	-	-	-	-
Non-performing								
Individually Impaired	-	-	-	-	-	-	-	-
Total	6,603.04	-	-	6,603.04	4,461.06	-	-	4,461.06

(Rs. in crores)

An analysis of changes in gross carrying amount and the corresponding ECLs on investments carried at amortised cost which are subject to ECL is as follows:

Particulars	Year ended March 31, 2023				Year ended March 31, 2022			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount – opening balance	4,461.06	-	-	4,461.06	3,214.21	-	-	3,214.21
Effects of business combination (Refer note 52)	904.93	-	-	904.93	-	-	-	-
New assets originated or purchased	3,079.02	-	-	3,079.02	2,141.56	-	-	2,141.56
Change in Fair Value	-	-	-	-	-	-	-	-
Assets derecognised or matured (excluding write-offs)	(1,841.97)	-	-	(1,841.97)	(894.71)	-	-	(894.71)
Closing balance	6,603.04	-	-	6,603.04	4,461.06	-	-	4,461.06

(Rs. in crores)

Reconciliation of ECL balance is given below:

Particulars	Year ended March 31, 2023				Year ended March 31, 2022			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Opening balance in ECL	36.00	-	-	36.00	38.01	-	-	38.01
Effects of business combination (Refer note 52)	0.14	-	-	0.14	-	-	-	-
New assets originated or purchased	0.06	-	-	0.06	-	-	-	-
Changes to models and inputs used for ECL calculations	4.70	-	-	4.70	(2.00)	-	-	(2.00)
Assets derecognised or matured (excluding write-offs)	(0.12)	-	-	(0.12)	-	-	-	-
Closing balance in ECL	40.78	-	-	40.78	36.00	-	-	36.00

(Rs. in crores)

14 INVESTMENTS (Contd.)

Reconciliation of gross carrying value of investment in associate is given below:

	(Rs. in crores)	
Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Opening balance	175.44	162.29
Share of profit of associate	8.56	13.17
Share of other comprehensive income from associates (net of tax)	(0.26)	(0.02)
Closing balance	183.74	175.44

15 OTHER FINANCIAL ASSETS

	(Rs. in crores)	
Particulars	As at March 31, 2023	As at March 31, 2022
Security deposits *	76.49	51.45
Lease receivables **	0.05	-
Other financial assets ***	0.93	-
Total	77.47	51.45

* Net of allowance for impairment loss recognised on security deposit Rs. 4.08 crores (March 31, 2022: Rs. 0.39 crores).

** Net of allowance for impairment loss recognised on lease receivables Rs. 0.00 crores (March 31, 2022: Rs. Nil).

*** Other financial assets include advances to employees and fee receivables.

Reconciliation of ECL balance in relation to other financial assets is given below:

	(Rs. in crores)	
Particulars	As at March 31, 2023	As at March 31, 2022
ECL allowance - opening balance	0.39	0.51
Add: Addition during the year	3.69	-
(Less): Reduction during the year	-	(0.12)
ECL allowance - closing balance	4.08	0.39

	(Rs. in crores)	
Particulars	As at March 31, 2023	As at March 31, 2022
16 CURRENT TAX ASSETS (NET)		
Advance income tax [net of provision for income tax Rs. 7,693.77 crores (March 31, 2022: Rs. 5,577.72 crores)]	728.26	228.24
Total	728.26	228.24

		(Rs. in crores)		
Particulars		Freehold land	Building	Total
17	INVESTMENT PROPERTY			
Gross Block*				
As at March 31, 2021		0.70	1.45	2.15
Additions		-	-	-
Disposals		-	-	-
As at March 31, 2022		0.70	1.45	2.15
Effects of business combination (Refer note 52)		0.00	-	0.00
Restated as at April 01, 2022		0.70	1.45	2.15
Additions		-	-	-
Transfer from property, plant and equipment		-	0.77	0.77
Disposals		-	-	-
As at March 31, 2023		0.70	2.22	2.92
Accumulated depreciation and impairment losses				
As at March 31, 2021		-	0.15	0.15
Charge for the year		-	0.03	0.03
Disposals		-	-	-
As at March 31, 2022		-	0.18	0.18
Restated as at April 01, 2022		-	0.18	0.18
Charge for the year		-	0.05	0.05
Transfer from property, plant and equipment		-	0.07	0.07
Disposals		-	-	-
As at March 31, 2023		-	0.30	0.30
Net carrying amount as at March 31, 2022		0.70	1.27	1.97
Net carrying amount as at March 31, 2023		0.70	1.92	2.62

*Refer note 7.9 of Significant accounting policies for exemption applied during first-time adoption of Indian Accounting Standards.

Amounts less than Rs. 1.00 lac are presented as Rs. 0.00 crores in the above statement.

(i) **Amounts recognised in Statement of Profit and Loss for Investment property**

		(Rs. in crores)	
Particulars		Year ended March 31, 2023	Year ended March 31, 2022
Rental income from investment property		0.24	0.17
Direct operating expenses arising from investment property that generated rental income during the year		0.02	0.02
Direct operating expenses arising from investment property that did not generate rental income during the year		0.00	0.00
Profit from investment property before depreciation		0.22	0.15
Depreciation charge for the year		0.05	0.03
Profit from investment property after depreciation		0.17	0.12

Amounts less than Rs. 1.00 lac are presented as Rs. 0.00 crores in the above statement.

17 INVESTMENT PROPERTY (Contd.)

(ii) Contractual obligations

The Group has no contractual obligations to purchase, construct or develop investment property. However, the responsibility for its repairs, maintenance or enhancements is with the Group.

(iii) Fair value

The fair value of the investment property as at March 31, 2023 is Rs. 6.47 crores (March 31, 2022 is Rs. 6.12 crores).

(iv) Pledged details

Carrying value of investment property pledged as collateral for liabilities as at March 31, 2023 is Rs. 0.91 crores (March 31, 2022 is Rs. 0.92 crores).

(v) Estimation of fair value

The fair values of investment property is determined by guidance value given by the local government of the area where the investment properties are located.

(vi) Leasing arrangements

Investment properties are leased out to tenants. Agreements provide for cancellation by either party or contain clause for escalation and renewal of agreements. The non-cancellable operating lease agreement is for a period of 108 months.

18 PROPERTY, PLANT AND EQUIPMENT										
Particulars	Freehold land	Building	Plant and equipment	Computers	Office equipment	Furniture and fixtures	Vehicles	Leasehold improvement	Total	
Gross block*										
As at April 01, 2021	0.59	2.39	11.36	56.84	32.24	31.33	0.25	109.18	244.18	
Additions	-	-	0.93	15.56	3.00	2.56	-	11.18	33.23	
Disposals	-	-	0.83	14.55	2.64	1.60	0.19	6.73	26.54	
As at March 31, 2022	0.59	2.39	11.46	57.85	32.60	32.29	0.06	113.63	250.87	
Effects of business combination (Refer note 52)	0.02	0.13	34.25	86.13	39.18	31.54	0.67	151.52	343.44	
Restated as at April 01, 2022	0.61	2.52	45.71	143.98	71.78	63.83	0.73	265.15	594.31	
Additions	-	-	5.26	47.30	10.24	17.23	0.53	37.20	117.76	
Transferred to investment property	-	(0.77)	-	-	-	-	-	-	(0.77)	
Disposals	-	-	2.62	17.23	3.64	2.37	0.38	9.32	35.56	
As at March 31, 2023	0.61	1.75	48.35	174.05	78.38	78.69	0.88	293.03	675.73	
Accumulated depreciation and impairment losses										
As at April 01, 2021	-	0.02	3.99	27.93	15.55	9.18	(0.01)	63.08	119.74	
Charge for the year	-	0.05	1.47	13.18	5.57	3.52	0.08	21.04	44.91	
Disposals	-	-	0.63	13.23	2.43	1.39	0.18	6.48	24.34	
As at March 31, 2022	-	0.07	4.83	27.88	18.69	11.31	(0.11)	77.64	140.31	
Effects of business combination (Refer note 52)	-	0.04	18.69	68.88	32.68	19.99	0.27	133.33	273.87	
Restated as at April 01, 2022	-	0.11	23.52	96.76	51.37	31.30	0.16	210.97	414.18	
Charge for the year	-	0.02	4.91	23.35	9.02	5.96	0.16	27.95	71.36	
Transferred to investment property	-	(0.07)	-	-	-	-	-	-	(0.07)	
Disposals	-	-	2.33	15.94	3.36	1.69	0.31	9.28	32.91	
As at March 31, 2023	-	0.06	26.10	104.16	57.03	35.57	0.01	229.63	452.56	
Net carrying amount as at March 31, 2022	0.59	2.32	6.63	29.97	13.91	20.98	0.17	35.99	110.56	
Net carrying amount as at March 31, 2023	0.61	1.69	22.26	69.88	21.35	43.11	0.87	63.39	223.19	

Carrying value of property, plant and equipment pledged as collateral for liabilities as at March 31, 2023 is Rs. 0.35 crores (March 31, 2022 is Rs. 0.32 crores).

*Refer note 7.9 of Significant accounting policies for exemption applied during first-time adoption of Indian Accounting Standards.

The Group has not revalued any of its property, plant and equipment during the years ended March 31, 2023 and March 31, 2022. Hence, the amount of change in gross and net carrying amount due to revaluation and impairment losses/reversals is nil.

19 LEASES

A] This note provides information for leases where the Group is a lessee.

(i) Amounts recognised in the balance sheet

The Balance sheet shows the following amounts relating to leases

Right-of-use assets

(Rs. in crores)

Particulars	Amounts		
	Office premises	Furniture & fixtures	Total
Gross Block			
As at April 01, 2021	487.87	-	487.87
Additions	100.33	-	100.33
Disposals	(17.46)	-	(17.46)
As at March 31, 2022	570.74	-	570.74
Effects of business combination (Refer note 52)	313.60	3.82	317.42
Restated as at April 01, 2022	884.34	3.82	888.16
Additions	210.24	2.87	213.11
Disposals	(16.15)	(2.55)	(18.70)
As at March 31, 2023	1,078.43	4.14	1,082.57
Accumulated depreciation and impairment			
As at March 31, 2021	179.36	-	179.36
Charge for the year	90.17	-	90.17
Disposals	(1.31)	-	(1.31)
As at March 31, 2022	268.22	-	268.22
Effects of business combination (Refer note 52)	124.96	3.38	128.34
Restated as at April 01, 2022	393.18	3.38	396.56
Charge for the year	157.26	0.48	157.74
Disposals	(0.03)	-	(0.03)
As at March 31, 2023	550.41	3.86	554.27
Net carrying amount as at March 31, 2022	302.52	-	302.52
Net carrying amount as at March 31, 2023	528.02	0.28	528.30

The Group has not revalued any of its Right-of-use assets during the year ended March 31, 2023 and March 31, 2022. Hence, the amount of change in gross and net carrying amount due to revaluation and impairment losses/reversals is nil.

Lease liabilities

Maturity analysis of lease liabilities

(Rs. in crores)

Particulars	As at March 31, 2023	As at March 31, 2022
Less than 1 year	135.02	74.92
1 to 2 years	116.00	66.53
2 to 3 years	86.85	54.11
3 to 4 years	30.28	38.36
4 to 5 years	69.01	31.94
More than 5 years	164.92	83.57
Total	602.08	349.43

The Group has taken various office premises and furniture and fixtures under lease. Certain agreements provide for cancellation by either party or certain agreements contain clause for escalation and renewal of agreements. The non-cancellable operating lease agreements are ranging for a period 11 to 180 months. There are no restrictions imposed by lease arrangements.

19 LEASES (Contd.)

Particulars	(Rs. in crores)	
	As at March 31, 2023	As at March 31, 2022
(ii) Amounts recognised in the Statement of Profit and Loss		
Depreciation charge of right-of-use assets (included in depreciation, amortisation and impairment)	157.74	88.86
Interest expense (included in finance costs)	49.95	31.97
Expense relating to short-term leases (included in other expenses)	7.64	3.24
Expense relating to leases of low-value assets that are not shown above as short-term leases (included in other expenses)	3.71	1.80
Expense relating to variable lease payments not included in lease liabilities (included in other expenses)	-	-
The Group had remeasured lease liability in respect of certain leases during the year and income on such remeasurement of leases as per Ind AS 116 is included in other income	0.66	3.16
Income from subleasing right-of-use assets (included in other income)	5.18	7.27
(iii) Gains or losses arising from sale and leaseback transactions	-	-
(iv) The total cash outflow for leases during the year	182.65	109.13

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

B] This note provides information for leases where the Group is a lessor.

The Group had given office premises under lease. The income from lease recognised in the Statement of Profit and Loss is Rs. 0.24 crores (March 31, 2022: Rs. 0.17 crores). Agreements provide for cancellation by either party or contain clause for escalation and renewal of agreements. There were no non-cancellable operating lease agreements as on March 31, 2023.

Future minimum lease receivables under non-cancellable leases as at March 31, 2022 are as follows:

Particulars	(Rs. in crores)	
	As at March 31, 2023	As at March 31, 2022
Within one year	-	0.17
After one year but not more than five years	-	0.08
More than five years	-	-
Total	-	0.25

20 OTHER INTANGIBLE ASSETS AND INTANGIBLE ASSETS UNDER DEVELOPMENT

(A) Intangible assets under development

Particulars	(Rs. in crores)	
	Amounts	
Gross block		
As at April 01, 2021	-	-
Additions	-	-
Disposals	-	-
As at March 31, 2022	-	-
Additions	66.08	-
Disposals	-	-
As at March 31, 2023	66.08	-
Accumulated amortisation and impairment losses		
As at April 01, 2021	-	-
Charge for the year	-	-
Disposals	-	-

20 OTHER INTANGIBLE ASSETS AND INTANGIBLE ASSETS UNDER DEVELOPMENT # (Contd.)

Particulars	(Rs. in crores)
	Amounts
As at March 31, 2022	-
Charge for the year	-
Disposals	-
As at March 31, 2023	-
Net carrying amount as at March 31, 2022	-
Net carrying amount as at March 31, 2023	66.08

Intangible assets under development aging

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	66.08	-	-	-	66.08
Projects temporarily suspended	-	-	-	-	-

As at March 31, 2022

Intangible assets under development were nil for the financial year ended March 31, 2022.

(B) Other intangible assets

Particulars	(Rs. in crores)			
	Goodwill	Computer software	Distribution network	Other intangible assets
	(A)	(B)	(C)	(D) = (B)+(C)
Gross block *				
As at April 01, 2021	-	5.08	-	5.08
Additions	-	2.22	-	2.22
Disposals	-	0.03	-	0.03
As at March 31, 2022	-	7.27	-	7.27
Effects of business combination (Refer note 52)	1,742.14	51.82	1,574.60	1,626.42
Restated as at April 01, 2022	1,742.14	59.09	1,574.60	1,633.69
Additions	-	6.18	-	6.18
Effects of business combination (Refer note 52)	(1.20)	-	1.20	1.20
Disposals	-	-	-	-
As at March 31, 2023	1,740.94	65.27	1,575.80	1,641.07
Accumulated amortisation and impairment losses				
As at April 01, 2021	-	2.69	-	2.69
Charge for the year	-	1.57	-	1.57
Disposals	-	0.03	-	0.03
As at March 31, 2022	-	4.23	-	4.23
Effects of business combination (Refer note 52)	-	46.84	-	46.84
Restated as at April 01, 2022	-	51.07	-	51.07
Charge for the year	-	6.06	365.48	371.54
Disposals	-	-	-	-
As at March 31, 2023	-	57.13	365.48	422.61
Net carrying amount as at March 31, 2022	-	3.04	-	3.04
Net carrying amount as at March 31, 2023	1,740.94	8.14	1,210.32	1,218.46

20 OTHER INTANGIBLE ASSETS AND INTANGIBLE ASSETS UNDER DEVELOPMENT # (Contd.)

Other than internally generated

*Refer note 7.9 of Significant accounting policies for exemption applied during first-time adoption of Indian Accounting Standards.

Amounts less than Rs. 1.00 lac are presented as Rs. 0.00 crores in the above statement.

The Group has not revalued any of its intangible assets during the financial year ended March 31, 2023 and March 31, 2022. Hence, the amount of change in gross and net carrying amount due to revaluation and impairment losses/reversals is nil.

Particulars	(Rs. in crores)	
	As at March 31, 2023	As at March 31, 2022
21 OTHER NON-FINANCIAL ASSETS		
Goods and services tax credit (input) receivable	327.53	198.82
Prepaid expenses	27.66	9.32
Capital advances	8.64	3.05
Duties paid under protest	43.13	96.40
Reposessed house property *	54.69	-
Other non-financial assets **	33.45	4.63
Total	495.10	312.22

* Net of allowance for impairment loss recognised on Reposessed house property Rs. 5.00 crores (March 31, 2022: Rs. Nil).

Measurement:

The non-recurring fair value measurement for the reposessed house property has been categorised as a Level 2 fair value based on the inputs to the valuation techniques used. For the assets classified as "Reposessed house property" during the year valuation has been determined by independent valuer by using the sales comparison approach for which the price (such as recent sales, municipal valuation, etc.) of the assets in the similar location are considered. This is a level 2 measurement as per the fair value hierarchy. The diminution in the value as identified by the independent valuers is written off in the books of accounts.

** Other non-financial assets include advances to employees, vendors and towards rent.

22 PAYABLES

(I) Trade payables

Particulars	(Rs. in crores)	
	As at March 31, 2023	As at March 31, 2022
(i) total outstanding dues of micro enterprises and small enterprises (refer note 55)	-	0.02
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises *	313.19	166.01
Total	313.19	166.03

*Includes payable to associate Rs. 1.06 crores (March 31, 2022: Rs. 0.91 crores).

Trade Payables ageing

As at March 31, 2023		(Rs. in crores)					
Particulars	Unbilled	Not Due for payment	Outstanding for following periods from due date of payment				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	-	-	-	-	-	-
(ii) Others	78.60	-	231.09	0.96	1.24	1.30	313.19
(iii) Disputed dues – MSME	-	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-	-
Total	78.60	-	231.09	0.96	1.24	1.30	313.19

22 PAYABLES (Contd.)

As at March 31, 2022							(Rs. in crores)
Particulars	Unbilled	Not Due for payment	Outstanding for following periods from due date of payment				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	-	0.02	-	-	-	0.02
(ii) Others	108.81	-	50.63	4.25	1.10	1.22	166.01
(iii) Disputed dues – MSME	-	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-	-
Total	108.81	-	50.65	4.25	1.10	1.22	166.03

(II) Other payables

Particulars	(Rs. in crores)	
	As at March 31, 2023	As at March 31, 2022
(i) total outstanding dues of micro enterprises and small enterprises (refer note 55)	0.36	1.46
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	1.09	1.21
Total	1.45	2.67

Particulars	(Rs. in crores)	
	As at March 31, 2023	As at March 31, 2022
23 DEBT SECURITIES		
At amortised cost		
Secured		
Redeemable non-convertible debentures		
- Public issue ₹	2,508.89	2,500.63
- Privately placed ₹ ₹	28,840.67	18,768.05
External commercial bond	12,513.28	19,011.29
Senior secured notes	894.73	891.40
Unsecured		
Redeemable non-convertible debentures		
- Privately placed	147.34	85.18
Commercial papers	19.12	-
Total	44,924.03	41,256.55
Debt securities in India	31,516.02	21,353.86
Debt securities outside India	13,408.01	19,902.69
Total	44,924.03	41,256.55

There are no debt securities measured at FVTPL or designated at FVTPL.

₹ includes Rs. 87.68 crores (March 31, 2022 Rs. 47.36 crores) issued to related parties including Directors.

₹₹ includes Rs. 370.13 crores (March 31, 2022 Rs. 10.01 crores) issued to related parties.

		(Rs. in crores)	
Particulars		As at March 31, 2023	As at March 31, 2022
24	BORROWINGS (OTHER THAN DEBT SECURITIES)		
At amortised cost			
Secured			
Term loan from banks - INR		36,352.93	16,755.62
Term loan from financial institutions/corporates - INR		9,427.80	5,685.24
External commercial borrowing - FCNR		9,828.01	4,243.13
Loans repayable on demand from banks (Cash credit from banks)		459.10	454.86
Other loans - INR -Securitisation liabilities		22,476.91	19,538.08
Total		78,544.75	46,676.93
Borrowings in India		68,716.74	42,433.80
Borrowings outside India		9,828.01	4,243.13
Total		78,544.75	46,676.93

There are no borrowings measured at FVTPL or designated at FVTPL.

The borrowings have not been guaranteed by directors or others. The Group has not defaulted in repayment of principal and interest to its lenders.

The Group has utilised the funds raised from banks and financial institutions for the specific purpose for which they were borrowed.

The Group has borrowed funds from banks and financial institutions on the basis of security of current assets. It has filed quarterly returns or statements of current assets with banks and financial institutions and the said returns/statements are in agreement with books of accounts.

		(Rs. in crores)	
Particulars		As at March 31, 2023	As at March 31, 2022
25	DEPOSITS		
At amortised cost			
Unsecured			
i. Public deposits (refer note 65) *		34,671.99	20,190.08
ii. From Banks		-	-
iii. From Others			
- Deposits from corporates **		1,467.84	1,729.76
- Inter-corporate deposits ***		-	29.14
Total		36,139.83	21,948.98

There are no deposits measured at FVTPL or designated at FVTPL.

* includes Rs. 3.47 crores (March 31, 2022 Rs. 3.02 crores) accepted from related parties including Director.

** includes Rs. 171.87 crores (March 31, 2022 Rs. 118.94 crores) accepted from related parties.

*** includes Rs. Nil (March 31, 2022 Rs. 27.45 crores) accepted from associate.

		(Rs. in crores)	
Particulars		As at March 31, 2023	As at March 31, 2022
26	SUBORDINATED LIABILITIES		
At amortised cost			
Others			
Unsecured			
Subordinated debts - Debentures #		4,593.63	4,614.25
Total		4,593.63	4,614.25

26 SUBORDINATED LIABILITIES (Contd.)

Particulars	(Rs. in crores)	
	As at March 31, 2023	As at March 31, 2022
Subordinated debts in India	4,593.63	4,614.25
Subordinated debts outside India	-	-
Total	4,593.63	4,614.25

There are no subordinated liabilities measured at FVTPL or designated at FVTPL.

includes Rs. 523.20 crores (March 31, 2022 Rs. 516.07 crores) issued to related parties.

I DEBT SECURITIES

A) Redeemable Non-Convertible Debenture (NCD) - Secured

i) Public issue of Non-Convertible Debentures (NCD) of Rs. 1,000/- each (IPO 2018 - 1)

Terms of repayment

As at March 31, 2023

Redeemable at par/ premium (from the date of the Balance Sheet)	(Rs. in crores)	
	Rate of interest	Total
	< 10%	
over 60 months	498.94	498.94
upto 12 months	865.47	865.47
Total	1,364.41	1,364.41

As at March 31, 2022

Redeemable at par/ premium (from the date of the Balance Sheet)	(Rs. in crores)	
	Rate of interest	Total
	< 10%	
over 60 months	497.98	497.98
12-24 months	850.87	850.87
Total	1,348.85	1,348.85

Nature of security

Secured by specific assets covered under hypothecation loan agreements and by way of exclusive charge and equitable mortgage of immovable property.

The Group had utilised the entire sum of Rs. 3,648.52 crores raised from public issue (net off expenses) towards repayment of borrowings as per the objects stated in the prospectus for the issue.

As per the terms of the issue Rs. 2,285.45 crores were redeemed on July 12, 2021.

As per the terms of the issue Rs. 107.40 crores were redeemed on December 26, 2019.

ii) Public issue of Non-Convertible Debentures (NCD) of Rs. 1,000/- each (IPO 2018 - 2)

Terms of repayment

As at March 31, 2023

Redeemable at par/ premium (from the date of the Balance Sheet)	(Rs. in crores)	
	Rate of interest	Total
	< 10%	
over 60 months	71.99	71.99
upto 12 months	275.95	275.95
Total	347.94	347.94

I DEBT SECURITIES (Contd.)

As at March 31, 2022

(Rs. in crores)

Redeemable at par/ premium (from the date of the Balance Sheet)	Rate of interest	Total
	< 10%	
over 60 months	71.82	71.82
12-24 months	269.30	269.30
Total	341.12	341.12

Nature of security

Secured by specific assets covered under hypothecation loan agreements and by way of exclusive charge and equitable mortgage of immovable property.

The Group had utilised the entire sum of Rs. 606.79 crores raised from public issue (net off expenses) for the purpose of onward disbursements as per the objects stated in the prospectus for the issue.

As per the terms of the issue Rs. 107.40 crores were redeemed on November 02, 2021.

iii) Public issue of Non-Convertible Debentures (NCD) of Rs. 1,000/- each (IPO 2018 - 3)

Terms of repayment

As at March 31, 2023

(Rs. in crores)

Redeemable at par/ premium (from the date of the Balance Sheet)	Rate of interest	Total
	< 10%	
over 60 months	60.26	60.26
upto 12 months	249.73	249.73
Total	309.99	309.99

As at March 31, 2022

(Rs. in crores)

Redeemable at par/ premium (from the date of the Balance Sheet)	Rate of interest	Total
	< 10%	
over 60 months	60.13	60.13
12-24 months	243.38	243.38
Total	303.51	303.51

Nature of security

Secured by specific assets covered under hypothecation loan agreements and by way of exclusive charge and equitable mortgage of immovable property.

The Group had utilised the entire sum of Rs. 537.32 crores raised from public issue (net off expenses) for the purpose of onward disbursements as per the objects stated in the prospectus for the issue.

As per the terms of the issue Rs. 247.04 crores were redeemed on February 06, 2022.

iv) Public issue of Non-Convertible Debentures (NCD) of Rs. 1,000/- each (IPO 2019 - 1)

Terms of repayment

As at March 31, 2023

(Rs. in crores)

Redeemable at par/ premium (from the date of the Balance Sheet)	Rate of interest		Total
	< 10%	>= 10% < 12%	
36-48 months	20.74	47.09	67.83
12-24 months	34.06	74.00	108.06
Total	54.80	121.09	175.89

I DEBT SECURITIES (Contd.)

As at March 31, 2022			(Rs. in crores)
Redeemable at par/ premium (from the date of the Balance Sheet)	Rate of interest		Total
	< 10%	>= 10% < 12%	
48-60 months	20.65	45.16	65.81
24-36 months	33.87	71.47	105.34
upto 12 months	41.91	94.28	136.19
Total	96.43	210.91	307.34

Nature of security

Secured by specific assets covered under hypothecation loan agreements and by way of exclusive charge and equitable mortgage of immovable property.

The Group has utilised the entire sum of Rs. 339.94 crores raised from public issue (net off expenses) for the purpose of onward disbursements as per the objects stated in the prospectus for the issue.

As per the terms of the issue Rs. 126.25 crores were redeemed on February 22, 2023.

As per the terms of the issue Rs. 53.11 crores were redeemed on February 22, 2022.

v) Public issue of Non-Convertible Debentures (NCD) of Rs. 1,000/- each (IPO 2019 - 2)

Terms of repayment

As at March 31, 2023		(Rs. in crores)
Redeemable at par/ premium (from the date of the Balance Sheet)	Rate of interest	Total
	< 10%	
36-48 months	26.57	26.57
12-24 months	70.71	70.71
Total	97.28	97.28

As at March 31, 2022			(Rs. in crores)
Redeemable at par/ premium (from the date of the Balance Sheet)	Rate of interest		Total
	< 10%	>= 10% < 12%	
48-60 months	26.44	-	26.44
24-36 months	68.61	-	68.61
upto 12 months	79.87	24.89	104.76
Total	174.92	24.89	199.81

Nature of security

Secured by specific assets covered under hypothecation loan agreements and by way of exclusive charge and equitable mortgage of immovable property.

The Group has utilised the entire sum of Rs. 193.67 crores raised from public issue (net off expenses) for the purpose of onward disbursements as per the objects stated in the prospectus for the issue.

As per the terms of the issue Rs. 100.65 crores were redeemed on January 28, 2023.

vi) Public issue of Non-Convertible Debentures (NCD) of Rs. 1,000/- each (IPO 2019 - April) (Effects of business combination - Refer note 52)

Terms of repayment

As at March 31, 2023		(Rs. in crores)
Redeemable at par/ premium (from the date of the Balance Sheet)	Rate of interest	Total
	< 10%	
12-24 months	138.55	138.55
Total	138.55	138.55

As at March 31, 2022 - Nil

I DEBT SECURITIES (Contd.)

Nature of security

Secured by specific assets covered under hypothecation loan agreements and by way of exclusive charge and equitable mortgage of immovable property.

The Group has utilised the entire sum of Rs. 252.51 crores raised from public issue (net off expenses) for the purpose of onward disbursements as per the objects stated in the prospectus for the issue.

As per the terms of the issue Rs. 130.36 crores were redeemed on April 30, 2022.

vii) Public issue of Non-Convertible Debentures (NCD) of Rs. 1,000/- each (IPO 2019 - September) - (Effects of business combination - Refer note 52)

Terms of repayment

As at March 31, 2023

(Rs. in crores)

Redeemable at par/ premium (from the date of the Balance Sheet)	Rate of interest	Total
	< 10%	
12-24 months	74.82	74.82
Total	74.82	74.82

As at March 31, 2022 - Nil

Nature of security

Secured by specific assets covered under hypothecation loan agreements and by way of exclusive charge and equitable mortgage of immovable property.

The Group has utilised the entire sum of Rs. 106.27 crores raised from public issue (net off expenses) for the purpose of onward disbursements as per the objects stated in the prospectus for the issue.

As per the terms of the issue Rs. 37.29 crores were redeemed on September 25, 2022.

viii) Privately placed Redeemable Non-Convertible Debenture of Rs. 1,000,000/- each

Terms of repayment

As at March 31, 2023

(Rs. in crores)

Redeemable at par/ premium (from the date of the Balance Sheet)	Rate of interest		Total
	< 10% ^ \$	>= 10% < 12% ^ #	
over 60 months	11,947.62	-	11,947.62
36-48 months \$	445.54	-	445.54
24-36 months ^ \$	1,043.31	-	1,043.31
12-24 months ^	4,068.44	1,759.01	5,827.45
upto 12 months ^ # \$	8,041.92	308.37	8,350.29
Total	25,546.83	2,067.38	27,614.21

^ NCD amounting to Rs. 4,067.70 crores issued at zero coupon rates and redeemable at premium are included in above on the basis of IRR.

includes NCD of Rs. 250.00 crores partly paid to the extent of Rs. 216.67 crores.

\$ Out of above NCD having put/ call option are as under

(Rs. in crores)

Sr No.	Rate of interest	Amount	Put/ Call Option Date
1	7.95%	260.00	August 12, 2023
2	9.14%	50.00	October 31, 2025
3	8.48%	100.00	April 02, 2027
Total		410.00	

I DEBT SECURITIES (Contd.)

As at March 31, 2022					(Rs. in crores)
Redeemable at par/ premium (from the date of the Balance Sheet)	Rate of interest				Total
	< 10%^	>= 10% < 12% ^	>= 12% < 14%	>=14% <16%	
over 60 months	6,374.70	-	-	-	6,374.70
48-60 months	338.75	-	-	-	338.75
36-48 months	352.54	-	-	-	352.54
24-36 months ^	461.91	1,301.21	-	-	1,763.12
12-24 months^ # \$	4,610.29	304.39	-	-	4,914.68
upto 12 months ^ \$	3,637.44	1,179.96	154.56	52.30	5,024.26
Total	15,775.63	2,785.56	154.56	52.30	18,768.05

^ NCD amounting to Rs. 2,396.30 crores issued at zero coupon rates and redeemable at premium are included in above on the basis of IRR.

includes NCD of Rs. 250.00 crores partly paid to the extent of Rs. 116.67 crores.

\$ Out of above NCD having put/ call option are as under

(Rs. in crores)			
Sr No.	Rate of interest	Amount	Put/ Call Option Date
1	7.46%	1,000.00	April 29, 2022
2	7.15%	1,585.00	June 17, 2022
Total		2,585.00	

Nature of security

Secured by specific assets covered under hypothecation loan and by way of exclusive charge and equitable mortgage of immovable property.

Debentures may be bought back subject to applicable statutory and/or regulatory requirements, upon the terms and conditions as may be decided by the Group.

ix) Privately placed Redeemable Non-Convertible Debenture of Rs. 100,000/- each (Effects of business combination - Refer note 52)

Terms of repayment

As at March 31, 2023			(Rs. in crores)
Redeemable at par/ premium (from the date of the Balance Sheet)	Rate of interest		Total
	< 10%	> = 10% < 12%	
over 60 months	239.13	-	239.13
36-48 months	124.16	-	124.16
24-36 months	476.02	-	476.02
12-24 months	-	336.06	336.06
Total	839.31	336.06	1,175.37

As at March 31, 2022 - Nil

Nature of security

Secured by specific assets covered under hypothecation loan and by way of exclusive charge and equitable mortgage of immovable property.

Debentures may be bought back subject to applicable statutory and/or regulatory requirements, upon the terms and conditions as may be decided by the Group.

I DEBT SECURITIES (Contd.)

- x) Privately placed Redeemable Non-Convertible Debenture of Rs. 875,000/- each (Effects of business combination - Refer note 52)

Terms of repayment

As at March 31, 2023

(Rs. in crores)

Redeemable at par/ premium (from the date of the Balance Sheet)	Rate of interest		Total
	< 10%	> = 10% < 12%	
36-48 months	5.73	-	5.73
24-36 months	14.48	-	14.48
12-24 months	14.87	-	14.87
upto 12 months	16.01	-	16.01
Total	51.09	-	51.09

As at March 31, 2022 - Nil

Nature of security

Secured by specific assets covered under hypothecation loan and by way of exclusive charge and equitable mortgage of immovable property.

Debentures may be bought back subject to applicable statutory and/or regulatory requirements, upon the terms and conditions as may be decided by the Group.

(Rs. in crores)

Particulars	As at March 31, 2023	As at March 31, 2022
Public issue (i + ii + iii + iv + v + vi + vii)	2,508.89	2,500.63
Privately placed (viii + ix+x)	28,840.67	18,768.05
Total Non-Convertible Debentures - Secured	31,349.56	21,268.68

B) External Commercial Bond (ED) - Secured

Privately placed Redeemable External Commercial Bond of Rs. 100,000/- each

Terms of repayment

As at March 31, 2023

(Rs. in crores)

Particulars	Rate of interest		Total
	< 10%	> = 10% < 12%	
36-48 months	1,219.57	-	1,219.57
24-36 months	3,305.98	-	3,305.98
upto 12 months	6,030.31	1,957.42	7,987.73
Total	10,555.86	1,957.42	12,513.28

As at March 31, 2022

(Rs. in crores)

Particulars	Rate of interest		Total
	< 10%	> = 10% < 12%	
24-36 months	3,622.91	-	3,622.91
12-24 months	9,564.27	-	9,564.27
upto 12 months	5,824.11	-	5,824.11
Total	19,011.29	-	19,011.29

On March 29, 2023, the Group issued and allotted USD 150,000,000 6.37% senior secured floating rate notes due 2026 ("notes") for a sum of Rs.1,232.60 crores under the USD 3,500,000,000 Global Medium Term Note (GMTN) Programme. The said notes are listed on Indian International Exchange ("INX"). The proceeds of the issue of the notes have been utilised in accordance with the Group's Social Finance Framework and as may be permitted by the RBI ECB guidelines for onward lending and other activities.

On January 18, 2022, the Group issued and allotted USD 475,000,000 4.15% senior secured notes due 2025 in offshore market (Social Bonds) for sum of Rs. 3,512.86 crores under USD 3.5 Billion GMTN Programme. The said Social Bonds were

I DEBT SECURITIES (Contd.)

listed on Singapore Stock Exchange (SGX-ST) on January 19, 2022. The proceeds of the issue of the Social Bonds have been utilised as per the Group's Social Finance Framework, for onward lending and other activities as permitted by the RBI Master Direction — External Commercial Borrowings, Trade Credits and Structured Obligations.

On March 31, 2021, the Group issued and allotted USD 225,000,000 4.40% senior secured notes due 2024 in offshore market (Social Bonds) for sum of Rs.1,630.35 crores to be consolidated and form a single series with the USD 500,000,000 4.40% senior secured notes due 2024 issued on January 13, 2021 under USD 3 Billion GMTN Programme. The said Social Bonds were listed on Singapore Stock Exchange (SGX-ST) on April 01, 2021. The proceeds of the issue of the Social Bonds have been utilised as per the Group's Social Finance Framework, for onward lending and other activities as permitted by the RBI Master Direction — External Commercial Borrowings, Trade Credits and Structured Obligations.

On January 13, 2021, the Group issued and allotted USD 500,000,000 4.40% senior secured notes due 2024 in offshore market (Social Bonds) for sum of USD 499,950,000 equivalent to Rs. 3,672.50 crores under USD 3 Billion GMTN Programme. The said Social Bonds were listed on Singapore Stock Exchange (SGX-ST) on January 14, 2021. The proceeds of the issue of the Social Bonds have been utilised as per the Group's Social Finance Framework, for onward lending and other activities as permitted by the RBI Master Direction – External Commercial Borrowings, Trade Credits and Structured Obligations.

During the year ended March 31, 2020, the Group issued and allotted USD 250,000,000 5.3750% senior secured notes due 2022 in offshore market (notes) equivalent to Rs. 1,714.38 crores under USD 2,000,000,000 GMTN Programme. The said notes are listed on Singapore Stock Exchange (SGX-ST). The proceeds of the issue of the notes have been utilised for the purpose of onward lending and other activities as may be permitted by the ECB Directions.

During the year ended March 31, 2020, the Group issued and allotted USD 500,000,000 5.100% senior secured notes due 2023 in offshore market (Social Bonds) equivalent to Rs. 3,541.75 crores under USD 3,000,000,000 GMTN Programme. The said Social Bonds are listed on Singapore Stock Exchange (SGX-ST). The proceeds of the issue of the Social Bonds have been utilised for the purpose of onward lending and other activities as per the Group's Social Finance Framework and as may be permitted by the ECB Directions.

During the year ended March 31, 2019, the Group issued and allotted senior secured notes in offshore market (notes) aggregating to Rs. 2,849.90 crores consisting of 5.70% notes due 2022 under Rs. 5,000 crores Medium Term Note Programme. The notes issued by the Group are listed on Singapore Stock Exchange (SGX-ST). The proceeds of the issue have been utilised for the purpose of onward disbursements.

As per the terms of the issue, Rs. 1,753.76 crores were bought back on November 03, 2022 and Rs. 30.47 crores were bought back on November 17, 2022 (Dollar Bond - 3).

As per the terms of the issue, Rs. 3,991.97 crores were redeemed on October 24, 2022.

As per the terms of the issue, Rs. 1,210.16 crores were bought back on August 17, 2022.

As per the terms of the issue, Rs. 591.64 crores were bought back on August 17, 2022 (Dollar Bond 7).

As per the terms of the issue, Rs. 2,849.90 crores were redeemed on February 28, 2022.

Nature of security

Secured by way of an exclusive fixed charge over hypothecation loan receivables of the Group.

C) Senior Secured Notes

Senior Secured Notes of Rs. 10,000,000/- each

Terms of repayment

(Rs. in crores)

Particulars	Rate of interest	As at March 31, 2023	As at March 31, 2022
12-24 months	<10%	-	891.40
upto 12 months	<10%	894.73	-
Total		894.73	891.40

During the year ended March 31, 2018, the Group had issued senior secured notes in offshore market (notes) aggregating to Rs. 1,160.00 crores consisting of Rs. 840.00 crores 8.10% notes due 2023 and Rs. 320.00 crores 7.90% notes due 2021 payable in USD under Rs. 5,000.00 crores Medium Term Note Programme. The notes issued by the Group are listed on Singapore Stock Exchange (SGX-ST).

The Group had utilised the entire sum of Rs. 1,160.00 crores raised from senior secured notes towards asset financing activities as per the objects stated in the prospectus for the issue.

During the year ended March 31, 2017, the Group had issued Rs. 1,350.00 crores 8.25 % senior secured notes at the price of 100.18% that are due for repayment on February 18, 2020. The said notes (with ISIN - XS 1549374475) are listed and traded on the Singapore Stock Exchange (SGX-ST) with a minimum board lot size of USD 200,000.

The Group had utilised the entire sum of Rs. 1,350.00 crores raised from senior secured notes towards asset financing activities as per the objects stated in the prospectus for the issue.

I DEBT SECURITIES (Contd.)

As per the terms of the issue, Rs. 1,350.00 crores were redeemed on February 18, 2020.

As per the terms of the issue, Rs. 320.00 crores were redeemed on March 12, 2021.

Nature of security

Secured by way of an exclusive fixed charge over hypothecation loan receivables of the Group.

D) Redeemable Non-Convertible Debenture (NCD) - Unsecured

i) Privately placed Redeemable Non-Convertible Debenture of Rs. 1,000,000/- each

Terms of repayment

As at March 31, 2023

(Rs. in crores)

Redeemable at par/ premium (from the date of the Balance Sheet)	Rate of interest		Total
	< 10%	>= 12% < 14%	
over 60 months	33.08	-	33.08
12-24 months	-	87.61	87.61
Total	33.08	87.61	120.69

As at March 31, 2022

(Rs. in crores)

Redeemable at par/ premium (from the date of the Balance Sheet)	Rate of interest	Total
	>= 12% < 14%	
24-36 months	85.18	85.18
Total	85.18	85.18

ii) Privately placed Redeemable Non-Convertible Debenture of Rs. 100,000/- each

Terms of repayment

As at March 31, 2023

(Rs. in crores)

Redeemable at par/ premium (from the date of the Balance Sheet)	Rate of interest	Total
	>= 10% < 12%	
upto 12 months	26.65	26.65
Total	26.65	26.65

Terms of repayment as on March 31, 2022

Outstanding as at March 31, 2022 is Rs. Nil.

(Rs. in crores)

Particulars	As at March 31, 2023	As at March 31, 2022
Privately placed (i+ii)	147.34	85.18
Total Non-Convertible Debentures - Unsecured	147.34	85.18

E) Commercial paper (CP) - unsecured

Privately placed redeemable commercial paper of Rs. 500,000/- each

Terms of repayment as on March 31, 2023

(Rs. in crores)

Redeemable at par (from the date of the Balance Sheet)	Rate of interest	Total
	< 10%	
upto 12 months	19.12	19.12
Total	19.12	19.12

Terms of repayment as on March 31, 2022

Outstanding as at March 31, 2022 is Rs. Nil.

II BORROWINGS (OTHER THAN DEBT SECURITIES)

A) Term loans from banks - Secured (INR)

As at March 31, 2023

Terms of repayment #

(Rs. in crores)

Tenure (from the date of the Balance Sheet)	Rate of interest	Repayment details	Amount
Over 60 months	2.94% to 9.75%	20 to 39 quarterly installments	862.62
48-60 months	2.94% to 9.75%	9 to 60 instalments of monthly, quarterly and half-yearly frequency	6,371.94
36-48 months	2.94% to 11.15%	1 to 60 instalments of bullet, monthly, half-yearly and quarterly frequency	7,934.52
24-36 months	2.94% to 10.72%	6 to 60 instalments of monthly, quarterly, half-yearly and specific frequency	7,704.60
12-24 months	2.94% to 11.29%	1 to 60 instalments of bullet, monthly, quarterly and half-yearly frequency	5,670.15
upto 12 months	2.94% to 13.12%	1 to 60 instalments of bullet, monthly, quarterly, half-yearly and specific frequency	7,809.10
Total			36,352.93

Loans are classified in respective time buckets based on option date.

Nature of security

Secured by an exclusive charge by way of hypothecation of specific movable assets being fixed/current assets relating to hypothecation loans.

As at March 31, 2022

Terms of repayment #

(Rs. in crores)

Tenure (from the date of the Balance Sheet)	Rate of interest	Repayment details	Amount
48-60 months	7.45% to 8.90%	20 to 60 instalments of monthly and quarterly frequency	3,318.09
36-48 months	5.50% to 8.56%	14 to 60 instalments of monthly and quarterly frequency	2,874.22
24-36 months	5.70% to 9.56%	1 to 48 instalments of bullet, monthly, quarterly and half-yearly frequency	3,539.61
12-24 months	6.61% to 10.14%	1 to 36 instalments of bullet, monthly and quarterly frequency	1,603.16
upto 12 months	5.60% to 10.34%	1 to 36 instalments of bullet, monthly, quarterly and specific frequency	5,420.54
Total			16,755.62

Loans are classified in respective time buckets based on option date.

Nature of security

Secured by an exclusive charge by way of hypothecation of specific movable assets being fixed/current assets relating to hypothecation loans.

II BORROWINGS (OTHER THAN DEBT SECURITIES) (Contd.)

B) Term loans from financial institutions/corporates - Secured (INR)

As at March 31, 2023

Terms of repayment #			(Rs. in crores)
Tenure (from the date of the Balance Sheet)	Rate of interest	Repayment details	Amount
Over 60 months	8.30% to 11.25%	21 to 120 instalments of monthly and quarterly frequency	1,021.03
48-60 months	8.50% to 11.25%	21 to 120 instalments of monthly and quarterly frequency	1,076.36
36-48 months	7.34% to 11.25%	19 to 120 instalments of monthly and quarterly frequency	2,299.16
24-36 months	7.20% to 11.25%	11 to 120 instalments of monthly and quarterly frequency	3,136.74
12-24 months	7.52% to 11.25%	10 to 120 instalments of monthly, quarterly, half-yearly and specific frequency	1,775.91
upto 12 months	8.70% to 11.25%	11 to 120 instalments of monthly, quarterly and specific frequency	118.60
Total			9,427.80

Loans are classified in respective time buckets based on option date.

Nature of security

Secured by an exclusive charge by way of hypothecation of specific movable assets being fixed/current assets relating to hypothecation loans.

As at March 31, 2022

Terms of repayment #			(Rs. in crores)
Tenure (from the date of the Balance Sheet)	Rate of interest	Repayment details	Amount
48-60 months	7.34% to 8.95%	19 to 20 instalments of quarterly frequency	1,227.32
36-48 months	8.23% to 9.00%	1 to 20 instalments of bullet and quarterly frequency	1,898.70
24-36 months	7.25% to 10.20%	11 instalments of quarterly, half-yearly and specific frequency	2,229.80
12-24 months	9.70% to 10.50%	11 to 12 instalments of quarterly, half-yearly and specific frequency	197.15
upto 12 months	7.44% to 9.07%	11 to 20 instalments of quarterly, half-yearly and specific frequency	132.27
Total			5,685.24

Loans are classified in respective time buckets based on option date.

Nature of security

Secured by an exclusive charge by way of hypothecation of specific movable assets being fixed/current assets relating to hypothecation loans.

C) External commercial borrowing

As at March 31, 2023

Terms of repayment			(Rs. in crores)
Tenure (from the date of the Balance Sheet)	Rate of interest	Repayment details	Amount
Over 60 months	9.20%	16 instalments of specific frequency	2,053.32
48-60 months	9.10% to 9.40%	9 to 11 instalments of half-yearly and specific frequency	1,294.92
36-48 months	8.63% to 10.86%	11 to 13 instalments of half-yearly and specific frequency	729.55

II BORROWINGS (OTHER THAN DEBT SECURITIES) (Contd.)

(Rs. in crores)

Tenure (from the date of the Balance Sheet)	Rate of interest	Repayment details	Amount
24-36 months	8.84% to 10.29%	bullet frequency	2,655.29
12-24 months	8.12%	bullet frequency	208.71
upto 12 months	9.83% to 10.02%	bullet frequency	2,886.22
Total			9,828.01

Nature of security

Secured by an exclusive charge by way of hypothecation of specific movable assets being fixed/current assets relating to hypothecation loans.

As at March 31, 2022

Terms of repayment

(Rs. in crores)

Tenure (from the date of the Balance Sheet)	Rate of interest	Repayment details	Amount
Over 60 months	4.59%	11 instalments of half-yearly frequency	531.25
48-60 months	8.63% to 10.86%	11 to 13 instalments of half-yearly and specific frequency	873.29
24-36 months	8.12%	bullet frequency	191.59
12-24 months	9.83% to 10.02%	bullet frequency	2,647.00
Total			4,243.13

Nature of security

Secured by an exclusive charge by way of hypothecation of specific movable assets being fixed/current assets relating to hypothecation loans.

D) Loans repayable on demand from banks (Cash credit from banks)

As at March 31, 2023

Terms of repayment

(Rs. in crores)

Particulars	Rate of interest	Amount
Secured by hypothecation of specific assets covered under hypothecation loan agreements	6.10% to 10.80%	459.10
Total		459.10

Loans repayable on demand from banks (Cash credit from banks)

As at March 31, 2022

Terms of repayment

(Rs. in crores)

Particulars	Rate of interest	Amount
Secured by hypothecation of specific assets covered under hypothecation loan agreements	7.30% to 10.45%	454.86
Total		454.86

E) Other loans - INR - Securitisation liabilities

As at March 31, 2023

Terms of repayment

(Rs. in crores)

Tenure (from the date of the Balance Sheet)	Rate of interest	Repayment details	Amount
60-72 months	7.70% to 9.65%	1 to 361 instalments of monthly frequency	2,930.16
48-60 months	6.10% to 9.65%	1 to 361 instalments of monthly frequency	7,679.45

II BORROWINGS (OTHER THAN DEBT SECURITIES) (Contd.)

(Rs. in crores)

Tenure (from the date of the Balance Sheet)	Rate of interest	Repayment details	Amount
36-48 months	5.90% to 9.90%	1 to 361 instalments of monthly frequency	6,550.84
24-36 months	6.05% to 9.65%	1 to 361 instalments of monthly frequency	4,332.80
12-24 months	5.95% to 9.65%	1 to 361 instalments of monthly frequency	472.09
upto 12 months	6.50% to 9.65%	1 to 361 instalments of monthly frequency	511.57
Total			22,476.91

Nature of security

Secured by an exclusive charge by way of hypothecation of specific movable assets being fixed/current assets relating to hypothecation loans.

As at March 31, 2022

Terms of repayment

(Rs. in crores)

Tenure (from the date of the Balance Sheet)	Rate of interest	Repayment details	Amount
48-60 months	5.90% to 9.00%	1 to 86 instalments of monthly frequency	11,209.94
36-48 months	5.50% to 9.00%	1 to 67 instalments of monthly frequency	3,565.64
24-36 months	6.31% to 9.40%	1 to 65 instalments of monthly frequency	1,166.14
12-24 months	8.00% to 9.70%	1 to 61 instalments of monthly frequency	3,092.50
upto 12 months	6.97% to 10.20%	1 to 61 instalments of monthly frequency	503.86
Total			19,538.08

Nature of security

Secured by an exclusive charge by way of hypothecation of specific movable assets being fixed/current assets relating to hypothecation loans.

III DEPOSITS

A) Deposits from public - Unsecured - [Refer note 65]

Terms of repayment

As at March 31, 2023

(Rs. in crores)

Redeemable at par (from the date of the Balance Sheet)	Rate of interest	Total
	< 10%	
48-60 months	4,613.62	4,613.62
36-48 months	3,540.37	3,540.37
24-36 months	9,646.19	9,646.19
12-24 months	8,259.06	8,259.06
upto 12 months	8,612.75	8,612.75
Total	34,671.99	34,671.99

As at March 31, 2022

(Rs. in crores)

Redeemable at par (from the date of the Balance Sheet)	Rate of interest	Total
	< 10%	
48-60 months	2,446.18	2,446.18
36-48 months	2,030.40	2,030.40
24-36 months	5,523.97	5,523.97
12-24 months	4,631.55	4,631.55
upto 12 months	5,557.98	5,557.98
Total	20,190.08	20,190.08

III DEPOSITS (Contd.)

Particulars	(Rs. in crores)	
	As at March 31, 2023	As at March 31, 2022
Total deposits from public	34,671.99	20,190.08

B) Deposits from corporates - Unsecured

Terms of repayment

As at March 31, 2023

(Rs. in crores)

Redeemable at par (from the date of the Balance Sheet)	Rate of interest	Total
	< 10%	
48-60 months	39.71	39.71
36-48 months	48.74	48.74
24-36 months	223.18	223.18
12-24 months	454.39	454.39
upto 12 months	701.82	701.82
Total	1,467.84	1,467.84

Terms of repayment

As at March 31, 2022

(Rs. in crores)

Redeemable at par (from the date of the Balance Sheet)	Rate of interest	Total
	< 10%	
48-60 months	30.21	30.21
36-48 months	13.24	13.24
24-36 months	367.23	367.23
12-24 months	150.65	150.65
upto 12 months	1,168.43	1,168.43
Total	1,729.76	1,729.76

C) Inter-corporate deposits

Terms of repayment

As at March 31, 2023: Nil

As at March 31, 2022

(Rs. in crores)

Tenure (from the date of the Balance Sheet)	Rate of interest	Repayment details	Total
upto 12 months	4.50% to 7.00%	Bullet repayment	29.14
Total			29.14

IV SUBORDINATED LIABILITIES

A) Subordinated liabilities - Unsecured - Debentures

Privately placed subordinated liabilities of Rs. 1,000,000/- each

Terms of repayment

As at March 31, 2023

(Rs. in crores)

Redeemable at par (from the date of the Balance Sheet)	Rate of interest			Total
	<10%	>=10% <12%	>=12% <14%	
over 60 months	-	79.00	-	79.00
48-60 months	1,395.94	-	-	1,395.94
36-48 months	137.76	-	-	137.76
24-36 months	39.92	57.11	-	97.03
12-24 months	41.08	548.28	1,723.84	2,313.20

IV SUBORDINATED LIABILITIES (Contd.)

Redeemable at par (from the date of the Balance Sheet)	Rate of interest			Total
	<10%	>=10% <12%	>=12% <14%	
upto 12 months	-	333.26	-	333.26
Total	1,614.70	1,017.65	1,723.84	4,356.19

As at March 31, 2022

(Rs. in crores)

Redeemable at par (from the date of the Balance Sheet)	Rate of interest			Total
	<10%	>=10% <12%	>=12% <14%	
over 60 months	1,395.11	78.94	-	1,474.05
48-60 months	137.64	-	-	137.64
36-48 months	39.87	56.94	-	96.81
24-36 months	41.04	541.92	1,680.52	2,263.48
12-24 months	-	332.92	-	332.92
upto 12 months	-	309.35	-	309.35
Total	1,613.66	1,320.07	1,680.52	4,614.25

B) Subordinated liabilities - Unsecured - Debentures

Privately placed subordinated liabilities of Rs. 10,000,000/- each

Terms of repayment

As at March 31, 2023

(Rs. in crores)

Redeemable at par (from the date of the Balance Sheet)	Rate of interest	Total
	<10%	
over 60 months	237.44	237.44
Total	237.44	237.44

As at March 31, 2022 - Nil

Particulars	(Rs. in crores)	
	As at March 31, 2023	As at March 31, 2022
27 OTHER FINANCIAL LIABILITIES		
Investor education and protection fund shall be credited by the following amounts (as and when due)		
- Unclaimed dividend	9.45	9.72
- Unclaimed matured deposits and interest accrued thereon	134.20	111.07
- Unclaimed matured debentures and interest accrued thereon	12.92	13.09
- Unclaimed matured subordinated debts and interest accrued thereon	11.20	9.08
Temporary credit balance in bank accounts	56.99	30.12
Payable on account of assignment	210.08	132.00
Payable to dealers	36.02	0.86
Payable to employees	233.08	132.59
Retention money and other sundry liabilities	210.14	303.48
Other liabilities *	159.74	117.63
Total	1,073.82	859.64

* Other liabilities include amount payable to Banks for credit card payments, settlement dues payable to resigned employees, etc.

		(Rs. in crores)	
Particulars		As at March 31, 2023	As at March 31, 2022
28	CURRENT TAX LIABILITIES (NET)		
	For taxation [net of advance tax Rs. 5,512.85 crores (March 31, 2022: Rs. 692.91 crores)]	160.89	36.82
	Total	160.89	36.82

		(Rs. in crores)	
Particulars		As at March 31, 2023	As at March 31, 2022
29	PROVISIONS		
	For employee benefits		
	- Gratuity (refer note 51)	2.88	2.24
	- Compensated absences (leave encashment and availment)	101.48	38.31
	For others		
	- Expected credit loss towards undrawn loan commitment	11.55	6.70
	- Taxes - contested	98.59	90.93
	Total	214.50	138.18

Loan commitments

Credit quality of exposure

The table below shows the credit quality and the maximum exposure to credit risk based on the Group's internal credit rating system and year-end stage classification. The amounts presented are gross of impairment allowances. Details of the Group's internal grading system are explained in Note 54.02 and policies on whether ECL allowances are calculated on an individual or collective basis are set out in Note 54.02.02.07.

		(Rs. in crores)			
		As at March 31, 2023			
Particulars		Stage 1	Stage 2	Stage 3	Total
Internal rating grade					
Performing					
	High grade	835.62	-	-	835.62
	Standard grade	2.46	-	-	2.46
	Sub-standard grade	-	1.23	-	1.23
	Past due but not impaired	-	0.32	-	0.32
Non- performing		-	-	-	-
Total		838.08	1.55	-	839.63

An analysis of changes in the gross carrying amount and the corresponding ECL allowances in relation to other undrawn loan commitments is, as follows:

		(Rs. in crores)			
		Year ended March 31, 2023			
		General approach			
Particulars		Stage 1	Stage 2	Stage 3	Total
Gross exposure reconciliation					
Opening balance of outstanding exposure		92.43	-	-	92.43
Effects of business combination (Refer note 52)		526.75	1.29	-	528.04
Restated as at April 01, 2022		619.18	1.29	-	620.47
New exposures		776.01	1.25	-	777.26

29 PROVISIONS (Contd.)

Particulars	Year ended March 31, 2023				(Rs. in crores)
	General approach				Year ended March 31, 2022
	Stage 1	Stage 2	Stage 3	Total	General approach Stage 1
Exposures cancelled or disbursed (excluding write-offs)	(556.40)	(1.70)	-	(558.10)	(126.18)
Transfers to Stage 1	(0.71)	0.71	-	-	-
Closing balance of outstanding exposure	838.08	1.55	-	839.63	92.43

Reconciliation of ECL balance in relation to other undrawn loan commitments is given below:

Gross exposure reconciliation

Particulars	Year ended March 31, 2023				(Rs. in crores)
	General approach				Year ended March 31, 2022
	Stage 1	Stage 2	Stage 3	Total	General approach Stage 1
ECL allowance - opening balance	6.70	-	-	6.70	10.70
Effects of business combination (Refer note 52)	4.91	0.05	-	4.97	-
Restated as at April 01, 2022	11.61	0.05	-	11.67	-
New exposures	11.21	0.02	-	11.23	4.21
Exposures cancelled or disbursed (excluding write-offs)	(11.29)	(0.05)	-	(11.34)	(8.21)
Transfers to Stage 1	(0.01)	0.01	-	-	-
ECL allowance - closing balance	11.53	0.02	-	11.55	6.70

Particulars	(Rs. in crores)	
	As at March 31, 2023	As at March 31, 2022
30 OTHER NON-FINANCIAL LIABILITIES		
Statutory dues payable	167.62	101.16
Advance from customers	37.36	23.26
Total	204.98	124.42

Particulars	(Rs. in crores)	
	As at March 31, 2023	As at March 31, 2022
31 EQUITY SHARE CAPITAL		
Authorised:		
2,975,500,000 (March 31, 2022: 647,000,000) equity shares of Rs.10/- each	2,975.50	647.00
129,000,000 (March 31, 2022: 95,000,000) preference shares of Rs.100/- each	1,290.00	950.00
	4,265.50	1,597.00
Issued share capital		
374,427,276 (March 31, 2022: 270,519,713) equity shares of Rs. 10/- each	374.43	270.52
Subscribed share capital		
374,427,276 (March 31, 2022: 270,519,713) equity shares of Rs. 10/- each	374.43	270.52
Paid up (fully paid up)		
Equity shares		

31 EQUITY SHARE CAPITAL (Contd.)

Particulars	(Rs. in crores)	
	As at March 31, 2023	As at March 31, 2022
374,427,276 (March 31, 2022: 270,519,713) equity shares of Rs. 10/- each fully paid up	374.43	270.52
Total Equity	374.43	270.52

a. Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the year

Particulars	Number of shares	(Rs. in crores)
As at March 31, 2021	253,061,513	253.06
Issued during the year #	17,458,200	17.46
As at March 31, 2022	270,519,713	270.52
Cancellation of SCL shares @	(70,437,147)	(70.44)
Fresh issue to shareholders of SCL @	105,113,114	105.11
Fresh issue to shareholders of SCUF @	69,231,596	69.23
As at March 31, 2023	374,427,276	374.43

@ Refer note 52 - Business Combination

On June 12, 2021, the Company allotted 13,986,000 Equity Shares of face value Rs. 10/- each to eligible qualified institutional buyers at the issue price of Rs. 1,430/- per Equity Share (including a premium of Rs. 1,420/- per Equity Share) at a discount of Rs. 3.32 per Equity Share i.e. 0.23% of the floor price of Rs. 1,433.32 per Equity Share, aggregating to Rs. 19,999,980,000/- by way of qualified institutions placement (QIP Issue). The QIP Issue opened on June 07, 2021 and closed on June 11, 2021. The entire proceeds have been utilised for the objects of the QIP Issue. Pursuant to the allotment of Equity Shares in the QIP Issue, the paid - up equity share capital of the Company stood increased from Rs. 2,530,615,130/- to Rs. 2,670,475,130/- on June 12, 2021 comprising of 267,047,513 fully paid-up equity shares of face value of Rs.10/- each and securities premium reserve by Rs. 1,964.78 crores (net of share issue expenses of Rs. 21.23 crores).

On July 08, 2021 the Company allotted (i) 1,736,100 Equity Shares of the Company, fully paid-up, at a price of Rs. 1,440/- per Equity Share including a premium of Rs. 1,430/- per Equity Share, aggregating up to Rs. 2,499,984,000/- and (ii) 1,736,100 Warrants convertible into 1,736,100 Equity Shares at a price (including the warrant subscription price and the warrant exercise price) of Rs. 1,440/- each, aggregating up to Rs. 2,499,984,000/- on a preferential basis to Shriram Capital Limited, Promoter of the Company (Preferential Issue). The Company received the subscription money of Rs. 624,996,000/- for allotment of 1,736,100 Warrants convertible into Equity Shares, being 25% of the Issue price of Rs. 1,440/- of the Warrants at Rs. 360/- per Warrant, towards the warrant subscription price. The entire proceeds have been utilised for the objects of the Preferential Issue. Pursuant to allotment of the Equity Shares in the Preferential Issue, the paid-up share capital of the Company stood increased on July 08, 2021 from Rs. 2,670,475,130/- to Rs. 2,687,836,130/- comprising of 268,783,613 equity shares of face value of Rs. 10/- each and securities premium reserve by Rs. 248.06 crores.

b. Terms/ rights attached to equity shares

The Company has only one class of equity shares having a par value of Rs. 10/- per share. Each holder of equity shares is entitled to one vote per share. The final dividend is subject to the approval of the shareholders in the ensuing annual general meeting.

The Board of Directors in their meeting held on April 27, 2023 has recommended a final dividend of Rs. 20/- per equity share of nominal face value of Rs.10/- each fully paid up i.e. 200 %, for the Financial Year 2022-23 subject to approval by shareholders in the ensuing 44th Annual General Meeting (44th AGM) of the Company. This is in addition to the interim dividend of Rs. 15/- per equity share of Rs. 10/- each fully paid-up (150%) for the Financial Year 2022-23 declared by the Company on December 24, 2022, amounting to Rs. 5,616,409,140/- (gross) subject to deduction of tax at source as per the

31 EQUITY SHARE CAPITAL (Contd.)

applicable rate(s) to the eligible shareholders. The record date for payment of interim dividend was January 04, 2023. The interim dividend was paid to eligible shareholders on January 13, 2023. With this the total dividend for the financial year 2022-23 will be Rs. 35/- per equity share (i.e. 350 %). Pursuant to Regulation 42 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and subject to the confirmation by the Stock Exchanges, the Book Closure period for the purpose of payment of the final dividend and 44th AGM will be from June 17, 2023 to June 23, 2023 (both days inclusive). The final dividend will be paid to eligible shareholders on or before July 22, 2023 subject to deduction of tax at source as per the applicable rate(s).

The Board of Directors in their meeting held on March 05, 2022 declared second interim equity dividend of 120% (Rs. 12/- per equity share of nominal face value of Rs. 10/- each fully paid up) for the financial year 2021-22, amounting to Rs. 3,246,236,556/- (gross) subject to deduction of tax at source as per the applicable rate(s) to the eligible shareholders. The record date for payment of second interim equity dividend was March 14, 2022. The second interim dividend was paid to eligible shareholders on March 24, 2022. The Board of Directors in their meeting held on October 29, 2021 declared interim equity dividend of 80% (Rs. 8/- per equity share of nominal face value of Rs. 10/- each fully paid up) for the financial year 2021-22, amounting to Rs. 2,150,268,904/- (gross) subject to deduction of tax at source as per the applicable rate(s) to the eligible shareholders. The record date for payment of interim equity dividend was November 10, 2021. The interim dividend was paid to eligible shareholders on November 24, 2021. The Board of Directors in its meeting held on April 28, 2022 did not recommended final dividend. As such the interim dividend aggregating to Rs. 20/-per share (i.e. 200 %) was the final dividend for the financial year 2021-22 .

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.

c. Aggregate number of equity shares issued for consideration other than cash during the period of five years immediately preceding the reporting date:

The aggregate number of equity shares issued for consideration other than cash during the period of five years immediately preceding the reporting date were Nil (March 31, 2022: Nil). Refer note 52 - Business combination.

d. Details of shareholders holding more than 5% equity shares in the Company

Details of shareholding	As at March 31, 2023		As at March 31, 2022	
	Number of shares	% holding	Number of shares	% holding
Equity shares of Rs. 10/- each				
Shriram Capital Private Limited (formerly known as Shriram Financial Ventures (Chennai) Private Limited)	67,145,784	17.93%	-	-
Shriram Capital Limited (Refer note 52 - Business combination)	-	-	70,437,147	26.04%
Piramal Enterprises Limited	31,221,449	8.34%	-	-
Life Insurance Corporation of India	₹	₹	18,004,597	6.66%

₹ holding less than 5% equity shares

e. Refer note 68- Capital management for the Group's objectives, policies and processes for managing capital.

31 EQUITY SHARE CAPITAL (Contd.)

f. Proposed dividends on equity shares

Particulars	(Rs. in crores)	
	As at March 31, 2023	As at March 31, 2022
Proposed dividend on equity shares for the year ended on March 31, 2023: Rs. 20/- per share (March 31, 2022: Rs. Nil per share)	748.85	-
Total	748.85	-

g. Shareholding of Promoters

Promoter & Promoter Group	Relationship	Shares held at the end of the year		% Change during the year*
		No. of Shares	% of Total Shares	
As at March 31, 2023				
Shriram Capital Private Limited (formerly known as Shriram Financial Ventures (Chennai) Private Limited)	Promoter	67,145,784	17.93%	0.00%
Shriram Ownership Trust	Promoter	7,840,080	2.09%	13677.25%
Shriram Value Services Limited	Promoter group	12,993,461	3.47%	1130.00%
Sanlam Life Insurance Limited	Promoter group	7,536,951	2.01%	0.00%
As at March 31, 2022				
Shriram Capital Limited **	Promoter	70,437,147	26.04%	5.19%
Shriram Ownership Trust	Promoter group	56,906	0.02%	0.00%
Shriram Value Services Limited	Promoter group	1,056,379	0.39%	0.00%

* percentage change is computed with respect to the number at the beginning of the year or if issued during the year for the first time then with respect to the date of issue.

**As per the composite scheme of amalgamation of SCL and SCUF with STFC with appointed date as of April 01, 2022, the relevant share capital of SCL has been nullified in current financial year.

h. Amount of per share dividend recognised as distribution to equity shareholders

Particulars	Year ended March 31,	
	2023	2022
Proposed dividend for the year ended March 31, 2023 (Rs. per share)	20.00	-
Interim dividend for the year ended March 31, 2023 (Rs. per share)	15.00	-
Interim dividend for the year ended March 31, 2022 (Rs. per share)	-	20.00
Final dividend for the year ended March 31, 2021 (Rs. per share)	-	6.00

		(Rs. in crores)	
Particulars	As at March 31, 2023	As at March 31, 2022	
32 OTHER EQUITY			
Share application money pending allotment	-	-	
Statutory reserve (Pursuant to Section 45-IC of The RBI Act, 1934)			
Opening balance	4,707.98	4,166.39	
Add: Amalgamation adjustment account	1,706.81	-	
Add: Transfer from retained earnings	1,195.87	541.59	
Closing balance	7,610.66	4,707.98	
Statutory reserve (Pursuant to Section 29C of the NHB Act, 1987)			
Opening balance	-	-	
Add: Effects of business combination	56.11	-	
Add: Transfer from retained earnings	23.42	-	
Closing balance	79.53	-	
Securities premium			
Opening balance	5,662.38	3,201.27	
Add: Premium on shares issued during the year	11,733.89	2,482.54	
Less: Share issue expenses incurred during the year	-	(21.43)	
Closing balance	17,396.27	5,662.38	
Capital reserve			
Opening balance	27.64	27.64	
Add: Effects of business combination	76.93	-	
Closing balance	104.57	27.64	
Capital redemption reserve	53.88	53.88	
Debenture redemption reserve			
Opening Balance	307.28	921.41	
Add: Creation due to business combinations	55.07	-	
Add: Transfer from retained earnings	93.23	170.31	
Less: Transfer to retained earnings on account of redemption	(36.45)	(784.44)	
Closing balance	419.13	307.28	
General reserve			
Opening balance	2,934.07	2,663.27	
Add: Transfer from retained earnings	597.94	270.80	
Add: Amount transferred from share option outstanding on account of forfeiture of share options	0.04	-	
Closing balance	3,532.05	2,934.07	
Convertible Warrants			
Money received during the year	-	250.00	
Shares allotted during the year	-	(250.00)	
Closing balance	-	-	
Share Option Outstanding			
Opening balance	-	-	
Add: Expenses on Employee Stock Option Plan (Refer note 67)	167.63	-	
Less: Adjustment on exercise of Employee Stock Option Plan	(54.22)	-	
Add: Transfer to general reserve on account of forfeiture of share options	(0.04)	-	
Add: Effects of business combination (Refer note 52)	86.47	-	
Closing balance	199.84	-	
Amalgamation adjustment account			
Opening balance	-	-	
Statutory reserve of transferor company reinstated	(1,706.81)	-	
Closing balance	(1,706.81)	-	

		(Rs. in crores)	
Particulars	As at March 31, 2023	As at March 31, 2022	
32 OTHER EQUITY (Contd.)			
Other comprehensive income			
Remeasurement gain/(loss) on defined benefit plan (net of tax)			
Opening balance	(11.56)	(9.12)	
Add: Addition during the year	(5.57)	(2.42)	
Add: Share of other comprehensive income from associates (net of tax)	(0.26)	(0.02)	
Closing balance	(17.39)	(11.56)	
Gain / (loss) on fair valuation of quoted investments in equity shares			
Opening balance	-	-	
Add: Addition during the year	(8.83)	-	
Closing balance	(8.83)	-	
Effective portion of cash flow hedges			
Opening balance	(213.40)	(93.02)	
Add: Addition during the year	(11.02)	(120.38)	
Closing balance	(224.42)	(213.40)	
Retained earnings			
Opening balance	12,355.47	10,532.51	
Add: Profit for the current year	6,011.04	2,721.10	
Add /(Less): Appropriations			
Transfer to statutory reserve as per Section 45-IC of The RBI Act, 1934	(1,195.87)	(541.59)	
Transfer to statutory reserve as per Section 29C of the NHB Act, 1987	(23.42)	-	
Transfer to general reserve	(597.94)	(270.80)	
Effects of Business combination	(176.74)	-	
Amount transferred from share option outstanding on account of forfeiture of share options	0.90	-	
Transferred (to)/from debenture redemption reserve	(111.85)	614.13	
Interim dividend [March 31, 2023: Rs. 15.00 per share (March 31, 2022: Rs. 20.00 per share)]	(561.64)	(539.65)	
Final dividend (for March 31, 2021: Rs. 6.00 per share)	-	(160.23)	
Total appropriations	(2,666.56)	(898.14)	
Closing balance	15,699.95	12,355.47	
Total	43,138.43	25,823.74	

Nature and purpose of reserves

- Share application money pending allotment:** The amount received on the application for equity shares of the Company on which allotment is not yet made, to the extent not refundable.
- Securities premium:** The amount received in excess of face value of the equity shares is recognised in Securities premium. In case of equity-settled share based payment transactions, the difference between fair value on grant date and nominal value of share is accounted as securities premium. The reserve can be utilised only for limited purposes such as issuance of bonus shares in accordance with the provisions of the Companies Act, 2013.
- Capital reserve:** Capital reserve is the excess of net assets taken over cost of consideration paid during amalgamation. (Refer note 52: Business combination)
- Capital redemption reserve:** The Company has recognised Capital redemption reserve on redemption of non-convertible redeemable preference shares from its retained earnings. The amount in capital redemption reserve is equal to nominal amount of the non-convertible redeemable preference shares redeemed. The Company may issue fully paid up bonus shares to its members out of the capital redemption reserve.
- Debenture redemption reserve:**

(1) Pursuant to Section 71 of the Companies Act, 2013 and circular 04/2013, read with notification issued date June 19, 2016 issued by Ministry of Corporate Affairs, the Company is required to transfer 25% of the value of the outstanding

32 OTHER EQUITY (Contd.)

debentures issued through public issue as per the present SEBI (Issue and Listing of Debt Securities) Regulation, 2008 to Debenture redemption reserve (DRR) and no DRR is required in case of privately placed debenture. Also the Company is required before 30th day of April of each year to deposit or invest, as the case may be, a sum which shall not be less than 15% of the amount of its debenture issued through public issue maturing within one year from the balance sheet date.

(2) As per the notification G.S.R. 574(E) dated August 16, 2019, the Ministry of Corporate Affairs has amended the Companies (Share Capital & Debentures) Rules, DRR need not be created for debentures issued by a Non-Banking Finance Company subsequent to the notification date. The Company has not created DRR on public issue of non-convertible debentures issued after the date of said notification.

(3) In respect of the debentures issued through public issue, the Company has created DRR of Rs. 93.23 crores (March 31, 2022: Rs. 170.31 crores). The Company subsequent to the year end has deposited a sum of Rs. 204.00 crores (March 31, 2022: Rs. 37.00 crores) in the form of fixed deposits with scheduled banks, representing 15% of the debenture issued through public issue, which are due for redemption within one year from the balance sheet date.

(4) On redemption of the debentures for which the DRR is created, the amounts no longer necessary to be retained in this account need to be transferred to the retained earnings.

f) General reserve: Under the erstwhile Companies Act, 1956, general reserve was created through an annual transfer of net income at a specified percentage in accordance with applicable regulations. Consequent to introduction of Companies Act, 2013, the requirement to mandatorily transfer a specified percentage of the net profit to general reserve has been withdrawn. However, the amount previously transferred to the general reserve can be utilised only in accordance with the specific requirements of Companies Act, 2013.

g) Statutory reserve:

Statutory reserve (SFL): Every year the Company transfers a sum of not less than twenty per cent of net profit of that year as disclosed in the statement of profit and loss to its Statutory Reserve pursuant to Section 45-IC of the RBI Act, 1934.

The conditions and restrictions for distribution attached to statutory reserves as specified in Section 45-IC(1) in The Reserve Bank of India Act, 1934:

- (1) Every non-banking financial company (NBFC) shall create a reserve fund and transfer therein a sum not less than twenty per cent of its net profit every year as disclosed in the profit and loss account and before any dividend is declared.
- (2) No appropriation of any sum from the reserve fund shall be made by the NBFC except for the purpose as may be specified by the RBI from time to time and every such appropriation shall be reported to the RBI within twenty-one days from the date of such withdrawal:

Provided that the RBI may, in any particular case and for sufficient cause being shown, extend the period of twenty-one days by such further period as it thinks fit or condone any delay in making such report.

- (3) Notwithstanding anything contained in sub-section (1), the Central Government may, on the recommendation of the RBI and having regard to the adequacy of the paid-up capital and reserves of a NBFC in relation to its deposit liabilities, declare by order in writing that the provisions of sub-section (1) shall not be applicable to the NBFC for such period as may be specified in the order:

Provided that no such order shall be made unless the amount in the reserve fund under sub-section (1) together with the amount in the share premium account is not less than the paid-up capital of the NBFC.

Statutory Reserve (SHFL): The subsidiary Company creates Special Reserve every year out of its profits in terms of Section 36(1) (viii) of the Income Tax Act, 1961 read with Section 29C of the National Housing Bank Act, 1987. The Subsidiary Company transfers at least 20% of the Profit after tax to the Statutory reserve.

32 OTHER EQUITY (Contd.)

h) Amalgamation adjustment account: Upon amalgamation of the erstwhile Shriram City Union Finance ("SCUF") the transferor company, with Shriram Transport Finance Limited ("STFC") the transferee company, renamed as Shriram Finance Limited ("SFL"), the statutory reserves (i.e. Reserve under Section 45 IC of the Reserve Bank of India Act, 1934) of Rs. 1,706.81 crores of the Transferor Companies as on April 01, 2022 ("the Appointed Date") were recorded in the books of Shriram Finance Limited with a corresponding debit to Amalgamation Adjustment Account. When the identity of the statutory reserves is no longer required to be maintained, both the statutory reserves and the aforesaid account will be reversed. (Refer note 52: Business combination)

i) Share option outstanding: The share-based payment reserve is used to recognise the value of equity-settled share-based payments provided to employees, including key management personnel, as part of their remuneration.

j) Remeasurement gain/(loss) on defined benefit plan: Remeasurement, comprising of actuarial gains and losses and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to the statement of profit and loss in subsequent periods.

k) Other comprehensive income: Other comprehensive income includes effective portion of cash flow hedges and Gain/(loss) on fair valuation of investments in quoted equity shares.

Effective portion of cash flow hedges represents the cumulative effective portion of gains or losses arising on changes in fair value of hedging instruments entered into for cash flow hedges, which shall be reclassified to the statement of profit and loss only when the hedged transaction affects the statement of profit and loss, or included as a basis adjustment to the non-financial hedged item, consistent with the Company accounting policies.

Gain/(loss) on fair valuation of investments in quoted equity shares represents gains and losses from the change in the fair value of investments in quoted equity instruments in accordance with paragraph 5.7.5 of Ind AS 109, Financial Instruments.

l) Retained earnings: Retained earnings are the profits that the Group has earned till date, less any transfers to statutory reserve, general reserve and dividend distributed to shareholders.

33 INTEREST INCOME

Particulars	Year ended March 31, 2023			Year ended March 31, 2022		
	On financial assets measured at amortised cost	On financial assets classified at fair value through profit or loss	Total	On financial assets measured at amortised cost	On financial assets classified at fair value through profit or loss	Total
Interest on loans	28,079.03	-	28,079.03	18,054.67	-	18,054.67
Interest income from investments	425.36	81.91	507.27	275.11	40.85	315.96
Interest on deposits with banks						
- Margin money deposit	216.39	-	216.39	155.53	-	155.53
- Deposits with banks	323.27	-	323.27	88.14	-	88.14
Other interest income						
- Delayed payments by customers	74.84	-	74.84	28.79	-	28.79
- Unwinding of security deposit	5.07	-	5.07	3.17	-	3.17
Total	29,123.96	81.91	29,205.87	18,605.41	40.85	18,646.26

(Rs. in crores)

		(Rs. in crores)	
Particulars		Year ended March 31, 2023	Year ended March 31, 2022
34	FEES AND COMMISSION INCOME		
	Income from commission services - life insurance	41.49	16.52
	Income from commission services - general insurance	70.59	36.15
	Income from loan related and other commission services	154.49	47.41
	Total	266.57	100.08

Revenue from contracts with customers

Set out below is the revenue from contracts with customers and reconciliation to the statement of profit and loss.

		(Rs. in crores)	
Particulars		Year ended March 31, 2023	Year ended March 31, 2022
Type of services or service			
	Fees and commission income	266.57	100.08
	Total revenue from contract with customers	266.57	100.08
Geographical markets			
	- India	266.57	100.08
	- Outside India	-	-
	Total revenue from contract with customers	266.57	100.08
Timing of revenue recognition			
	Services transferred at a point in time	266.57	100.08
	Services transferred over time	-	-
	Total revenue from contracts with customers	266.57	100.08

Contract balance

		(Rs. in crores)	
Particulars		As at March 31, 2023	As at March 31, 2022
	Trade receivables	17.00	5.35
	Contract assets	-	-

The Group does not have any contract assets or liability, hence disclosures related to it have not been presented.

		(Rs. in crores)	
Particulars		Year ended March 31, 2023	Year ended March 31, 2022
35	NET GAIN/(LOSS) ON FAIR VALUE CHANGES		
(A) Net gain/(loss) on financial instruments at fair value through profit or loss:			
(i) On trading portfolio		-	-
- Investments		-	-
- Derivatives		-	-
- Others		-	-
(ii) On financial instruments designated at fair value through profit or loss		-	-
(B) Others:			
- Investment in shares, venture capital fund, mutual funds and certificate of deposits		397.35	236.83
- Direct assignment		(33.55)	(15.13)
Total Net gain/(loss) on fair value changes (C)		363.80	221.70
Fair value changes:			
- Realised		361.93	183.34
- Unrealised		1.87	38.36
Total Net gain/(loss) on fair value changes (D)		363.80	221.70

		(Rs. in crores)	
Particulars		Year ended March 31, 2023	Year ended March 31, 2022
36	OTHER OPERATING INCOME		
Bad debt recovery		354.27	69.22
Total		354.27	69.22

		(Rs. in crores)	
Particulars		Year ended March 31, 2023	Year ended March 31, 2022
37	OTHER INCOME		
Interest on income tax refund		14.73	-
Interest others		0.16	0.15
Miscellaneous income		16.72	18.91
Total		31.61	19.06

		(Rs. in crores)	
Particulars	Year ended March 31, 2023	Year ended March 31, 2022	
38 FINANCE COSTS			
On Financial liabilities measured at amortised cost			
Interest on deposits	2,347.08	1,710.15	
Interest on borrowings (other than debt securities)			
- Loans from banks	2,904.63	1,042.07	
- Loans from institutions and others	776.61	377.99	
- External commercial borrowings	524.99	368.27	
- Interest paid on securitisation	1,629.69	1,766.19	
Interest on debt securities			
- Debentures	2,712.15	1,780.59	
- Senior secured notes	75.32	90.86	
- External commercial bond	1,406.70	2,016.66	
- Commercial paper	0.67	40.90	
Interest on subordinated liabilities	503.41	508.66	
Other interest expense			
- Interest on tax liability	0.07	-	
- Interest on lease liability	49.95	31.97	
Total	12,931.27	9,734.31	

		(Rs. in crores)	
Particulars	Year ended March 31, 2023	Year ended March 31, 2022	
39 FEES AND COMMISSION EXPENSES			
Brokerage	30.01	44.79	
Commission paid for loan sourcing	229.42	-	
Professional charges-resource mobilisation	34.91	24.14	
Processing charges on loans	8.68	4.52	
Professional charges on securitisation	10.23	18.29	
Total	313.25	91.74	

		(Rs. in crores)	
Particulars	Year ended March 31, 2023	Year ended March 31, 2022	
40 IMPAIRMENT ON FINANCIAL INSTRUMENTS			
On financial instruments measured at amortised cost			
Loans (Refer note 62)*	4,128.49	3,865.02	
Investments	4.64	(2.00)	
Others			
- Undrawn commitments	(1.09)	(4.00)	
- Other assets	37.02	1.84	
Total	4,169.06	3,860.86	

* Includes loss on disposal of repossessed assets Rs. 293.79 crores for the year ended March 31, 2023 (March 31, 2022: Rs. 492.30 crores).

40 IMPAIRMENT ON FINANCIAL INSTRUMENTS (Contd.)

The table below shows the ECL charges on financial instruments for the year recorded in the statement of profit and loss based on evaluation stage:

Year ended March 31, 2023

(Rs. in crores)

Particulars	General approach			Simplified Approach	Total
	Stage 1 Collective	Stage 2 Collective	Stage 3 Collective		
Loans and advances to customers measured at amortised cost	537.24	334.69	3,256.56	-	4,128.49
Debt instruments measured at amortised cost	4.64	-	-	-	4.64
<u>Others</u>					
- Undrawn commitments	(1.06)	(0.03)	-	-	(1.09)
- Other assets	-	-	5.00	32.02	37.02
Total impairment loss	540.82	334.66	3,261.56	32.02	4,169.06

Year ended March 31, 2022

(Rs. in crores)

Particulars	General approach			Simplified Approach	Total
	Stage 1 Collective	Stage 2 Collective	Stage 3 Collective		
Loans and advances to customers measured at amortised cost	1,228.00	76.37	2,560.65	-	3,865.02
Debt instruments measured at amortised cost	(2.00)	-	-	-	(2.00)
<u>Others</u>					
- Undrawn commitments	(4.00)	-	-	-	(4.00)
- Other assets	-	-	-	1.84	1.84
Total impairment loss	1,222.00	76.37	2,560.65	1.84	3,860.86

(Rs. in crores)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
41 EMPLOYEE BENEFITS EXPENSES		
Salaries, other allowance and bonus	2,268.33	907.11
Contribution to provident and other funds	136.96	59.60
Staff welfare expenses	48.44	23.69
Gratuity expenses (Refer note 51)	14.35	6.69
Share based payments to employees	168.03	-
Interest expenses on staff loan	0.31	-
Total	2,636.42	997.09

(Rs. in crores)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
42 DEPRECIATION, AMORTISATION AND IMPAIRMENT		
Depreciation of property, plant and equipment	71.36	44.91
Depreciation of investment property	0.05	0.03
Amortisation of intangible assets	371.54	1.57
Depreciation on Right-of-use assets (Refer note 19)	157.74	88.86
Total	600.69	135.37

		(Rs. in crores)	
Particulars		Year ended March 31, 2023	Year ended March 31, 2022
43	OTHER EXPENSES		
	Rent (Refer note 19)	7.64	3.24
	Rates and taxes	30.88	5.22
	Energy costs	31.94	16.45
	Repairs and maintenance	111.35	60.61
	Communication costs	81.30	34.28
	Printing and stationery	42.11	10.30
	Advertisement and publicity	33.68	7.31
	Director's fees, allowances and expenses	2.40	1.25
	Auditor fees and expenses (Refer note 56 and 57)		
	- As Auditor	1.86	0.99
	- For taxation matters	0.15	0.09
	- For other services (certification)	0.41	0.09
	- For reimbursement of expenses	0.26	0.02
	Legal and professional charges	216.26	111.54
	Other expenditure:		
	Travelling and conveyance	131.25	69.38
	Business promotion	188.13	93.16
	Outsourcing expenses	131.73	63.82
	Royalty	333.50	204.19
	Insurance	7.88	2.03
	Bank charges	55.89	38.51
	Loss on sale of property, plant and equipment (net)	1.00	0.79
	Service charges	43.15	50.35
	CSR expenses (Refer note 61)	95.48	69.72
	Miscellaneous expenses	95.73	62.27
	Total	1,643.98	905.61

44 INCOME TAX

The components of income tax expense for the financial years ended March 31, 2023 and March 31, 2022 are:

		(Rs. in crores)	
Particulars		Year ended March 31, 2023	Year ended March 31, 2022
	Current tax	2,911.40	1,112.57
	Adjustment in respect of current income tax of prior years	11.58	(82.32)
	Deferred tax relating to origination and reversal of temporary differences	(720.73)	(188.93)
	Total tax charge	2,202.25	841.32
	Current tax	2,922.98	1,030.25
	Deferred tax	(720.73)	(188.93)

44 INCOME TAX (Contd.)

Reconciliation of the total tax charge:

The tax charge shown in the statement of profit and loss differs from the tax charge that would apply if all profits had been charged at Indian corporate tax rate.

A reconciliation between the tax expense and the accounting profit multiplied by India's domestic tax rate for the financials year ended March 31, 2023 and March 31, 2022 is, as follows:

	(Rs. in crores)	
Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Accounting profit before tax	8,213.72	3,549.25
At India's statutory income tax rate of 25.168% (2022: 25.168%)	2,067.23	893.28
Adjustment in respect of current income tax of prior years	11.58	(82.32)
Income subject to tax at special rate	-	-
Non-deductible expenses		
Corporate social responsibility expenditure not allowable for tax purpose	24.03	17.55
Adjustment in respect of prior years	(11.58)	82.32
Others	110.99	(69.51)
Income tax expense reported in the statement of profit and loss	2,202.25	841.32

Deferred tax

The following table shows deferred tax recorded in the balance sheet and changes recorded in the income tax expense:

	(Rs. in crores)			
Particulars	Deferred tax assets As at March 31, 2023	Deferred tax liabilities As at March 31, 2023	Statement of profit and loss Year ended March 31, 2023	OCI Year ended March 31, 2023
Property, plant and equipment, intangible assets and investment property - carrying amount other than on account of fair valuation	44.93	-	(1.15)	-
Provision for post retirement benefits	27.18	0.01	(9.41)	(2.23)
Expenses allowable for tax purposes when paid	49.33	-	(13.18)	-
EIR impact on debt instrument in the nature of borrowings measured at amortised cost	-	0.05	(4.46)	-
Cash flow hedge reserve	75.48	-	-	(3.71)
Impairment allowance on loans and advances	1,672.59	-	(811.63)	-
Impairment allowance for undrawn commitments	25.34	-	(9.08)	-
Fair valuation on derecognition of financial instrument	-	68.03	17.43	-
Right-of-use assets	22.37	-	(2.50)	-
ESOP compensation expenses	50.72	-	(28.90)	-
Fair valuation impact of merger	308.57	225.85	152.14	-
Other temporary differences	16.25	44.77	(9.99)	(2.97)
Total	2,292.76	338.71	(720.73)	(8.91)

44 INCOME TAX (Contd.)

	(Rs. in crores)			
	Deferred tax assets	Deferred tax liabilities	Statement of profit and loss	OCI
Particulars	As at March 31, 2022	As at March 31, 2022	Year ended March 31, 2022	Year ended March 31, 2022
Property, plant and equipment, intangible assets and investment property - carrying amount other than on account of fair valuation	25.23	-	(2.56)	-
Provision for post retirement benefits	10.20	-	0.46	(0.81)
Expenses allowable for tax purposes when paid	36.15	-	1.47	-
EIR impact on debt instrument in the nature of borrowings measured at amortised cost	-	4.34	(3.27)	-
Cash flow hedge reserve	71.77	-	-	(40.49)
Impairment allowance on loans and advances	762.27	-	(229.96)	-
Impairment allowance for undrawn commitments	10.75	-	1.51	-
Fair valuation on derecognition of financial instrument	-	47.61	35.82	-
Right-of-use assets	14.04	-	(1.35)	-
Other temporary differences	-	9.08	8.94	-
Total	930.41	61.03	(188.94)	(41.30)

Reconciliation of deferred tax assets/(liabilities)

	(Rs. in crores)	
Particulars	As at March 31, 2023	As at March 31, 2022
Opening balance	869.38	639.14
Recognised pursuant to merger of erstwhile Shriram City Union Finance Limited	184.89	-
Recognised pursuant to merger of Shriram Housing Finance Limited	(31.86)	-
Effects of business combination	202.08	-
Recognised in statement of profit and loss	720.73	188.94
Recognised in statement of profit and loss under OCI	8.83	41.30
Closing balance	1,954.05	869.38

Amounts recognised in respect of current tax / deferred tax directly in equity:

	(Rs. in crores)	
Particulars	As at March 31, 2023	As at March 31, 2022
Amounts recognised in respect of current tax/deferred tax directly in equity	-	-

Tax losses

	(Rs. in crores)	
Particulars	As at March 31, 2023	As at March 31, 2022
Unused tax losses for which no deferred tax asset has been recognised	-	-

45 EARNINGS PER SHARE

Basic earnings per share (EPS) is calculated by dividing the net profit for the year attributable to equity holders of Group by the weighted average number of equity shares outstanding during the year.

Diluted EPS is calculated by dividing the net profit for the year attributable to equity holders of Group (after adjusting for interest on the convertible preference shares and interest on the convertible bond, in each case, net of tax) by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on the conversion of all the dilutive potential ordinary shares into ordinary shares.

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Net profit after tax attributable to equity holders as per Statement of profit and loss (Rs. in crores) (A)	6,011.04	2,721.10
Weighted average number of equity shares for calculating basic EPS (in crores) (B)	37.44	26.62
Weighted average number of equity shares for calculating diluted EPS (in crores) (C)	37.61	26.62
Basic earnings per equity share (in Rupees) (face value of Rs. 10/- per share) (A) / (B)	160.54	102.23
Diluted earnings per equity share (in Rupees) (face value of Rs. 10/- per share) (A) / (C)	159.83	102.23

46 INVESTMENT IN SUBSIDIARIES AND ASSOCIATES

The Company has invested in the following entities:

Name of the entity	Relationship	Country of incorporation	Principal place of business	Principal activities	% Equity interest	
					As at March 31, 2023	As at March 31, 2022
Shriram Housing Finance Limited (SHFL)	Subsidiary	India	Mumbai	Housing Finance	84.82%	NA
Shriram Automall India Limited (SAMIL)	Associate	India	New Delhi	Market leader in physical bidding for acquisition and disposal of pre-owned vehicles and equipment.	44.56%	44.56%

The Company has recognised its investment in associate under equity method and not adjusted to fair value at the end of each reporting period.

The Company's share in the associate is as follows:

Particulars	(Rs. in crores)	
	Year ended March 31, 2023	Year ended March 31, 2022
(a) share in profit or loss from continuing operations	8.56	13.17
(b) share in post-tax profit or loss from discontinued operations	-	-
(c) share in other comprehensive income	(0.26)	(0.02)
(d) share in total comprehensive income	8.30	13.15

47 MATURITY ANALYSIS OF ASSETS AND LIABILITIES

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

(Rs. in crores)

Particulars	As at March 31, 2023			As at March 31, 2022		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
Assets						
Financial Assets						
Cash and cash equivalents	9,932.84	-	9,932.84	10,662.44	-	10,662.44
Bank balance other than above	6,163.41	210.70	6,374.11	5,133.24	559.48	5,692.72
Derivative financial instruments	499.20	170.17	669.37	-	201.40	201.40
Receivables						
(I) Trade receivables	17.00	-	17.00	5.35	-	5.35
(II) Other receivables	195.47	234.22	429.69	101.06	89.43	190.49
Loans	73,669.67	105,015.47	178,685.14	41,448.37	75,216.78	116,665.15
Investments	1,573.05	5,857.02	7,430.07	2,943.69	4,027.54	6,971.23
Other financial assets	2.96	74.51	77.47	-	51.45	51.45
Non-Financial Assets						
Current tax asset	11.29	716.97	728.26	-	228.24	228.24
Deferred tax assets (net)	-	1,981.51	1,981.51	-	869.38	869.38
Investment property	-	2.62	2.62	-	1.97	1.97
Property, plant and equipment	-	223.19	223.19	-	110.56	110.56
Right-of-use assets	-	528.30	528.30	-	302.52	302.52
Intangible assets under development	-	66.08	66.08	-	-	-
Goodwill	-	1,740.94	1,740.94	-	-	-
Other intangible assets	-	1,218.46	1,218.46	-	3.04	3.04
Other non-financial assets	102.26	392.84	495.10	43.68	268.54	312.22
Total Assets	92,167.15	118,433.00	210,600.15	60,337.83	81,930.33	142,268.16
Liabilities						
Financial Liabilities						
Payables						
(I) Trade payables						
(i) total outstanding dues of micro enterprises and small enterprises	-	-	-	0.02	-	0.02
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	313.04	0.15	313.19	165.70	0.31	166.01
(II) Other payables						
(i) total outstanding dues of micro enterprises and small enterprises	0.36	-	0.36	1.46	-	1.46
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	1.09	-	1.09	1.21	-	1.21
Debt securities	19,271.74	25,652.29	44,924.03	11,901.72	29,354.83	41,256.55
Borrowings (other than debt securities)	32,875.16	45,669.59	78,544.75	19,869.86	26,807.07	46,676.93
Deposits	9,354.28	26,785.55	36,139.83	6,755.55	15,193.43	21,948.98
Subordinated liabilities	309.44	4,284.19	4,593.63	308.71	4,305.54	4,614.25
Lease liabilities	87.40	514.68	602.08	74.93	274.50	349.43
Other financial liabilities	996.44	77.38	1,073.82	755.06	104.58	859.64
Non-Financial Liabilities						
Current tax liabilities (net)	160.89	-	160.89	36.82	-	36.82
Deferred tax liabilities	(0.14)	27.60	27.46	-	-	-
Provisions	213.52	0.98	214.50	99.87	38.31	138.18
Other non-financial liabilities	204.98	-	204.98	124.42	-	124.42
Total Liabilities	63,788.20	103,012.41	166,800.61	40,095.33	76,078.57	116,173.90
Net	28,378.95	15,420.59	43,799.54	20,242.50	5,851.76	26,094.26

48 CHANGE IN LIABILITIES ARISING FROM FINANCING ACTIVITIES

(Rs. in crores)

Particulars	As at March 31, 2022	Cash flows	Changes in fair value	Exchange difference	Other	As at March 31, 2023
Debt securities	41,256.55	3,495.32	-	-	172.16	44,924.03
Borrowings (other than debt securities)	46,676.93	31,646.54	-	0.59	220.69	78,544.75
Deposits	21,948.98	14,153.14	-	-	37.71	36,139.83
Subordinated liabilities	4,614.25	(68.30)	-	-	47.68	4,593.63
Lease liabilities	349.43	(175.56)	-	-	428.21	602.08
Total liabilities from financing activities	114,846.14	49,051.14	-	0.59	906.45	164,804.32

(Rs. in crores)

Particulars	As at March 31, 2021	Cash flows	Changes in fair value	Exchange difference	Other	As at March 31, 2022
Debt securities	40,061.87	655.45	-	-	539.23	41,256.55
Borrowings (other than debt securities)	45,281.37	1,282.92	-	-	112.64	46,676.93
Deposits	16,232.41	5,753.63	-	-	(37.06)	21,948.98
Subordinated liabilities	4,620.76	(51.96)	-	-	45.45	4,614.25
Lease liabilities	349.49	(109.13)	-	-	109.07	349.43
Total liabilities from financing activities	106,545.90	7,530.91	-	-	769.33	114,846.14

49 CONTINGENT LIABILITIES AND COMMITMENTS

(A) Contingent liabilities

(Rs. in crores)

Particulars	As at March 31, 2023	As at March 31, 2022
a. In respect of Income tax demands where the Group has filed appeal before various authorities	91.68	175.46
b. VAT demand where the Group has filed appeal before various appellates	4.92	117.54
c. Service tax demands where the Group has filed appeal before various authorities	2,056.83	1,976.63
d. Bank Guarantees	59.92	-
e. Penalty levied for Contravention of provisions of Section 6(3)(b) of FEMA, 1999 read with Regulation 4 of Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000	5.00	5.00
Total	2,218.35	2,274.63

Future cash outflows in respect of above are determinable only on receipt of judgements /decisions pending with various forums/authorities. It is not practicable for the Group to estimate the timings of the cash flows, if any, in respect of the above pending resolution of the respective proceedings. The Group does not expect any reimbursement in respect of the above contingent liabilities. The Group is of the opinion that above demands are not sustainable and expects to succeed in its appeals. The management believes that the ultimate outcome of these proceedings will not have a material adverse effect on the financial position and results of operations of the Group.

49 CONTINGENT LIABILITIES AND COMMITMENTS (Contd.)
(B) Commitments not provided for

Particulars	(Rs. in crores)	
	As at March 31, 2023	As at March 31, 2022
a. Estimated amount of contracts remaining to be executed on capital account, net of advances	102.11	11.72
b. Commitments related to loans sanctioned but undrawn	839.63	92.43

50 RELATED PARTY TRANSACTIONS

Relationship	Name of the party
I Promoter	: Shriram Capital Private Limited (formerly known as Shriram Financial Venture (Chennai) Private Limited) (w.e.f. November 24, 2022) Shriram Capital Limited (upto November 24, 2022)
II Promoter Group	: Shriram Value Services Limited Novac Technology Solutions Private Limited Shriram Fortune Solutions Limited Shriram General Insurance Company Limited Shriram Insight Share Brokers Limited Shriram Life Insurance Company Limited Shriram Asset Management Company Limited Shriram Financial Products Solutions (Chennai) Private Limited Insight Commodities and Futures Private Limited (upto May 18, 2022) Shriram Credit Company Limited Shriram Overseas Investments Private Limited Shriram Wealth Limited Bharath Investments Pte. Limited, Singapore SGI Philippines General Insurance Co. Inc. Novac Digital Service Private Limited Shriram LI Holdings Private Limited SEA funds Management India Private Limited Way2wealth Insurance Brokers Private Limited Way2wealth Securities Private Limited Way2wealth Brokers Private Limited Way2wealth Commodities Private Limited Shriram GI Holdings Private Limited Shriram Investment Holdings Limited Shriram Asset Reconstruction Private Limited (w.e.f. December 01, 2022) Novac Technology FZCO (w.e.f. February 08, 2023)
III Associates	: Shriram Automall India Limited Cartradeexchange Solutions Private Limited Adroit Inspection Service Private Limited Augeo Asset Management Private Limited
IV Key Management Personnel (KMP)	: Mr. Umesh Revankar, Vice Chairman & Managing Director (upto December 04, 2022) Mr. Umesh Revankar, Executive Vice Chairman (w.e.f. December 05, 2022) Mr. Y. S. Chakravarti, Director (upto December 04, 2022) Mr. Y. S. Chakravarti, Managing Director & CEO (w.e.f. December 05, 2022)

50 RELATED PARTY TRANSACTIONS (Contd.)

	Mr. Jugal Kishore Mohapatra, Chairman (w.e.f. December 04, 2022) Mr. Parag Sharma, Whole Time Director, Joint Managing Director & CFO Mr. S. Lakshminarayanan (upto December 04, 2022) Mrs. Kishori Udeshi (upto December 04, 2022) Mr. S. Sridhar, Independent Director Mr. Pradeep Kumar Panja, Independent Director Mrs. Maya Sinha, Independent Director (w.e.f. December 04, 2022) Mr. D. V. Ravi, Director Mr. Ignatius Michael Viljoen, Director Mr. Srinivas K., Joint Managing Director (w.e.f. December 04, 2022) Mr. G. M. Jilani, Joint Managing Director (w.e.f. December 04, 2022) Mr. P. Sridharan, Joint Managing Director Mr. Sudarshan Holla, Joint Managing Director Mr. Nilesh Odedara, Joint Managing Director Mr. S. Sunder, Joint Managing Director Mr. R. Chandrasekar, Joint Managing Director & Chief Compliance Officer (w.e.f. December 04, 2022) Mr. Aseem Gandhi, Executive Director (w.e.f. December 04, 2022) Mr. U Balasundararao Mr. Hardeep Singh Tur, Chief Risk Officer
V Relatives of Key Management Personnel (with whom the company has transactions)	: Mrs. Suchita U. Revankar (Spouse of Mr. Umesh Revankar) Mrs. Geeta G. Revankar (Mother of Mr. Umesh Revankar) Mr. Anil G. Revankar (Brother of Mr. Umesh Revankar) Mr. Shreyas U. Revankar (Son of Mr. Umesh Revankar) Mr. Shirish U. Revankar (Son of Mr. Umesh Revankar) Mr. Jayendra Purshottamdas Udeshi (Spouse of Director Mrs. Kishori Udeshi) (upto December 04, 2022) Mrs. P. Suchitra (Sister of Mr. Pradeep Kumar Panja) Mrs. P. Surekha (Sister of Mr. Pradeep Kumar Panja) Mrs. Rama Sharma (Mother of Mr. Parag Sharma) Ms. Atibhi Sharma (Daughter of Mr. Parag Sharma) Mr. Amit Sharma (Brother of Mr. Parag Sharma) Mrs. Sujatha Sunder (Spouse of Mr. S. Sunder) Mrs. S. Arulmozhi (Spouse of Mr. P. Sridharan) Mr. Sree Bhargav Y. (Son of Mr. Y. S. Chakravarti) Mrs. Barathy Chandrasekar (Spouse of Mr. R. Chandrasekar) (w.e.f. December 05, 2022) Mrs. Deepika Karthik (Daughter of Mr. R. Chandrasekar) (w.e.f. December 05, 2022) Mr. Karthik (Husband of Daughter of Mr. R. Chandrasekar) (w.e.f. December 05, 2022) Ms. S. Karunyalakshmi (Daughter of Mr. P. Sridharan)
VI Employee's Benefit Plan	: Shriram Transport Finance Company Limited Employees Group Gratuity Assurance Scheme Shriram City Union Finance Limited Employees Group Gratuity Assurance Scheme (w.e.f. April 01, 2022) Shriram Housing Finance Company Limited Employees Group Gratuity Fund Trust (w.e.f. April 01, 2022)

Note: Reduction in Promoter (Shriram Capital Private Limited) % holding has been due to the merger scheme.

50 RELATED PARTY TRANSACTIONS (Contd.)

Summary of related party transactions

Particulars	Promoter		Promoter group		Associates		Employee's benefit plan		Key management personnel		Relative of key management personnel		Total	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
Payments/ Expenses														
Payment to key management personnel	-	-	-	-	-	-	-	-	11.32	4.80	-	-	11.32	4.80
Royalty	-	-	-	187.67	-	-	-	-	-	-	-	-	305.95	187.67
Service charges	39.58	46.19	-	-	-	-	-	-	-	-	-	-	39.58	46.19
I.T. and BPO charges	-	-	126.96	55.86	-	-	-	-	-	-	-	-	126.96	55.86
Intangible assets under development	-	-	56.00	-	-	-	-	-	-	-	-	-	56.00	-
Rent	-	-	0.03	0.02	14.21	11.36	-	-	-	-	-	-	14.24	11.38
Business mobilisation expenses	-	-	-	-	0.04	0.07	-	-	-	-	-	-	0.04	0.07
Other administrative expenses	-	-	10.36	-	13.84	11.09	-	-	-	-	-	-	24.20	11.09
Insurance premium	-	-	24.04	9.62	-	-	-	-	-	-	-	-	24.04	9.62
Security deposit paid	-	-	0.45	-	-	-	-	-	-	-	-	-	0.45	-
Commission	-	-	100.51	100.94	0.32	1.10	-	-	-	-	-	-	100.83	102.04
Sales promotion	-	-	56.01	31.84	-	-	-	-	-	-	-	-	56.01	31.84
Unsecured loan and advances repaid	-	-	-	-	-	21.01	-	-	-	-	-	-	-	21.01
Revenue sharing paid	-	-	-	-	0.29	-	-	-	-	-	-	-	0.29	-
Valuation charges	-	-	-	-	0.00	0.72	-	-	-	-	-	-	0.00	0.72
Investment in mutual fund	-	-	31.50	-	-	-	-	-	-	-	-	-	31.50	-
Purchase of property, plant and equipment	-	-	0.37	-	-	-	-	-	-	-	-	-	0.37	-
Interest paid	-	0.91	75.81	60.60	2.44	3.52	-	-	0.04	0.83	0.08	0.09	78.38	65.95
Equity dividend	100.72	219.84	18.89	0.11	-	-	-	-	0.10	0.10	0.00	0.00	119.72	220.05
Subordinated debts matured	-	-	33.90	-	-	-	-	-	-	-	-	-	33.90	-
Non-convertible debenture (secured) matured	-	10.00	32.11	38.36	1.10	5.00	-	-	0.10	2.21	0.07	0.10	33.39	55.67
Fixed deposit matured	-	-	4.07	1.50	8.00	-	-	-	0.04	0.50	0.45	0.26	12.55	2.26
Employer contribution to employees group gratuity assurance scheme	-	-	-	-	-	-	17.98	9.77	-	-	-	-	17.98	9.77
Inter-corporate deposit repaid	-	-	-	-	48.28	84.60	-	-	-	-	-	-	48.28	84.60
Receipts/ Income														
Recovery of common sharing expenses	0.02	0.02	0.62	0.95	0.24	0.59	-	-	-	-	-	-	0.88	1.56
Reimbursement of expenses	-	0.01	0.04	-	-	-	-	-	-	-	-	-	0.04	0.01
Dividend received	-	-	-	-	5.35	-	-	-	-	-	-	-	5.35	-
Gratuity, leave encashment, bonus and leave travel allowances received	0.03	-	5.63	-	0.15	-	-	-	-	-	-	-	5.81	-
Sale of property, plant and equipment	-	-	0.02	0.00	-	-	-	-	-	-	-	-	0.02	0.00
Rent and electricity	0.10	0.17	0.10	-	4.21	4.18	-	-	-	-	-	-	4.41	4.35
Business auxiliary services	0.07	-	-	-	-	-	-	-	-	-	-	-	0.07	-
Other income	-	-	0.00	-	-	-	-	-	-	-	-	-	0.00	-
Insurance claims	-	-	0.54	-	-	-	-	-	-	-	-	-	0.54	-
Insurance premium received	0.00	-	-	-	-	-	-	-	-	-	-	-	0.00	-
Investment in mutual fund redeemed	-	-	25.10	-	-	-	-	-	-	-	-	-	25.10	-
Revenue sharing received	-	-	-	-	0.42	-	-	-	-	-	-	-	0.42	-
Commission received	-	-	92.39	49.60	-	-	-	-	1.12	0.26	1.53	0.97	92.39	49.60
Fixed deposit received	-	-	22.07	15.63	19.66	65.50	-	-	-	-	-	-	44.39	82.36
Received towards preferential issue	-	250.00	-	-	-	-	-	-	-	-	-	-	-	250.00
Received towards convertible warrants	-	250.00	-	-	-	-	-	-	-	-	-	-	-	250.00
Inter-corporate deposit received	-	-	-	-	20.83	62.75	-	-	-	-	-	-	20.83	62.75
Balance outstanding at the year end														
Equity share capital	67.15	70.44	12.99	1.06	-	-	-	-	0.07	0.05	0.00	0.00	80.21	71.55
Investment in equity shares	-	-	-	-	183.17	175.44	-	-	-	-	-	-	183.17	175.44
Commission and other receivables	-	-	29.97	4.67	-	-	-	-	-	-	-	-	29.97	4.67
Outstanding expenses	0.02	11.41	90.22	88.84	1.06	0.91	-	-	-	-	-	-	91.30	101.16
Investment in mutual fund	-	-	12.00	-	-	-	-	-	-	-	-	-	12.00	-

50 RELATED PARTY TRANSACTIONS (Contd.)

Particulars	Promoter		Promoter group		Associates		Employee's benefit plan		Key management personnel		Relative of key management personnel		Total	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
	(Rs. in crores)													
Fixed deposit	-	-	-	-	-	-	-	-	1.30	1.47	2.17	1.55	3.47	3.02
- Public deposit	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- Deposit from corporates	-	-	64.11	29.57	107.76	89.37	-	-	-	-	-	-	171.87	118.94
Subordinated debt	-	-	523.20	516.07	-	-	-	-	-	-	-	-	523.20	516.07
Non-convertible debenture (secured)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- Public issue	-	-	70.80	29.28	16.88	17.86	-	-	-	0.13	-	0.09	87.68	47.36
- Privately placed	-	-	370.13	10.01	-	-	-	-	-	-	-	-	370.13	10.01
Inter-corporate deposit	-	-	-	-	-	27.45	-	-	-	-	-	-	-	27.45

Income /expenses are presented excluding GST.

Amounts less than Rs. 1.00 lac are presented as Rs. 0.00 crores in the above statement.

There were no guarantees given on behalf of related parties during the year.

The Group has not granted loans or advances to promoters, directors, KMPs and the related parties (as defined under the Companies Act, 2013), either severally or jointly with any other person, that is repayable on demand or without specifying any terms or period of repayment for the financial year ended March 31, 2023 and March 31, 2022.

Breakup of related party transactions

Particulars	Promoter		Promoter group		Associates		Employee's benefit plan		Key management personnel		Relative of key management personnel		Total	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
	(Rs. in crores)													
Payments/ Expenses														
Employee benefits for key management personnel	-	-	-	-	-	-	-	-	7.99	3.22	-	-	7.99	3.22
- Short term benefits	-	-	-	-	-	-	-	-	1.78	0.43	-	-	1.78	0.43
- Post employment benefits	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Commission and sitting fee paid to directors														
- Mr. S. Lakshminarayanan	-	-	-	-	-	-	-	-	0.32	0.31	-	-	0.32	0.31
- Mrs. Kishori Udeshi	-	-	-	-	-	-	-	-	0.30	0.26	-	-	0.30	0.26
- Mr. S. Sridhar	-	-	-	-	-	-	-	-	0.37	0.30	-	-	0.37	0.30
- Mr. Pradeep Kumar Panja	-	-	-	-	-	-	-	-	0.39	0.28	-	-	0.39	0.28
- Mrs. Maya Sinha	-	-	-	-	-	-	-	-	0.09	-	-	-	0.09	-
- Mr. Jugal Kishore Mohapatra	-	-	-	-	-	-	-	-	0.07	-	-	-	0.07	-
License fees														
- Shriram Value Services Limited	-	-	305.95	187.67	-	-	-	-	-	-	-	-	305.95	187.67
Service charges														
- Shriram Capital Limited	32.25	46.19	-	-	-	-	-	-	-	-	-	-	32.25	46.19
- Shriram Capital Private Limited	7.33	-	-	-	-	-	-	-	-	-	-	-	7.33	-
Voice call services														
- Novac Technology Solutions Private Limited	-	-	11.05	8.91	-	-	-	-	-	-	-	-	11.05	8.91
I.T. and BPO charges														
- Novac Technology Solutions Private Limited	-	-	115.91	46.96	-	-	-	-	-	-	-	-	115.91	46.96
Intangible assets under development														
- Novac Technology Solutions Private Limited	-	-	56.00	-	-	-	-	-	-	-	-	-	56.00	-
Rent														
- Shriram Automall India Limited	-	-	-	-	14.21	11.36	-	-	-	-	-	-	14.21	11.36
- Shriram Financial Products Solutions (Chennai) Private Limited	-	-	0.01	-	-	-	-	-	-	-	-	-	0.01	-
- Shriram Fortune Solutions Limited	-	-	0.01	-	-	-	-	-	-	-	-	-	0.01	-
- Shriram Asset Management Company Limited	-	-	0.02	0.02	-	-	-	-	-	-	-	-	0.02	0.02
Business mobilisation expenses														
- Shriram Automall India Limited	-	-	-	-	0.04	0.07	-	-	-	-	-	-	0.04	0.07
Other administrative expenses														
- Shriram Insight Share Brokers Limited	-	-	0.04	-	-	-	-	-	-	-	-	-	0.04	-

50 RELATED PARTY TRANSACTIONS (Contd.)

Particulars	Promoter		Promoter group		Associates		Employee's benefit plan		Key management personnel		Relative of key management personnel		Total	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
	(Rs. in crores)													
- Shriram Financial Products Solutions (Chennai) Private Limited	-	-	10.02	-	-	-	-	-	-	-	-	-	10.02	-
- Shriram Credit Company Limited	-	-	0.30	-	-	-	-	-	-	-	-	-	0.30	-
- Shriram Automall India Limited	-	-	-	-	13.84	11.09	-	-	-	-	-	-	13.84	11.09
Insurance premium														
- Shriram Life Insurance Company Limited	-	-	14.44	5.99	-	-	-	-	-	-	-	-	14.44	5.99
- Shriram General Insurance Company Limited	-	-	9.60	3.63	-	-	-	-	-	-	-	-	9.60	3.63
Security deposit paid														
- Shriram Life Insurance Company Limited	-	-	0.25	-	-	-	-	-	-	-	-	-	0.25	-
- Shriram General Insurance Company Limited	-	-	0.20	-	-	-	-	-	-	-	-	-	0.20	-
Commission														
- Shriram Fortune Solutions Limited	-	-	68.22	82.04	-	-	-	-	-	-	-	-	68.22	82.04
- Adroit Inspection Service Private Limited	-	-	-	-	0.32	1.10	-	-	-	-	-	-	0.32	1.10
- Shriram Financial Products Solutions (Chennai) Private Limited	-	-	21.38	7.92	-	-	-	-	-	-	-	-	21.38	7.92
- Shriram Insight Share Brokers Limited	-	-	8.92	8.23	-	-	-	-	-	-	-	-	8.92	8.23
- Shriram Wealth Limited	-	-	1.61	2.56	-	-	-	-	-	-	-	-	1.61	2.56
- Way2wealth Securities Private Limited	-	-	0.38	0.19	-	-	-	-	-	-	-	-	0.38	0.19
Sales promotion														
- Shriram Fortune Solutions Limited	-	-	40.80	23.99	-	-	-	-	-	-	-	-	40.80	23.99
- Shriram Financial Products Solutions (Chennai) Private Limited	-	-	12.75	5.16	-	-	-	-	-	-	-	-	12.75	5.16
- Shriram Insight Share Brokers Limited	-	-	2.03	2.04	-	-	-	-	-	-	-	-	2.03	2.04
- Shriram Wealth Limited	-	-	0.37	0.59	-	-	-	-	-	-	-	-	0.37	0.59
- Way2wealth Securities Private Limited	-	-	0.08	0.05	-	-	-	-	-	-	-	-	0.08	0.05
Unsecured loan and advances repaid														
- Shriram Automall India Limited	-	-	-	-	-	21.01	-	-	-	-	-	-	-	21.01
Revenue sharing paid														
- Shriram Automall India Limited	-	-	-	-	0.29	-	-	-	-	-	-	-	0.29	-
Interest on Inter corporate Deposit														
- Shriram Automall India Limited	-	-	-	-	0.55	1.28	-	-	-	-	-	-	0.55	1.28
Valuation charges paid														
- Adroit Inspection Service Private Limited	-	-	-	-	-	0.72	-	-	-	-	-	-	-	0.72
- Shriram Automall India Limited	-	-	-	-	0.00	-	-	-	-	-	-	-	0.00	-
Investment in mutual fund														
- Shriram Asset Management Company Limited	-	-	31.50	-	-	-	-	-	-	-	-	-	31.50	-
Purchase of property, plant and equipment														
- Shriram Life Insurance Company Limited	-	-	0.07	-	-	-	-	-	-	-	-	-	0.07	-
- Shriram Fortune Solutions Limited	-	-	0.30	-	-	-	-	-	-	-	-	-	0.30	-
Interest on fixed deposit														
- Key management personnel	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- Mrs. Kishori Udeshi	-	-	-	-	-	-	-	-	0.15	-	-	-	-	0.15
- Mr. Parag Sharma	-	-	-	-	-	-	-	-	0.00	-	-	-	0.00	-
- Mr. Hardeep Singh Tur	-	-	-	-	-	-	-	-	0.00	-	-	-	0.00	-
- Relative of key management personnel	-	-	-	-	-	-	-	-	-	-	0.05	0.06	0.05	0.06
- Shriram Automall India Limited	-	-	-	-	0.34	-	-	-	-	-	-	-	0.34	-
- Shriram Fortune Solutions Limited	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- Shriram Asset Management Company Limited	-	-	0.02	-	-	-	-	-	-	-	-	-	0.02	-
- Cartradeexchange Solutions Private Limited	-	-	-	-	0.26	-	-	-	-	-	-	-	-	0.26
- Cartradeexchange Solutions Private Limited	-	-	-	-	0.06	-	-	-	-	-	-	-	0.06	-

50 RELATED PARTY TRANSACTIONS (Contd.)

Particulars	Promoter		Promoter group		Associates		Employee's benefit plan		Key management personnel		Relative of key management personnel		(Rs. in crores)	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
Interest on subordinated debt														
- Shriram Life Insurance Company Limited	-	-	13.73	12.38	-	-	-	-	-	-	-	-	13.73	12.38
- Shriram General Insurance Company Limited	-	-	34.33	34.41	-	-	-	-	-	-	-	-	34.33	34.41
Interest on non-convertible debenture (secured)														
- Shriram Life Insurance Company Limited	-	-	11.25	3.22	-	-	-	-	-	-	-	-	11.25	3.22
- Shriram General Insurance Company Limited	-	-	16.20	-	-	-	-	-	-	-	-	-	16.20	-
- Shriram Asset Management Company Limited	-	-	0.27	1.42	-	-	-	-	-	-	-	-	0.27	1.42
- Shriram Insight Share Brokers Limited	-	-	0.01	0.05	-	-	-	-	-	-	-	-	0.01	0.05
- Shriram Automall India Limited	-	-	-	-	1.49	2.24	-	-	-	-	-	-	1.49	2.24
- Shriram Capital Limited	-	0.91	-	-	-	-	-	-	-	-	-	-	-	0.91
- Shriram Value Services Limited	-	-	-	8.86	-	-	-	-	-	-	-	-	-	8.86
- Key management personnel														
- Mr. Umesh Revankar	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- Mr. Pradeep Kumar Panja	-	-	-	-	-	-	-	-	0.04	0.62	-	-	0.04	0.62
- Mr. S. Sridhar	-	-	-	-	-	-	-	-	0.03	0.03	-	-	0.03	0.03
- Relative of key management personnel	-	-	-	-	-	-	-	-	-	-	0.03	0.03	0.03	0.03
Equity dividend														
- Relative of key management personnel	-	-	-	-	-	-	-	-	-	-	0.00	0.00	0.00	0.00
- Key management personnel														
- Mr. Parag Sharma	-	-	-	-	-	-	-	-	0.07	0.09	-	-	0.07	0.09
- Mr. S. Sunder	-	-	-	-	-	-	-	-	0.00	0.00	-	-	0.00	0.00
- Mr. P. Sridharan	-	-	-	-	-	-	-	-	0.00	0.00	-	-	0.00	0.00
- Mr. Sudarshan Holla	-	-	-	-	-	-	-	-	0.00	0.00	-	-	0.00	0.00
- Mr. U Balasundararao	-	-	-	-	-	-	-	-	0.00	0.00	-	-	0.00	0.00
- Mr. R. Chandrasekar	-	-	-	-	-	-	-	-	0.01	0.01	-	-	0.01	-
- Mr. D. V. Ravi	-	-	-	-	-	-	-	-	0.00	0.00	-	-	0.00	-
- Mr. G. M. Jilani	-	-	-	-	-	-	-	-	0.02	-	-	-	0.02	-
- Shriram Capital Limited	-	219.84	-	-	-	-	-	-	-	-	-	-	-	219.84
- Shriram Capital Private Limited	100.72	-	-	0.11	-	-	-	-	-	-	-	-	100.72	0.11
- Shriram Value Services Limited	-	-	18.89	-	-	-	-	-	-	-	-	-	18.89	-
Subordinated debts matured														
- Shriram General Insurance Company Limited	-	-	27.90	-	-	-	-	-	-	-	-	-	27.90	-
- Shriram Life Insurance Company Limited	-	-	6.00	-	-	-	-	-	-	-	-	-	6.00	-
Non convertible debenture (secured) matured														
- Shriram Life Insurance Company Limited	-	-	31.90	-	-	-	-	-	-	-	-	-	31.90	-
- Shriram Insight Share Brokers Limited	-	-	-	0.52	-	-	-	-	-	-	-	-	-	0.52
- Shriram Capital Limited	-	10.00	-	-	-	-	-	-	-	-	-	-	-	10.00
- Shriram Asset Management Company Limited	-	-	0.21	12.84	-	-	-	-	-	-	-	-	0.21	12.84
- Shriram Automall India Limited	-	-	-	-	1.10	5.00	-	-	-	-	-	-	1.10	5.00
- Shriram Value Services Limited	-	-	-	25.00	-	-	-	-	-	-	-	-	-	25.00
- Key management personnel														
- Mr. Umesh Revankar	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- Mr. Pradeep Kumar Panja	-	-	-	-	-	-	-	-	0.10	2.00	-	-	0.10	2.00
- Mr. S. Sridhar	-	-	-	-	-	-	-	-	0.11	0.10	-	-	0.11	0.10
- Relative of key management personnel	-	-	-	-	-	-	-	-	-	-	0.07	0.10	0.07	0.10
Fixed deposit matured														
- Key management personnel														
- Mrs. Kishori Udeshi	-	-	-	-	-	-	-	-	-	-	-	-	-	0.50
- Mr. Parag Sharma	-	-	-	-	-	-	-	-	0.00	-	-	-	0.00	-
- Mr. Hardeep Singh Tur	-	-	-	-	-	-	-	-	0.03	-	-	-	0.03	-
- Relative of key management personnel	-	-	-	-	-	-	-	-	-	-	0.45	0.26	0.45	0.26

50 RELATED PARTY TRANSACTIONS (Contd.)

Particulars	Promoter		Promoter group		Associates		Employee's benefit plan		Key management personnel		Relative of key management personnel		Total	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
	(Rs. in crores)													
- Shriram Automall India Limited	-	-	-	-	5.00	-	-	-	-	-	-	-	5.00	-
- Shriram Fortune Solutions Limited	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- Shriram Asset Management Company Limited	-	-	-	1.50	-	-	-	-	-	-	-	-	4.07	-
- Cartradeexchange Solutions Private Limited	-	-	-	-	3.00	-	-	-	-	-	-	-	-	1.50
Employer contribution to employees group gratuity assurance scheme	-	-	-	-	-	-	17.98	9.77	-	-	-	-	3.00	-
Inter-corporate deposit repaid	-	-	-	-	-	-	-	-	-	-	-	-	17.98	9.77
- Shriram Automall India Limited	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL	140.30	276.94	876.97	486.52	88.52	84.60	17.98	9.77	11.60	8.44	0.60	0.45	1,135.96	920.58
Receipts/ Income														
Recovery of common sharing expenses	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- Shriram Automall India Limited	-	-	-	-	0.24	0.59	-	-	-	-	-	-	0.24	0.59
- Shriram Capital Limited	0.02	0.02	-	-	-	-	-	-	-	-	-	-	0.02	0.02
- Shriram Insight Share Brokers Limited	-	-	0.03	0.03	-	-	-	-	-	-	-	-	0.03	0.03
- Shriram Fortune Solutions Limited	-	-	0.50	0.92	-	-	-	-	-	-	-	-	0.50	0.92
- Shriram Credit Company Limited	-	-	0.09	-	-	-	-	-	-	-	-	-	0.09	-
Reimbursement of expenses	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- Shriram Fortune Solutions Limited	-	-	0.04	-	-	-	-	-	-	-	-	-	0.04	-
- Shriram Insight Share Brokers Limited	-	-	0.01	-	-	-	-	-	-	-	-	-	0.01	-
- Shriram Capital Limited	-	0.01	-	-	-	-	-	-	-	-	-	-	-	0.01
Dividend received	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- Shriram Automall India Limited	-	-	-	-	5.35	-	-	-	-	-	-	-	5.35	-
Gratuity, leave encashment, bonus and leave travel allowances received	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- Shriram Automall India Limited	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- Shriram Capital Limited	0.03	-	-	-	0.15	-	-	-	-	-	-	-	0.15	-
- Shriram General Insurance Company Limited	-	-	-	-	-	-	-	-	-	-	-	-	0.03	-
- Shriram Life Insurance Company Limited	-	-	0.55	-	-	-	-	-	-	-	-	-	0.55	-
- Shriram Life Insurance Company Limited	-	-	0.80	-	-	-	-	-	-	-	-	-	0.80	-
- Shriram Fortune Solutions Limited	-	-	4.25	-	-	-	-	-	-	-	-	-	4.25	-
- Novac Technology Solutions Private Limited	-	-	0.01	-	-	0.01	-	-	-	-	-	-	0.01	-
- Shriram Financial Products Solutions (Chennai) Private Limited	-	-	0.00	-	-	-	-	-	-	-	-	-	0.00	-
Sale of property, plant and equipment	-	-	0.01	-	-	-	-	-	-	-	-	-	0.01	-
- Shriram Value Services Limited	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- Novac Technology Solutions Private Limited	-	-	-	0.00	-	-	-	-	-	-	-	-	-	0.00
- Shriram Life Insurance Company Limited	-	-	0.02	-	-	-	-	-	-	-	-	-	0.02	-
Rent and electricity	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- Shriram Fortune Solutions Limited	-	-	0.10	-	-	-	-	-	-	-	-	-	0.10	-
- Shriram Insight Share Brokers Limited	-	-	0.01	-	-	-	-	-	-	-	-	-	0.01	-
- Shriram Capital Limited	0.10	0.17	-	-	-	-	-	-	-	-	-	-	0.10	0.17
- Shriram Automall India Limited	-	-	-	-	4.21	4.18	-	-	-	-	-	-	4.21	4.18
Business auxiliary services	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- Shriram Capital Private Limited	0.07	-	-	-	-	-	-	-	-	-	-	-	0.07	-
Other income	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- Shriram Asset Management Company Limited	-	-	0.00	-	-	-	-	-	-	-	-	-	0.00	-
Insurance claim	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- Shriram General Insurance Company Limited	-	-	0.54	-	-	-	-	-	-	-	-	-	0.54	-
Insurance premium received	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- Shriram Capital Limited	0.00	-	-	-	-	-	-	-	-	-	-	-	0.00	-
Investment in mutual fund redeemed	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- Shriram Asset Management Company Limited	-	-	25.10	-	-	-	-	-	-	-	-	-	25.10	-
Revenue sharing received	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- Shriram Automall India Limited	-	-	-	-	0.42	-	-	-	-	-	-	-	0.42	-

50 RELATED PARTY TRANSACTIONS (Contd.)

Particulars	Promoter		Promoter group		Associates		Employee's benefit plan		Key management personnel		Relative of key management personnel		Total	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
	(Rs. in crores)	(Rs. in crores)	(Rs. in crores)	(Rs. in crores)	(Rs. in crores)	(Rs. in crores)	(Rs. in crores)	(Rs. in crores)	(Rs. in crores)	(Rs. in crores)	(Rs. in crores)	(Rs. in crores)	(Rs. in crores)	(Rs. in crores)
Commission received														
- Shriram General Insurance Company Limited	-	-	50.90	33.08	-	-	-	-	-	-	-	-	50.90	33.08
- Shriram Life Insurance Company Limited	-	-	41.49	16.52	-	-	-	-	-	-	-	-	41.49	16.52
Fixed deposit														
- Key management personnel														
- Mrs. Kishori Udeshi	-	-	-	-	-	-	-	-	0.25	-	-	-	-	0.25
- Mr. S. Sridhar	-	-	-	-	-	-	-	-	0.10	-	-	-	0.10	-
- Mr. Parag Sharma	-	-	-	-	-	-	-	-	0.00	-	-	-	0.00	-
- Mr. Hardeep Singh Tur	-	-	-	-	-	-	-	-	0.00	0.01	-	-	0.00	0.01
- Mr. R. Chandrasekar	-	-	-	-	-	-	-	-	1.02	-	-	-	1.02	-
- Relative of key management personnel	-	-	-	-	-	-	-	-	-	-	1.53	0.97	1.53	0.97
- Shriram Asset Management Company Limited	-	-	20.00	15.63	-	-	-	-	-	-	-	-	20.00	15.63
- Shriram Fortune Solutions Limited	-	-	2.07	-	-	-	-	-	-	-	-	-	2.07	-
- Shriram Automall India Limited	-	-	-	-	11.16	54.00	-	-	-	-	-	-	11.16	54.00
- Cartradeexchange Solutions Private Limited	-	-	-	-	8.50	11.50	-	-	-	-	-	-	8.50	11.50
Received towards preferential issue														
- Shriram Capital Limited	-	250.00	-	-	-	-	-	-	-	-	-	-	-	250.00
Received towards convertible warrants														
- Shriram Capital Limited	-	250.00	-	-	-	-	-	-	-	-	-	-	-	250.00
Inter-corporate deposit														
- Shriram Automall India Limited	-	-	-	-	20.83	62.75	-	-	-	-	-	-	20.83	62.75
TOTAL	0.23	500.20	146.52	66.18	50.86	133.02	-	-	1.12	0.26	1.53	0.97	200.27	700.63

Income / expenses are presented excluding GST.

Amounts less than Rs. 1.00 lac are presented as Rs. 0.00 crores in the above statement.

The Group has not granted loans or advances to promoters, directors, KMPs and the related parties (as defined under the Companies Act, 2013), either severally or jointly with any other person, that is repayable on demand or without specifying any terms or period of repayment for the financial year ended March 31, 2023 and March 31, 2022.

Breakup of related party transactions

Particulars	Promoter		Promoter group		Associates		Employee's benefit plan		Key management personnel		Relative of key management personnel		Total	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
	(Rs. in crores)	(Rs. in crores)	(Rs. in crores)	(Rs. in crores)	(Rs. in crores)	(Rs. in crores)	(Rs. in crores)	(Rs. in crores)	(Rs. in crores)	(Rs. in crores)	(Rs. in crores)	(Rs. in crores)	(Rs. in crores)	(Rs. in crores)
Balance outstanding at the year end														
Equity Share capital														
- Relative of key management personnel	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- Key management personnel	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- Mr. Parag Sharma	-	-	-	-	-	-	-	-	0.05	0.05	-	-	0.05	0.05
- Mr. S. Sunder	-	-	-	-	-	-	-	-	0.00	0.00	-	-	0.00	0.00
- Mr. P. Sridharan	-	-	-	-	-	-	-	-	0.00	0.00	-	-	0.00	0.00
- Mr. Sudarshan Holla	-	-	-	-	-	-	-	-	0.00	0.00	-	-	0.00	0.00
- Mr. U Balasundararao	-	-	-	-	-	-	-	-	0.00	0.00	-	-	0.00	0.00
- Mr. D. V. Ravi	-	-	-	-	-	-	-	-	0.00	0.00	-	-	0.00	0.00
- Mr. G. M. Jilani	-	-	-	-	-	-	-	-	0.02	0.02	-	-	0.02	0.02
- Mr. R. Chandrasekar	-	-	-	-	-	-	-	-	0.01	0.01	-	-	0.01	0.01
- Shriram Capital Private Limited	67.15	-	-	-	-	-	-	-	-	-	-	-	67.15	-
- Shriram Capital Limited	-	70.44	-	-	-	-	-	-	-	-	-	-	-	70.44
- Shriram Value Services Limited	-	-	12.99	1.06	-	-	-	-	-	-	-	-	12.99	1.06
Investment in equity shares														
- Shriram Automall India Limited	-	-	-	-	183.17	175.44	-	-	-	-	-	-	183.17	175.44
Commission & other receivables														
- Shriram General Insurance Company Limited	-	-	6.81	3.21	-	-	-	-	-	-	-	-	6.81	3.21

50 RELATED PARTY TRANSACTIONS (Contd.)

Particulars	Promoter		Promoter group		Associates		Employee's benefit plan		Key management personnel		Relative of key management personnel		Total	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
	(Rs. in crores)													
- Shriram Life Insurance Company Limited	-	-	7.03	1.46	-	-	-	-	-	-	-	-	7.03	1.46
- Shriram Fortune Solutions Limited	-	-	4.25	-	-	-	-	-	-	-	-	-	4.25	-
- Shriram Investment Holding Limited	-	-	11.87	-	-	-	-	-	-	-	-	-	11.87	-
Outstanding expenses														
- Shriram Capital Limited	-	11.41	-	-	-	-	-	-	-	-	-	-	-	11.41
- Shriram Capital Private Limited	0.02	-	-	-	-	-	-	-	-	-	-	-	0.02	-
- Shriram Automall India Limited	-	-	-	-	1.06	0.91	-	-	-	-	-	-	1.06	0.91
- Shriram Value Services Limited	-	-	79.35	77.85	-	-	-	-	-	-	-	-	79.35	77.85
- Novac Technology Solutions Private Limited	-	-	7.88	1.96	-	-	-	-	-	-	-	-	7.88	1.96
- Shriram Fortune Solutions Limited	-	-	0.30	6.37	-	-	-	-	-	-	-	-	0.30	6.37
- Shriram Financial Products (Chennai) Private Limited	-	-	1.90	1.85	-	-	-	-	-	-	-	-	1.90	1.85
- Shriram Insight Share Brokers Limited	-	-	0.68	0.65	-	-	-	-	-	-	-	-	0.68	0.65
- Shriram Wealth Limited	-	-	0.04	0.08	-	-	-	-	-	-	-	-	0.04	0.08
- Way2wealth Securities Private Limited	-	-	0.07	0.08	-	-	-	-	-	-	-	-	0.07	0.08
Investment in mutual fund														
- Shriram Asset Management Company Limited	-	-	12.00	-	-	-	-	-	-	-	-	-	12.00	-
Fixed deposit														
- Key management personnel														
- Mrs. Kishori Udeshi	-	-	-	-	-	-	-	-	1.27	-	-	-	-	1.27
- Mr. Pradeep Kumar Panja	-	-	-	-	-	-	-	-	0.06	0.06	-	-	0.06	0.06
- Mr. S. Sridhar	-	-	-	-	-	-	-	-	0.22	0.11	-	-	0.22	0.11
- Mr. Parag Sharma	-	-	-	-	-	-	-	-	0.00	0.00	-	-	0.00	0.00
- Mr. Hardeep Singh Tur	-	-	-	-	-	-	-	-	0.03	-	-	-	0.03	-
- Mr. R. Chandrasekar	-	-	-	-	-	-	-	-	1.02	-	-	-	1.02	-
- Relative of key management personnel	-	-	-	-	-	-	-	-	-	2.17	1.55	-	2.17	1.55
- Shriram Asset Management Company Limited	-	-	64.11	29.57	-	-	-	-	-	-	-	-	64.11	29.57
- Shriram Automall India Limited	-	-	-	-	89.33	77.45	-	-	-	-	-	-	89.33	77.45
- Cartradeexchange Solutions Private Limited	-	-	-	-	18.43	11.92	-	-	-	-	-	-	18.43	11.92
Non-convertible debenture (secured)														
- Key management personnel														
- Mr. Pradeep Kumar Panja	-	-	-	-	-	-	-	-	-	0.13	-	-	-	0.13
- Relative of key management personnel	-	-	-	-	-	-	-	-	-	-	-	0.09	-	0.09
- Shriram Life Insurance Company Limited	-	-	172.33	36.71	-	-	-	-	-	-	-	-	172.33	36.71
- Shriram General Insurance Company Limited	-	-	213.15	-	-	-	-	-	-	-	-	-	213.15	-
- Shriram Asset Management Company Limited	-	-	2.24	2.50	-	-	-	-	-	-	-	-	2.24	2.50
- Shriram Insight Share Brokers Limited	-	-	0.07	0.08	-	-	-	-	-	-	-	-	0.07	0.08
- Shriram Value Services Limited	-	-	53.14	-	-	-	-	-	-	-	-	-	53.14	-
- Shriram Automall India Limited	-	-	-	-	16.88	17.86	-	-	-	-	-	-	16.88	17.86
Subordinated debt														
- Shriram Life Insurance Company Limited	-	-	168.95	149.04	-	-	-	-	-	-	-	-	168.95	149.04
- Shriram General Insurance Company Limited	-	-	354.25	367.03	-	-	-	-	-	-	-	-	354.25	367.03
Inter-corporate deposit received														
- Shriram Automall India Limited	-	-	-	-	-	27.45	-	-	-	-	-	-	-	27.45

Income / expenses are presented excluding GST

Amounts less than Rs. 1.00 lac are presented as Rs. 0.00 crores in the above statement.

The Group has not granted loans or advances to promoters, directors, KMPs and the related parties (as defined under the Companies Act, 2013), either severally or jointly with any other person, that is repayable on demand or without specifying any terms or period of repayment for the financial years ended March 31, 2023 and March 31, 2022.

50 RELATED PARTY TRANSACTIONS (Contd.)

Disclosure pursuant to Schedule V of Clause A.2 of Regulation 34 (3) and Regulation 53(f) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

I. Disclosures relating Loans and Advances/ Investments

(Rs. in crores)					
Sr. No.	Loans and Advances in the nature of Loans	Amount outstanding as at March 31, 2023	Maximum amount outstanding during the year March 2023	Amount outstanding as at March 31, 2022	Maximum amount outstanding during the year March 2022
A)	To Subsidiary				
	- Shriram Housing Finance Limited	-	-	-	-
B)	To Associate				
	- Shriram Automall India Limited	-	-	-	-

II. Shriram Finance Limited (SFL) holds 44.56% (March 31, 2022: 44.56%) of equity shares of Shriram Automall India Limited (Associate) and 84.82% (March 31, 2022: Nil) of Shriram Housing Finance Limited (Subsidiary). Disclosure relating to transactions with SFL is given above.

51 RETIREMENT BENEFIT PLAN

A. Shriram Finance Limited ("the Company") :

a) Defined contribution plan

A defined contribution plan is a pension plan under which the Company pays fixed contributions; there is no legal or constructive obligation to pay further contributions. The assets of the plan are held separately from those of the Company in a fund under the control of trustees.

The Company makes Provident fund and Employee State Insurance Scheme contributions which are defined contribution plans for qualifying employees. Under the schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The Company recognised Rs. 112.05 crores (March 31, 2022: Rs. 50.66 crores) for Provident fund contributions and Rs. 20.35 crores (March 31, 2022: Rs. 8.80 crores) for Employee State Insurance Scheme contributions in the Statement of Profit and Loss. The contributions payable to these plans by the Company are at rates specified in the rules of the schemes.

b) Defined benefit plan

Gratuity

The Company has a defined benefit gratuity plan (funded). The gratuity plan is governed by the Payment of Gratuity Act, 1972. Under the act, employee who has completed five years of service is entitled to specific benefit. The level of benefits provided depends on the member's length of service and last drawn salary. The fund is managed by third party fund managers.

Each year, the Board of Trustees reviews the level of funding in the gratuity plan. Such a review includes the asset-liability matching strategy and investment risk management policy. This includes employing the use of annuities and longevity swaps to manage the risks. The Board of Trustees decides contribution to be made by the Company based on the results of this annual review. The trust is in process of investing entire funds in government securities through third party fund managers and as on March 31, 2023, 74.78% funds are invested in government securities and balance 25.22% funds are invested in money market and corporate debt instruments. The Board of Trustees aim to keep annual contributions of the Company relatively stable at a level such that no plan deficits (based on valuation performed) will arise.

51 RETIREMENT BENEFIT PLAN (Contd.)

The following tables summarises the components of net benefit expense recognised in the statement of profit and loss and the funded status and amounts recognised in the balance sheet for the gratuity plan.

Amount recognised in the statement of profit and loss in respect of the defined benefit plan are as follows:

Particulars	(Rs. in crores)	
	Year ended March 31, 2023	Year ended March 31, 2022
Amounts recognised in statement of profit and loss in respect of defined benefit plans are as follows:		
Current service cost	13.88	6.56
Interest expense	9.87	4.61
Interest income	(10.31)	(4.48)
Past service cost	-	-
Components of defined benefit costs recognised in statement of profit and loss (A)	13.44	6.69
Remeasurement of gains/(losses) in other comprehensive income:		
Return on plan assets (excluding amounts included in net interest expense)	(0.94)	(0.01)
Actuarial changes arising from changes in demographic assumptions	(2.92)	0.55
Actuarial changes arising from changes in financial assumptions	(6.77)	(3.57)
Experience adjustments	18.66	6.27
Components of defined benefit costs recognised in other comprehensive income (B)	8.03	3.24
Total (A + B)	21.47	9.93

Movement in the present value of the defined benefit obligation are as follows :

Particulars	(Rs. in crores)	
	As at March 31, 2023	As at March 31, 2022
Change in the obligation during the year ended		
Present value of defined obligation at the beginning of the year	82.20	72.88
Expenses recognised in statement of profit and loss:		
Current service cost	13.88	6.56
Interest expense/(income)	9.87	4.61
Recognised in other comprehensive income remeasurement gains/(losses)	8.97	3.25
Liability transferred in/acquisitions	60.83	-
Benefits paid from the fund	(6.85)	(5.10)
Present value of defined obligation at the end of the year	168.90	82.20

Change in the Fair value of plan assets:

Particulars	(Rs. in crores)	
	As at March 31, 2023	As at March 31, 2022
Fair value of plan assets at the beginning of the year	79.96	70.80
Interest income	10.31	4.48
Contributions by the employer	12.54	9.77
Assets transferred in acquisitions	69.43	-
Benefits paid from the fund	(6.85)	(5.10)
Return on plan assets excluding interest income	0.94	0.01
Fair value of plan assets at the end of the year	166.33	79.96

51 RETIREMENT BENEFIT PLAN (Contd.)

Calculation of benefit liability/ (asset):

	(Rs. in crores)	
Particulars	As at March 31, 2023	As at March 31, 2022
Defined benefit obligation/ liability	168.90	82.20
Fair value of plan assets	166.33	79.96
Benefit liability	2.57	2.24

The principal assumptions used in determining gratuity obligations for the Company's plans are shown below:

Particulars	As at March 31, 2023	As at March 31, 2022
Expected return on plan assets	7.41%	6.90%
Rate of discounting	7.41%	6.90%
Expected rate of salary increase	5.00%	5.00%
Rate of employee turnover	For service 4 years and below 26.00% p.a. and for service 5 years and above 6.00% p.a.	For service 4 years and below 25.00% p.a. and for service 5 years and above 7.25% p.a.
Mortality rate during employment	Indian Assured Lives mortality (2012-14) Urban	Indian Assured Lives mortality (2012-14) Urban
Mortality rate after employment	NA	NA

Investments quoted in active markets:

	(Rs. in crores)	
Particulars	As at March 31, 2023	As at March 31, 2022
Government securities	124.38	75.16
Debt and other instruments	41.95	4.80
Total	166.33	79.96

(Rs. in crores)			
Assumptions	Sensitivity level	Impact on defined benefit obligation March 31, 2023	Impact on defined benefit obligation March 31, 2022
Discount rate	1% increase	(11.95)	(5.63)
	1% decrease	13.77	6.46
Future salary increases	1% increase	13.78	6.44
	1% decrease	(12.14)	(5.70)
Attrition rate	1% increase	2.49	0.84
	1% decrease	(2.82)	(0.95)

51 RETIREMENT BENEFIT PLAN (Contd.)

	(Rs. in crores)	
	As at March 31, 2023	As at March 31, 2022
Expected payment for future years		
Within the next 12 months (next annual reporting period)	19.70	8.31
Between 2 and 5 years	55.50	29.15
Between 5 and 10 years	68.11	34.24
Beyond 10 years	205.60	83.99
Total expected payments	348.91	155.69

The Company expects to contribute Rs. 18.03 crores to the fund in the next financial year.

The weighted average duration of the defined benefit obligation as at March 31, 2023 is 9 years (March 31, 2022: 9 years).

Asset liability matching strategies

The plan faces the ALM risk as to the matching cash flow. Since the plan is invested in lines of Rule 101 of Income Tax Rules, 1962, this generally reduces ALM risk.

c) Compensated absences

The principal assumptions used in determining obligations for the Company are shown below:

Particulars	As at March 31, 2023	As at March 31, 2022
Rate of discounting	7.41%	6.90%
Expected rate of salary increase	5.00%	5.00%
Rate of employee turnover		
Service 4 years and below	26.00%	25.00%
Service 5 years and above	6.00%	7.25%
Mortality	Indian Assured Lives mortality (2012-14) Urban	Indian Assured Lives mortality (2012-14) Urban

	(Rs. in crores)	
	Year ended March 31, 2023	Year ended March 31, 2022
Expenses recognised in statement of profit and loss	46.72	17.32

The Company has not funded its compensated absences liability and the same continues to remain as unfunded as at March 31, 2023.

The estimate of future salary increase takes into account inflation, seniority, promotion and other relevant factors.

Discount rate is based on the prevailing market yields of Indian Government Bonds as at the balance sheet date for the estimated term of the obligation.

B. Shriram Housing Finance Limited ("SHFL"):

Defined contribution plan

SHFL makes Provident Fund and Employee State Insurance Scheme contributions which are defined contribution plans, for qualifying employees. Under the schemes, SHFL is required to contribute a specified percentage of the payroll costs to fund the benefits. SHFL recognised Rs. 3.16 crores for year ended March 31, 2023 for Provident Fund contributions

51 RETIREMENT BENEFIT PLAN (Contd.)

and Rs. 0.13 crores for the year ended March 31, 2023 for Employee State Insurance Scheme contributions in the statement of profit and loss. The contributions payable to these plans by SHFL are at rates specified in the rules of the Schemes.

Defined benefit plan

SHFL 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 2015-16, SHFL created "Shriram Housing Finance Company 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 a insurance Company as permitted by law in India.

The following tables summaries the components of net benefit expense recognised in the statement of profit and loss and the funded status and amounts recognised in the balance sheet for the gratuity plan.

Through its defined benefit plans, SHFL is exposed to a number of risks, the most significant of which are detailed below:

1. Interest rate risk: The defined benefit obligation calculated uses a discount rate based on government bonds. If bond yields fall, the defined benefit obligation will tend to increase.
2. Salary Inflation risk : Higher than expected increases in salary will increase the defined benefit obligation
3. Demographic risk : This is the risk of variability of results due to unsystematic nature of decrements that include mortality, withdrawal, disability and retirement. The effect of these decrements on the defined benefit obligation is not straight forward and depends upon the combination of salary increase, discount rate and vesting criteria. It is important not to overstate withdrawals because in the financial analysis the retirement benefit of a short career employee typically costs less per year as compared to a long service employee.
4. 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.
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, 1972, 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 recognised immediately in the year when any such amendment is effective.

Amount recognised in the Statement of Profit and Loss

Net employee benefit expense recognised in the employee cost

Particulars	(Rs. in crores)
	Year ended March 31, 2023
Current service cost	1.04
Interest cost on benefit obligation	0.17
Expected return on plan assets	(0.21)
Net (benefit) / expense	1.01

51 RETIREMENT BENEFIT PLAN (Contd.)

Amount recognised in the Balance Sheet

Reconciliation of present value of the obligation and the fair value of plan assets:

	(Rs. in crores)
Particulars	Year ended March 31, 2023
Defined benefit obligation	(3.78)
Fair value of plan assets	3.46
Asset/(liability) recognised in the balance sheet	(0.31)

Amount recognised in the Other Comprehensive Income

	(Rs. in crores)
Particulars	Year ended March 31, 2023
Due to change in financial assumptions	0.05
Due to change in experience adjustments	(0.47)
(Return) on plan assets (excl. interest income)	(0.07)
Total Other Comprehensive Income	(0.49)

Changes in the present value of the defined benefit obligation are as follows:

	(Rs. in crores)
Particulars	Year ended March 31, 2023
Opening defined benefit obligation	2.62
Transfer in/Out	-
Interest cost	0.17
Current service cost	1.04
Liability transferred in/on account of transfer of employees	
Benefits paid	(0.48)
Actuarial loss / (gain) on obligation	0.42
Closing defined benefit obligation	3.78

Changes in the fair value of plan assets are as follows:

	(Rs. in crores)
Particulars	Year ended March 31, 2023
Opening fair value of plan assets	2.31
Interest income	0.21
Expected return	-
Contributions by employer & others Exp	1.50
Adjustment / transfer	-
Benefits paid	(0.48)
Actuarial loss / (gain) on obligation	(0.07)
Closing fair value of plan assets	3.46

SHFL 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 are as follows:

Particulars	Year ended March 31, 2023
Investments with insurer	100%

51 RETIREMENT BENEFIT PLAN (Contd.)

The principal assumptions used in determining gratuity obligations for SHFL's plans are shown below:

Particulars	Year ended March 31, 2023
Discount rate	7.50%
Salary escalation	5.00%
Attrition rate	5.00%
Mortality table	IALM (2012-14)
Normal retirement age	58 Years

The estimates of future salary increases, considered in actuarial valuation are on account of inflation, seniority, promotion and other relevant factor, such as supply and demand in the employment market.

The overall expected rate of return on assets is determined based on the market prices prevailing on that date, applicable to the period over which the obligation is to be settled.

Amounts for the current year is as follows:

Particulars	(Rs. in crores) Year ended March 31, 2023
Define benefit obligation	(3.78)
Plan assets	3.46
Surplus/(deficit)	(0.31)

Assumptions	(Rs. in crores)			
	Year ended March 31, 2023		Year ended March 31, 2023	
	Discount rate		Future salary increases	
Sensitivity Level	1% Increase	1% Decrease	1% Increase	1% Decrease
Impact on defined benefit obligation	0.31	(0.36)	(0.36)	0.32

Expected payment for future years	(Rs. in crores) Year ended March 31, 2023
Within the next 12 months (next annual reporting period)	0.19
Between 2 and 5 years	1.16
Between 6 and 10 years	2.01
Total expected payments	3.36

The weighted average duration of the defined benefit obligation as at March 31, 2023 is 10.05 Years.

The fund is administered by "Shriram Housing Finance Company Employees Group Gratuity Trust". The overall expected rate of return on assets is determined based on the market prices prevailing on that date, applicable to the period over which the obligation is to be settled.

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

The discount rate is based on the prevailing market yields of Government of India securities as at the balance sheet date for the estimated term of the obligations.

The estimate of future salary increases considered, takes into account the inflation, seniority, promotion, increments and other relevant factors.

The Comparative figures for the previous year ended March 31, 2022 are not given as Shriram Housing Finance Limited became subsidiary effective from April 01, 2022 due to business combination.

52 BUSINESS COMBINATION

The Board of Directors of the Company in its meeting held on December 13, 2021 had approved a Composite Scheme of Arrangement and Amalgamation ("Scheme"), inter alia, involving amalgamation of Shriram Capital Limited (SCL) (after demerger of a few undertakings from the said Shriram Capital Limited) and Shriram City Union Finance Limited (SCUF) with the Company under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013. The Reserve Bank of India vide its letter dated June 15, 2022 conveyed its No-Objection to the Scheme. As per the directions of the Hon'ble National Company Law Tribunal, Chennai Bench, ("NCLT") in the common order dated May 11, 2022, the meeting of the Equity Shareholders, Secured Creditors and Unsecured Creditors was held on July 04, 2022 and the Scheme was approved by the requisite majority of the Equity shareholders, Secured Creditors and Unsecured Creditors in their respective meetings. The Company had obtained approvals/no objection to the Scheme from various statutory authorities, as applicable. The Hon'ble NCLT had sanctioned the Scheme, vide order dated November 09, 2022 to be read with Corrigendum order dated November 17, 2022 effective from appointed date of the Scheme being April 01, 2022. Pursuant to the scheme, Shrelekha Business Consultancy Private Limited ("SBCPL") was amalgamated with SCL. The undertaking carrying on the business of financial services from SCL was demerged and transferred to Shriram Investment Holdings Limited ("SIHL"). The undertakings which were carrying on the businesses of Life Insurance and General Insurance were demerged from SCL and transferred to Shriram LI Holdings Private Limited ("SLIH"), and Shriram GI Holdings Private Limited ("SGIH") respectively. The remaining undertaking of SCL and its investments in STFC and SCUF were amalgamated with STFC.

Pursuant to the Scheme, the name of the Company is changed to Shriram Finance Limited upon receipt of necessary approval from the Registrar of Companies, Tamil Nadu, Chennai, Ministry of Corporate Affairs, with effect from November 30, 2022. Pursuant to the Scheme, new equity shares of face value of Rs. 10/- each fully paid-up have been issued and allotted to the eligible shareholders of SCL and SCUF on December 12, 2022 as per the share exchange ratio contained in the Scheme. As per Ind AS 103, the amalgamation has been accounted under "acquisition method". The difference between the purchase consideration and fair value has been accounted as goodwill/capital reserve on amalgamation, as applicable.

The Group has determined the useful life of the intangible asset in the nature of branch network of SCUF acquired through the scheme of amalgamation as five years and started amortising the same over its useful life by making a suitable change in the accounting estimate. Impact for future periods will be Rs. 302.58 crores per annum over next four years. The Group has determined the useful life of the intangible asset in the nature of branch network of SHFL acquired through the scheme of amalgamation as one year and amortised the same over its useful life. The figures for the current reporting period include the effect of merger of transferor Companies SCUF and SCL as discussed above and are therefore not comparable with figures of the respective previous year.

Summary of acquisitions done during the financial year ended March 31, 2023

(i) Shriram City Union Finance Limited ("SCUF")

The Hon'ble National Company Law Tribunal, Chennai Bench, ("NCLT") had approved the Composite Scheme of Arrangement and Amalgamation ("Scheme"), inter alia, involving amalgamation of Shriram City Union Finance Limited (SCUF) with its entire undertaking with the Company, vide order dated November 09, 2022 to be read with Corrigendum order dated November 17, 2022 effective from Appointed date of the Scheme being April 01, 2022, for a share exchange ratio of 1.55:1. The percentage of voting equity interests acquired was 100%. This acquisition is highly beneficial to all the stakeholders, by bringing together the capabilities and the presence of the Company in the categories of transport finance, and retail finance, and in the process create a larger financial lending entity with both these businesses combined, and the resulting benefits of scale and synergies of operation. This acquisition further consolidates the leadership position of the Company in the Commercial Vehicle market. Following the acquisition, the amalgamated entity is able to launch retail finance products in new locations.

(a) The fair value of assets and liabilities recognised as a result of the acquisition are as follows:

		(Rs. in crores)
		Amounts *
Particulars		
Assets		
Cash and cash equivalents		5,269.09
Bank balance other than above		1,573.25
Receivables		4.39
Loans		35,203.60
Investments		1,311.98

52 BUSINESS COMBINATION (Contd.)

	(Rs. in crores)
Particulars	Amounts *
Other financial assets	192.50
Current tax assets (net)	32.36
Deferred tax assets (net)	119.80
Investment property (net)	0.00
Property, plant and equipment (net)	69.55
Intangible assets (net)	4.99
Right-of-use assets	176.82
Other non-financial assets	227.67
Distribution network	1,575.80
Total assets	45,761.80
Liabilities	
Derivative financial instrument	(0.05)
Payables	(53.10)
Debt securities	(7,152.68)
Borrowings (other than debt securities)	(20,708.90)
Deposits	(7,274.04)
Other financial liabilities	(385.58)
Provisions	(29.92)
Other non-financial liabilities	(65.19)
Total liabilities	(35,669.46)
Net identifiable assets acquired	10,092.34
Non-controlling interest	(275.30)

Amounts less than Rs. 1.00 lac are presented as Rs. 0.00 crores in the above statement.

*** Consolidated basis**

(b) Calculation of goodwill

The difference between the purchase consideration and amount attributable to identified intangible assets / assets and liabilities represents residual goodwill in the business. As a result of the merger, the Company receives customer information such as names, contact information, historical credit provided and repayment information, etc. of existing customers of SCUF and vice versa. This information can further be divided into different customer profiles based on demography, zones, age groups, etc., which helps businesses target products/services according to their target audience that will be used by the merged entity to gain synergies from cross selling its products. Consequently, the Goodwill in the transaction subsumes the above synergy benefit, along with assembled workforce, future potential of the new branches that are planned to open, new customers, new geographies etc.

	(Rs. in crores)
Particulars	Amounts
Purchase consideration	12,068.81
Less: Net identifiable assets acquired	(10,092.34)
Less: Deferred tax liability on net identifiable assets acquired	(235.53)
Goodwill #	1,740.94

#Goodwill is not deductible for tax purpose

(c) The revenues and profits contributed to the Group for the financial year ended March 31, 2023 are as follows:

	(Rs. in crores)
Particulars	Amounts
Revenue	7,949.32
Profit before tax	1,742.31

52 BUSINESS COMBINATION (Contd.)

(d) Acquired Receivables

(Rs. in crores)	
Particulars	Amounts
Fair value of acquired trade receivables	4.39
Gross contractual amount for trade receivables	4.39
Contractual cash flows not expected to be collected	-

(e) Purchase consideration - cash outflow

(Rs. in crores)	
Particulars	Amounts
Net outflow of cash - investing activities	-

(f) Acquisition related costs:

Acquisition related costs of Rs. 26.53 crores (March 31, 2022: Rs. Nil) have been recognised under Miscellaneous expenses in the Statement of Profit and Loss.

(ii) Shriram Capital Limited ("SCL")

The Hon'ble National Company Law Tribunal, Chennai Bench, ("NCLT") had approved the Composite Scheme of Arrangement and Amalgamation ("Scheme"), inter alia, involving amalgamation of Shriram Capital Limited (SCL) with its Remaining undertaking with the Company, vide order dated November 09, 2022 to be read with Corrigendum order dated November 17, 2022, effective from Appointed date of the Scheme being April 01, 2022 for a share exchange ratio 1:0.97. The amalgamation will achieve the combination of the remaining line of business activities of SCL with the Company which is a listed entity engaged in the business of financial lending. This will ensure that the companies forming part of the Shriram Group, which are focused on the business of lending are concentrated in a single large entity, which has the necessary means, presence and resources to achieve still larger scales in the business of lending, while reducing the presence of multiple entities across the Group, with an interest and presence in the same line of business.

(a) The fair value of assets and liabilities recognised as a result of the acquisition are as follows:

(Rs. in crores)	
Particulars	Amounts
Assets	
Property, plant and equipment (net)	0.01
Bank balance	0.10
Trade receivables	12.47
Total assets	12.58
Liabilities	
Trade payable	0.02
Total liabilities	0.02
Net identifiable assets acquired	12.56

(b) Amount recognised directly in other equity (Capital Reserve):

(Rs. in crores)	
Particulars	Amounts
Purchase consideration	-
Less: Net identifiable assets acquired	12.56
Capital reserve	12.56

52 BUSINESS COMBINATION (Contd.)

- (c) The revenues and profits contributed to the company for the financial year ended March 31, 2023 are as follows:

(Rs. in crores)	
Particulars	Amounts
Revenue	-
Profit before tax	(0.58)

- (d) Acquired Receivables

(Rs. in crores)	
Particulars	Amounts
Fair value of acquired trade receivables	12.45
Gross contractual amount for trade receivables	12.45
Contractual cash flows not expected to be collected	-

- (e) Purchase Consideration - Cash Outflow

(Rs. in crores)	
Particulars	Amounts
Net outflow of cash - investing activities	-

53 FAIR VALUE MEASUREMENT

53.01: Valuation principle

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e., an exit price), regardless of whether that price is directly observable or estimated using a valuation technique. In order to show how fair values have been derived, financial instruments are classified based on a hierarchy of valuation techniques, as explained in significant accounting policies of the year ended March 31, 2023.

53.02: Fair value hierarchy of assets and liabilities

The following table shows an analysis of financial instruments recorded at fair value by level of the fair value hierarchy:

As at March 31, 2023

(Rs. in crores)				
Assets measured at fair value on a recurring basis	Level-1	Level-2	Level-3	Total
<i>Derivative financial instruments</i>				
Forward contracts	-	(193.01)	-	(193.01)
Currency swaps	-	121.65	-	121.65
Interest rate swaps	-	35.75	-	35.75
Cross currency interest rate swaps	-	588.33	-	588.33
Interest rate caps	-	116.65	-	116.65
Total derivative financial instruments	-	669.37	-	669.37
<i>Financial assets held for trading</i>				
Mutual funds	587.35	-	-	587.35
Equity instruments	63.35	-	25.40	88.75
Investment in security receipts	-	6.44	-	6.44
Venture capital fund	-	1.53	-	1.53
Total financial assets held for trading	650.70	7.97	25.40	684.07
Total assets measured at fair value on a recurring basis	650.70	677.34	25.40	1,353.44

53 FAIR VALUE MEASUREMENT (Contd.)

(Rs. in crores)

Assets measured at fair value on a recurring basis	Level-1	Level-2	Level-3	Total
Assets measured at fair value on a non-recurring basis				
Non-current assets and disposals held for sale	-	-	-	-
Total assets measured at fair value on a non-recurring basis	-	-	-	-
Total assets measured at fair value	650.70	677.34	25.40	1,353.44

(Rs. in crores)

Liabilities measured at fair value on a recurring basis	Level-1	Level-2	Level-3	Total
Total financial liabilities measured at fair value on a recurring basis	-	-	-	-
Liabilities measured at fair value on a non-recurring basis				
Non-current liabilities and disposals held for sale	-	-	-	-
Total financial liabilities measured at fair value on a non-recurring basis	-	-	-	-
Total liabilities measured at fair value	-	-	-	-

As at March 31, 2022

(Rs. in crores)

Assets measured at fair value on a recurring basis	Level-1	Level-2	Level-3	Total
<i>Derivative financial instruments</i>				
Forward contracts	-	97.84	-	97.84
Currency swaps	-	(276.95)	-	(276.95)
Interest rate swaps	-	3.18	-	3.18
Cross currency interest rate swaps	-	364.13	-	364.13
Interest rate caps	-	13.20	-	13.20
Total derivative financial instruments	-	201.40	-	201.40
<i>Financial assets held for trading</i>				
Mutual funds	1,523.02	-	-	1,523.02
Equity instruments	-	-	23.89	23.89
Certificate of deposits	-	822.29	-	822.29
Venture capital fund	-	1.53	-	1.53
Total financial assets held for trading	1,523.02	823.82	23.89	2,370.73
Total assets measured at fair value on a recurring basis	1,523.02	1,025.22	23.89	2,572.13
Assets measured at fair value on a non-recurring basis				
Non-current assets and disposals held for sale	-	-	-	-
Total assets measured at fair value on a non-recurring basis	-	-	-	-
Total assets measured at fair value	1,523.02	1,025.22	23.89	2,572.13

53 FAIR VALUE MEASUREMENT (Contd.)

	(Rs. in crores)			
	Level-1	Level-2	Level-3	Total
Liabilities measured at fair value on a recurring basis				
Total financial liabilities measured at fair value on a recurring basis	-	-	-	-
Liabilities measured at fair value on a non-recurring basis				
Non-current liabilities and disposals held for sale	-	-	-	-
Total financial liabilities measured at fair value on a non-recurring basis	-	-	-	-
Total liabilities measured at fair value	-	-	-	-

53.03: Valuation techniques

Fair values of financial assets, other than those which are subsequently measured at amortised cost, have been arrived at as under:

Investments in Mutual funds/ Equity instruments

Investment in units of mutual funds are measured based on their published net asset value (NAV), taking into account redemption and/or other restrictions. Such instruments are generally Level 1. Equity instruments in non-listed entities are initially recognised at transaction price and re-measured (to the extent information is available) and valued on a case-by-case and classified as Level 3. Quoted equity instruments on recognised stock exchanges are valued at Level 1 hierarchy being the unadjusted quoted price as the reporting date.

Derivative Financial Instruments

Foreign exchange contracts include foreign exchange forward and swap contracts, interest rate swaps and over-the-counter foreign exchange options. These instruments are valued by either observable foreign exchange rates, observable or calculated forward points and option valuation models. With the exception of contracts where a directly observable rate is available which are disclosed as Level 1, the Group classifies derivative financial instruments as Level 2 financial instruments when no unobservable inputs are used for their valuation or the unobservable inputs used are not significant to the measurement (as a whole).

Certificate of deposits (CDs)

Certificate of deposits are short-term financial instruments issued by Banks. Financial Benchmark India Private Limited (FBIL) has developed the FBIL-CD, a new benchmark for the money market based on traded CDs reported on the FIMMDA Trade Reporting and Confirmation System (FTRAC) platform of The Clearing Corporation of India Limited (CCIL). FBIL-CD is announced for seven tenors of 14 days, 1 month, 2 months, 3 months, 6 months, 9 months and 12 months. For valuation, the Group uses FBIL-CD benchmark and based on that benchmark the Group interpolates and calculates CD prices corresponding to their residual maturities and such instruments are classified as Level 2.

53.04: Transfer between fair value hierarchy levels

During the year there were no transfers between level 1 and level 2. Similarly, there were no transfers from or transfer to level 3.

53.05: Movements in Level 3 financial instruments measured at fair value

The following tables show a reconciliation of the opening and closing amounts of Level 3 financial assets and liabilities which are recorded at fair value. Transfers from Level 3 to Level 2 occur when the market for some securities became more liquid, which eliminates the need for the previously required significant unobservable valuation inputs. Since the transfer, these instruments have been valued using valuation models incorporating observable market inputs. Transfers into Level 3 reflect changes in market conditions as a result of which instruments become less liquid. Therefore, the Group requires significant unobservable inputs to calculate their fair value.

53 FAIR VALUE MEASUREMENT (Contd.)

The following tables show the reconciliation of the opening and closing amounts of Level 3 financial assets and liabilities measured at fair value:

Particulars	(Rs. in crores)	
	Equity instruments	
	As at March 31, 2023	As at March 31, 2022
Opening balance	23.89	6.74
On account of business combination	0.01	-
Purchase	-	-
Sales	-	-
Issuances	-	-
Settlements	-	-
Transfers into level 3	-	-
Transfers from level 3	-	-
Net interest income, net trading income and other income	-	-
Other comprehensive income	-	-
Unrealised gains and losses related to balances held at the end of the year	1.50	17.15
Closing balance	25.40	23.89

53.06: Impact of changes to key assumptions on fair value of level 3 financial instruments measured at fair value

The table summarises the valuation techniques together with the significant unobservable inputs used to calculate the fair value of the Group's level 3 assets and liabilities. The range of values indicates the highest and lowest level input used in the valuation technique and, as such, only reflects the characteristics of the instruments as opposed to the level of uncertainty to their valuation. Relationships between unobservable inputs have not been incorporated in this summary.

Particulars	Fair value		Valuation technique	Significant unobservable inputs
	Level 3 assets	Level 3 assets		
	As at March 31, 2023	As at March 31, 2022		
Equity instruments	25.40	23.89	Based on the discounted cashflow	Based on the discounted cashflow

53.07: Sensitivity of fair value measurements to changes in unobservable market data

The table below describes the effect of changing the significant unobservable inputs to reasonable possible alternatives. All changes would be reflected in the Statement of profit and loss. Sensitivity data are calculated using a number of techniques, including analysing price dispersion of different price sources, adjusting model inputs to reasonable changes within the fair value methodology.

The ranges are not comparable or symmetrical as the model inputs are usually not in the middle of the favourable/unfavourable range.

The table below shows data in relation to level 3 inputs that are already aggregated on the underlying product levels without assuming any potential diversification effect, but including potential off-sets from economic or accounting hedge relationships in place. The Group is of the opinion that, whilst there may be some diversification benefits, incorporating these would not be significant to the analysis.

Particulars	As at March 31, 2023		As at March 31, 2022	
	Favourable changes 5% increase	Unfavourable changes 5% decrease	Favourable changes 5% increase	Unfavourable changes 5% decrease
Equity instruments based on the discounted cashflow	26.67	24.13	25.03	22.64

53 FAIR VALUE MEASUREMENT (Contd.)

53.08: Fair value of financial instruments not measured at fair value

Set out below is a comparison, by class, of the carrying amounts and fair values of the Group's financial instruments that are not carried at fair value in the financial statements. This table does not include the fair values of non-financial assets and non-financial liabilities.

(Rs. in crores)

As at March 31, 2023	Carrying amount	Fair value			
		Level-1	Level-2	Level-3	Total
Financial assets					
Cash and cash equivalents	9,932.84	5,008.79	4,937.42	-	9,946.21
Bank balance other than cash and cash equivalents	6,374.11	70.63	6,280.10	-	6,350.73
Trade receivables	17.00	-	-	17.00	17.00
Other receivables	429.69	-	-	429.69	429.69
Loans	178,685.14	-	-	177,980.42	177,980.42
Investments at amortised cost	6,562.26	5,077.41	175.40	1,187.68	6,440.49
Other investments	183.74	-	-	183.74	183.74
Other financial assets	77.47	-	-	68.63	68.63
Total financial assets	202,262.25	10,156.83	11,392.92	179,867.16	201,416.91
Financial liabilities					
Trade payables	313.19	-	-	313.19	313.19
Other payables	1.45	-	-	1.45	1.45
Debt securities	44,924.03	-	40,485.75	-	40,485.75
Borrowings (other than debt securities)	78,544.75	-	77,242.75	-	77,242.75
Deposits	36,139.83	-	-	35,308.09	35,308.09
Subordinated liabilities	4,593.63	-	4,611.19	-	4,611.19
Lease liabilities	602.08	-	-	602.08	602.08
Other financial liabilities	1,073.82	-	-	1,073.82	1,073.82
Total financial liabilities	166,192.78	-	122,339.69	37,298.63	159,638.32
Off-balance sheet items					
Other commitments	839.63	-	-	839.63	839.63
Total off-balance sheet items	839.63	-	-	839.63	839.63

(Rs. in crores)

As at March 31, 2022	Carrying amount	Fair value			
		Level-1	Level-2	Level-3	Total
Financial assets					
Cash and cash equivalents	10,662.44	5,953.99	4,701.32	-	10,655.31
Bank balance other than cash and cash equivalents	5,692.72	9.72	5,126.81	-	5,136.53
Trade receivables	5.35	-	-	5.35	5.35
Other receivables	190.49	-	-	190.49	190.49
Loans	116,665.15	-	-	115,370.83	115,370.83
Investments at amortised cost	4,425.06	3,155.70	-	1,082.12	4,237.82
Other investments	175.44	-	-	175.44	175.44
Other financial assets	51.45	-	-	42.70	42.70
Total financial assets	137,868.10	9,119.41	9,828.13	116,866.93	135,814.47
Financial liabilities					
Trade payables	166.03	-	-	166.03	166.03
Other payables	2.67	-	-	2.67	2.67
Debt securities	41,256.55	-	40,467.60	-	40,467.60
Borrowings (other than debt securities)	46,676.93	-	47,147.82	-	47,147.82
Deposits	21,948.98	-	-	23,963.34	23,963.34
Subordinated liabilities	4,614.25	-	4,962.46	-	4,962.46
Lease liabilities	349.43	-	-	349.43	349.43
Other financial liabilities	859.64	-	-	859.64	859.64
Total financial liabilities	115,874.48	-	92,577.88	25,341.11	117,918.99

53 FAIR VALUE MEASUREMENT (Contd.)

(Rs. in crores)					
As at March 31, 2022	Carrying amount	Fair value			
		Level-1	Level-2	Level-3	Total
Off-balance sheet items					
Other commitments	92.43	-	-	92.43	92.43
Total off-balance sheet items	92.43	-	-	92.43	92.43

Note:

The management assessed that cash and cash equivalents, trade receivables, trade payables, other receivables, other payables and other financial liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

53.09: Valuation methodologies of financial instruments not measured at fair value

Below are the methodologies and assumptions used to determine fair values for the above financial instruments which are not recorded and measured at fair value in the Group's financial statements. These fair values were calculated for disclosure purposes only. The below methodologies and assumptions relate only to the instruments in the above tables.

Short-term financial assets and liabilities

For financial assets and financial liabilities that have a short-term maturity (less than twelve months), the carrying amounts, which are net of impairment, are a reasonable approximation of their fair value. Such instruments include: trade receivables, other receivables, balances other than cash and cash equivalents and trade payables without a specific maturity.

Loans and advances to customers

The fair values of loans and receivables are estimated by discounted cash flow models based on contractual cash flows using actual yields.

Pass through certificates

These instruments include asset backed securities. The market for these securities is not active. Therefore, the Group uses a variety of valuation techniques to measure their fair values. Expected cash flow levels are estimated by using quantitative and qualitative measures regarding the characteristics of the underlying assets including prepayment rates, default rates and other economic drivers such as loan-to-value ratios, emergence period estimation, indebtedness and rental income levels. Instruments with no comparable instruments or valuation inputs are classified as Level 3.

Investment in associate at cost

Investment in associate: As per Ind AS 28 Interest in associate are recognised at cost and not adjusted to fair value at the end of each reporting period. Cost represents amount paid for acquisition of the said investments. The Group assesses at the end of each reporting period, if there are any indications that the said investments may be impaired. If so, the Group estimates the recoverable value/amount of the investment and provides for impairment, if any i.e. the deficit in the recoverable value over cost.

Investment in government securities at amortised cost

The fair values financial assets held-to-maturity investments are estimated using a discounted cash flow model based on contractual cash flows using actual or estimated yields and discounting by yields incorporating the counterparties credit risk.

Issued debt and borrowings

The fair value of issued debt is estimated by a discounted cash flow model incorporating interest rate from market-observable data such as secondary prices for its traded debt.

Deposits

The fair value of public deposits and deposit from corporates is estimated by discounting the future cash flows considering the interest rate applicable on the reporting date for deposits of similar tenure and scheme (cumulative/non-cumulative). Inter-corporate deposits are estimated at their carrying amounts due to the short-term maturities of these deposits.

53 FAIR VALUE MEASUREMENT (Contd.)

Off-balance sheet positions

Estimated fair values of off-balance sheet positions are based on the carrying amounts due to the short-term maturities of these positions.

The carrying value of financial instruments by categories is as follows:

(Rs. in crores)

As at March 31, 2023	Amortised cost	Derivative instruments in hedging relationship	At Fair value Through OCI	At Fair value Through profit or loss	Others (at cost)	Total
Financial assets:						
Cash and cash equivalents	9,932.84	-	-	-	-	9,932.84
Bank balance other than cash and cash equivalents	6,374.11	-	-	-	-	6,374.11
Derivative financial instruments	-	669.37	-	-	-	669.37
Receivables						
(I) Trade receivables	17.00	-	-	-	-	17.00
(II) Other receivables	429.69	-	-	-	-	429.69
Loans	178,685.14	-	-	-	-	178,685.14
Investments	6,562.26	-	63.35	620.72	183.74	7,430.07
Other financial assets	77.47	-	-	-	-	77.47
Total financial assets	202,078.51	669.37	63.35	620.72	183.74	203,615.69
Financial liabilities:						
Payables						
(I) Trade payables	313.19	-	-	-	-	313.19
(II) Other payables	1.45	-	-	-	-	1.45
Debt securities	44,924.03	-	-	-	-	44,924.03
Borrowings (other than debt securities)	78,544.75	-	-	-	-	78,544.75
Deposits	36,139.83	-	-	-	-	36,139.83
Subordinated liabilities	4,593.63	-	-	-	-	4,593.63
Lease liabilities	602.08	-	-	-	-	602.08
Other financial liabilities	1,073.82	-	-	-	-	1,073.82
Total financial liabilities	166,192.78	-	-	-	-	166,192.78

(Rs. in crores)

As at March 31, 2022	Amortised cost	Derivative instruments in hedging relationship	At Fair value Through OCI	At Fair value Through profit or loss	Others (at cost)	Total
Financial assets:						
Cash and cash equivalents	10,662.44	-	-	-	-	10,662.44
Bank balance other than cash and cash equivalents	5,692.72	-	-	-	-	5,692.72
Derivative financial instruments	-	201.40	-	-	-	201.40
Receivables						
(I) Trade receivables	5.35	-	-	-	-	5.35
(II) Other receivables	190.49	-	-	-	-	190.49
Loans	116,665.15	-	-	-	-	116,665.15
Investments	4,425.06	-	-	2,370.73	175.44	6,971.23
Other financial assets	51.45	-	-	-	-	51.45
Total financial assets	137,692.66	201.40	-	2,370.73	175.44	140,440.23
Financial liabilities:						
Payables						
(I) Trade payables	166.03	-	-	-	-	166.03
(II) Other payables	2.67	-	-	-	-	2.67
Debt securities	41,256.55	-	-	-	-	41,256.55

53 FAIR VALUE MEASUREMENT (Contd.)

						(Rs. in crores)
As at March 31, 2022	Amortised cost	Derivative instruments in hedging relationship	At Fair value Through OCI	At Fair value Through profit or loss	Others (at cost)	Total
Borrowings (other than debt securities)	46,676.93	-	-	-	-	46,676.93
Deposits	21,948.98	-	-	-	-	21,948.98
Subordinated liabilities	4,614.25	-	-	-	-	4,614.25
Lease liabilities	349.43	-	-	-	-	349.43
Other financial liabilities	859.64	-	-	-	-	859.64
Total financial liabilities	115,874.48	-	-	-	-	115,874.48

54 RISK MANAGEMENT

Whilst risk is inherent in the Group's activities, it is managed through an integrated risk management framework including ongoing identification, measurement and monitoring, subject to risk limits and other controls. This process of risk management is critical to the Group's continuing profitability and each individual within the Group is accountable for the risk exposures relating to his or her responsibilities. The Group is exposed to credit risk, liquidity risk and market risk. It is also subject to various operating and business risks.

54.01: Introduction and risk profile

54.01.01: Risk management structure

The Board of Directors are responsible for the overall risk management approach and for approving the risk management strategies and principles.

The Board has constituted the Risk Management Committee which is responsible for monitoring the overall risk process within the Group.

The Risk Management Committee has the overall responsibility for the development of the risk strategy and implementing principles, frameworks, policies and limits. The Risk Management Committee is responsible for managing risk decisions and monitoring risk levels.

The Chief Risk officer is responsible for implementing and maintaining risk related procedures to ensure an independent control process is maintained. The Risk owners within each department will report to the Risk Committee.

The Risk owners are responsible for monitoring compliance with risk principles, policies and limits across the Group. Each department has its Risk owner who is responsible for the control of risks, including monitoring the actual risk of exposures against authorised limits and the assessment of risks.

The Group's Treasury is responsible for managing its assets and liabilities and the overall financial structure. It is also primarily responsible for the funding and liquidity risks of the Group.

The Group's policy is that risk management processes throughout the Group are audited annually by the Internal Audit function, which examines both the adequacy of the procedures and the Group's compliance with the procedures. Internal Audit discusses the results of all assessments with management, and reports its findings and recommendations to Risk Management Committee.

54.01.02: Risk mitigation and risk culture

As part of its overall risk management, the Group can use derivatives and other instruments to manage exposures resulting from changes in interest rates and foreign currencies associated with foreign currency transactions.

54.01.03: Risk measurement and reporting systems

The Group's risks are measured using a method that reflects both the expected loss likely to arise in normal circumstances and unexpected losses, which are an estimate of the ultimate actual loss. The models make use of probabilities derived from historical experience, adjusted to reflect the economic environment, as necessary.

The Group's policy is to measure and monitor the overall risk-bearing capacity in relation to the aggregate risk exposure across all risk types and activities.

Information compiled from all the departments is examined and processed in order to analyse, control and identify risks on a timely basis. This information is presented and explained to the Risk Management Committee and the head of each department.

The Risk Management Committee receives a comprehensive risk report once a quarter which is designed to provide all the necessary information to assess and conclude on the risks of the Group.

54 RISK MANAGEMENT (Contd.)

It is the Group's policy to ensure that a robust risk awareness is embedded in its organisational risk culture. Employees are expected to take ownership and be accountable for the risks the Group is exposed to that they decide to take on. The Group's continuous training and development emphasises that employees are made aware of the Group's risk appetite and they are supported in their roles and responsibilities to monitor and keep their exposure to risk within the Group's risk appetite limits. Compliance breaches and internal audit findings are important elements of employees annual ratings and remuneration reviews.

54.01.04: Excessive risk concentration

Concentrations arise when a number of counterparties are engaged in similar business activities, or activities in the same geographical region, or have similar economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions.

In order to avoid excessive concentrations of risk, the Group's policies and procedures include specific guidelines to focus on spreading its lending portfolio across all the states with a cap on maximum limit of exposure for a state and also for an individual/Group.

54.02: Credit risk

Credit risk is the risk that the Group will incur a loss because its customers or counterparties fail to discharge their contractual obligations. The Group manages and controls credit risk by setting limits on the amount of risk it is willing to accept for individual counterparties and for geographical concentrations, and by monitoring exposures in relation to such limits.

Credit risk is monitored by the credit department of the Group. It is their responsibility to review and manage credit risk, including environmental and social risk for all types of counterparties. Credit risk consists of line credit managers who are responsible for their business lines and manage specific portfolios and experts who support both the line credit manager, as well as the business with tools like credit risk systems, policies, models and reporting.

The Group has established a credit quality review process to provide early identification of possible changes in the creditworthiness of counterparties.

The credit quality review process aims to allow the Group to assess the potential loss as a result of the risks to which it is exposed and take corrective actions.

The Group's internal credit rating grades on days past due(dpd) basis:

Internal rating grade	Internal rating description
Performing	
High grade	0 dpd
Standard grade	1 to 30 dpd
Sub-standard grade	31 to 60 dpd
Past due but not impaired	61 to 90 dpd
Non-performing	90+ dpd

54.02.01: Derivative financial instruments

Credit risk arising from derivative financial instruments is, at any time, limited to those with positive fair values, as recorded on the balance sheet.

With gross-settled derivatives, the Group is also exposed to a settlement risk, being the risk that the Group honours its obligation, but the counterparty fails to deliver the counter value.

54.02.02: Impairment assessment

The references below show where the Group's impairment assessment and measurement approach is set out in this report. It should be read in conjunction with the Summary of significant accounting policies.

The Group's definition and assessment of default (Note 54.02.02.01).

- How the Group defines, calculates and monitors the probability of default, exposure at default and loss given default (Notes 54.02.02.02 to 54.02.02.04)
- When the Group considers there has been a significant increase in credit risk of an exposure (Note 54.02.02.05)
- The Group's policy of segmenting financial assets where ECL is assessed on a collective basis (Note 54.02.02.07)
- The details of the ECL calculations and categorisation of loans for stage 1, stage 2 and stage 3 assets (Note 7.1(xi))

54.02.02.01: Definition of default

The Group considers a financial instrument defaulted and therefore stage 3 (credit-impaired) for ECL calculations in all cases when the borrower becomes 90 days past due on its contractual payments.

54 RISK MANAGEMENT (Contd.)

As a part of a qualitative assessment of whether a customer is in default, the Group also considers a variety of instances that may indicate unlikelihood to pay. When such events occur, the Group carefully considers whether the event should result in treating the customer as defaulted and therefore assessed as stage 3 for ECL calculations or whether stage 2 is appropriate. Such events include:

- The borrower requesting emergency funding from the Group.
- A material decrease in the underlying collateral value where the recovery of the loan is expected from the sale of the collateral.
- A covenant breach not waived by the Group.
- The debtor (or any legal entity within the debtor's Group) filing for bankruptcy application/protection.
- All the facilities of a borrower are treated as stage 3 when one of his facility becomes 90 days past due i.e. credit impaired.
- The restructuring of a loan or advance by the Group on terms that the Group would not consider otherwise.

54.02.02.02: PD estimation process

It is an estimate of the likelihood of default over a given time horizon. PD estimation process is done based on historical internal data available with the Group. While arriving at the PD, the Group also ensures that the factors that affects the macro economic trends are considered to a reasonable extent, wherever necessary. Group calculates the 12 month PD by taking into account the past historical trends of the portfolio and its credit performance. In case of assets where there is a significant increase in credit risk, lifetime PD has been applied which is computed based on survival analysis. For credit impaired assets, a PD of 100% has been applied.

54.02.02.03: Exposure at Default (EAD)

The exposure at default (EAD) represents the gross carrying amount of the financial instruments subject to the impairment calculation, addressing both the ability to increase its exposure while approaching default and potential early repayments too.

To calculate the EAD for a Stage 1 loan, the Group assesses the possible default events within 12 months for the calculation of the 12 months ECL.

For stage 2 and stage 3 financial assets, the exposure at default is considered for events over the lifetime of the instruments.

In case of undrawn loan commitments, a credit conversion factor of 100% is applied for expected drawdown.

54.02.02.04: Loss Given Default (LGD)

LGD is an estimate of the loss arising in case where a default occurs. It is based on the difference between the contractual cash flows due and those that the Group would expect to receive, including from the realisation of any security.

54.02.02.05: Significant increase in credit risk (SICR)

The Group continuously monitors all assets subject to ECLs in order to determine whether an instrument or a portfolio of instruments is subject to 12 month ECL or lifetime ECL. The Group assesses whether there has been an event which could cause a significant increase in the credit risk of the underlying asset or the customers ability to pay and accordingly change the 12 month ECL to a lifetime ECL.

In certain cases, the Group may also consider that events explained in Note 54.02.02.01 are a significant increase in credit risk as opposed to a default. Regardless of the above, if contractual payments are more than 30 days past due, the credit risk is deemed to have increased significantly since initial recognition.

When estimating ECLs on a collective basis for a Group of similar assets (as set out in Note 54.02.02.07), the Group applies the same principles for assessing whether there has been a significant increase in credit risk since initial recognition.

54.02.02.06: Forward looking information

As explained in Note 7.1.(xi), the Group has incorporated forward looking information and macro-economic factors while calculating PD and LGD rate.

54 RISK MANAGEMENT (Contd.)

54.02.02.07: Grouping financial assets measured on a collective basis

As explained in Note 7.1.(xi) dependent on the factors below, the Group calculates ECLs only on a collective basis.

The Group segments the exposure into smaller homogeneous portfolios, based on a combination of internal and external characteristics of the loans as described below.

1. Secured Loans for New Vehicles
2. Secured Loans for Used Vehicles
3. Gold Loans
4. MSME Loans
5. Two Wheeler Loans
6. Personal Loans
7. Loan against property

54.02.03: Analysis of risk concentration

The maximum credit exposure to any individual client or counterparty as of March 31, 2023 was Rs. 61.78 crores (March 31, 2022: Rs. 61.13 crores).

Credit risk exposure analysis

(Rs. in crores)

Particulars	As at March 31, 2023			
	Stage 1 collective	Stage 2 collective	Stage 3 collective	Total
Credit risk exposure	162,197.38	16,434.95	11,440.70	190,073.03

54.03: Liquidity risk and funding management

In assessing the Group's liquidity position, consideration shall be given to: (1) present and anticipated asset quality (2) present and future earnings capacity (3) historical funding requirements (4) current liquidity position (5) anticipated future funding needs, and (6) sources of funds. The Group maintains a portfolio of marketable assets that are assumed to be easily liquidated and undrawn cash credit limits which can be used in the event of an unforeseen interruption in cash flow. The Group also enters into securitisation deals (direct assignment as well as pass through certificates) of their loan portfolio, the funding from which can be accessed to meet liquidity needs. In accordance with the Group's policy, the liquidity position is assessed under a variety of scenarios, giving due consideration to stress factors relating to both the market in general and specifically to the Group. Net liquid assets consist of cash, short-term bank deposits and investments in mutual fund available for immediate sale, less issued securities and borrowings due to mature within the next month. Borrowings from banks and financial institutions, issue of debentures and bonds and acceptance of public deposits are considered as important sources of funds to finance lending to customers. They are monitored using the advances to borrowings ratio, which compares loans and advances to customers as a percentage of secured and unsecured borrowings.

The Board of Directors also approves constitution of Asset Liability Committee (ALCO), Asset Liability Management Committee(ALCO) reviews or monitors Asset Liability Management (ALM) mismatch. ALCO conducts periodic reviews relating to the liquidity position and stress test assuming various what if scenarios. The ALCO is responsible for ensuring adherence to the limits set by the Board as well as for deciding the business strategy of the Group in line with the Group's budget and decided risk management objectives. The ALCO is a decision-making unit responsible for balance sheet planning from risk-return perspective including strategic management of interest rate and liquidity risks. The ALCO also evaluates the Borrowing Plan of subsequent quarters on the basis of previous borrowings of the Group. The ALCO will be responsible for ensuring the adherence to the target set by the Board of Directors. The meetings of ALCO are held at quarterly intervals. The ALM Support Groups consisting of operating staff are responsible for analysing, monitoring and reporting the risk profiles to the ALCO. ALCO support group meets every fortnight. The minutes of ALCO meetings are placed before the RMC and the Board of Directors in its next meeting for its ratification.

54 RISK MANAGEMENT (Contd.)

54.03.01: Analysis of financial assets and liabilities by remaining maturities

The table below summarises the maturity profile of the Group's financial assets and liabilities as at March 31. All derivatives used for hedging and natural hedges are shown by maturity. Repayments which are subject to notice are treated as if notice were to be given immediately. However, the Group expects that many customers will not request repayment on the earliest date it could be required to pay and the table does not reflect the expected cash flows indicated by its deposit retention history.

Maturity pattern of assets and liabilities as on March 31, 2023:

Particulars	Less than 3 months	Over 3 months & upto 6 months	Over 6 months & upto 1 year	Over 1 year & upto 3 years	Over 3 years & upto 5 years	Over 5 years	Total
Financial assets							
Cash and cash equivalents	9,932.84	-	-	-	-	-	9,932.84
Bank balance other than above	3,824.87	841.87	1,927.54	116.39	95.60	-	6,806.28
Derivative assets	-	490.73	8.47	104.49	65.68	-	669.37
Financial assets at fair value through profit and loss	587.35	-	-	2.15	2.15	29.08	620.72
Loans *	27,947.97	25,377.05	45,038.04	98,339.25	23,573.38	6,532.48	226,808.16
Financial investments at FVOCI	-	-	-	-	-	63.35	63.35
Financial investments at amortised cost	436.51	111.28	443.19	1,299.96	1,021.34	3,334.90	6,647.19
Trade receivables	17.00	-	-	-	-	-	17.00
Other receivables	61.47	49.68	84.35	172.09	50.02	17.35	434.96
Other financial assets	1.62	0.77	2.55	2.78	1.06	74.39	83.16
Total undiscounted financial assets	42,809.63	26,871.38	47,504.15	100,037.11	24,809.22	10,051.54	252,083.03
Financial liabilities							
Deposits *	2,252.10	2,671.47	5,513.94	21,117.21	9,750.56	-	41,305.28
Debt securities *	5,842.10	4,410.68	10,808.44	14,834.48	4,976.24	15,299.50	56,171.44
Borrowings (other than debt securities) *	11,886.32	11,330.16	14,716.52	39,622.65	9,886.16	1,729.50	89,171.32
Subordinated liabilities *	275.03	171.98	311.35	2,878.26	1,859.71	395.86	5,892.18
Trade payables	310.14	2.45	0.45	0.15	-	-	313.19
Other payables	1.45	-	-	-	-	-	1.45
Lease liabilities	47.97	46.39	88.69	271.76	132.07	205.02	791.90
Other financial liabilities	827.14	69.38	99.93	64.12	11.56	1.70	1,073.82
Total undiscounted financial liabilities	21,442.25	18,702.50	31,539.31	78,788.62	26,616.30	17,631.58	194,720.57
Net undiscounted financial assets/ (liabilities)	21,367.38	8,168.88	15,964.84	21,248.48	(1,807.07)	(7,580.04)	57,362.46
Cumulative net undiscounted financial assets/ (liabilities)	21,367.38	29,536.26	45,501.09	66,749.58	64,942.50	57,362.46	

* includes future interest

54 RISK MANAGEMENT (Contd.)

Maturity pattern of assets and liabilities as on March 31, 2022:

Particulars	Less than 3 months	Over 3 months & upto 6 months	Over 6 months & upto 1 year	Over 1 year & upto 3 years	Over 3 years & upto 5 years	Over 5 years	Total
(Rs. in crores)							
Financial assets							
Cash and cash equivalents	10,662.44	-	-	-	-	-	10,662.44
Bank balance other than above	2,784.30	1,031.15	1,317.79	559.48	-	-	5,692.72
Derivative assets	-	-	-	63.56	137.84	-	201.40
Financial assets at fair value through profit and loss	2,345.31	-	-	-	-	25.42	2,370.73
Loans *	15,723.90	14,546.00	26,984.78	71,816.77	17,558.94	1,792.34	148,422.73
Financial investments at FVOCI	-	-	-	-	-	-	-
Financial investments at amortised cost	326.03	113.89	158.46	641.28	565.38	2,656.02	4,461.06
Trade receivables	5.35	-	-	-	-	-	5.35
Other receivables	26.85	27.62	46.59	81.92	7.51	-	190.49
Other financial assets	-	-	-	-	-	51.45	51.45
Total undiscounted financial assets	31,874.18	15,718.66	28,507.62	73,163.01	18,269.67	4,525.23	172,058.37
Financial liabilities							
Deposits *	1,940.42	2,127.66	3,645.55	12,642.21	5,526.91	-	25,882.75
Debt securities *	2,556.00	808.00	10,135.48	21,192.82	5,692.14	8,960.67	49,345.11
Borrowings (other than debt securities) *	8,178.50	4,948.26	9,511.65	24,057.35	5,307.19	50.61	52,053.56
Subordinated liabilities *	137.00	152.00	466.40	3,323.50	521.20	1,606.00	6,206.10
Trade payables	165.72	-	-	0.31	-	-	166.03
Other payables	2.67	-	-	-	-	-	2.67
Lease liabilities	26.48	25.72	48.42	155.57	89.58	99.69	445.46
Other financial liabilities	643.75	53.30	58.01	99.19	5.39	-	859.64
Total undiscounted financial liabilities	13,650.54	8,114.94	23,865.51	61,470.95	17,142.41	10,716.97	134,961.32
Net undiscounted financial assets/ (liabilities)	18,223.64	7,603.72	4,642.11	11,692.06	1,127.26	(6,191.74)	37,097.05
Cumulative net undiscounted financial assets/ (liabilities)	18,223.64	25,827.36	30,469.47	42,161.53	43,288.79	37,097.05	

* includes future interest

54 RISK MANAGEMENT (Contd.)

The table below shows the expiry by maturity of the contingent liabilities and commitments of the Group and its associate:: Each undrawn loan commitment is included in the time band containing the earliest date it can be drawn down.

(Rs. in crores)							
Particulars	Less than 3 months	Over 3 months & upto 6 months	Over 6 months & upto 1 year	Over 1 year & upto 3 years	Over 3 years & upto 5 years	Over 5 years	Total
As at March 31, 2023							
In respect of Income tax demands where the Group has filed appeal before various authorities	-	-	-	-	-	91.68	91.68
VAT demand where the Group has filed appeal before various appellates	-	-	-	-	-	4.92	4.92
Service tax demands where the Group has filed appeal before various authorities	-	-	-	-	-	2,056.83	2,056.83
Bank Guarantees	19.99	0.60	23.37	15.96	-	-	59.92
Penalty levied for Contravention of provisions of Section 6(3)(b) of FEMA, 1999 read with Regulation 4 of Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000	-	-	-	-	-	5.00	5.00
Estimated amount of contracts remaining to be executed on capital account, net of advances	102.11	-	-	-	-	-	102.11
Commitments related to loans sanctioned but undrawn	839.63	-	-	-	-	-	839.63
Total commitments	961.73	0.60	23.37	15.96	-	2,158.43	3,160.09
As at March 31, 2022							
In respect of Income tax demands where the Group has filed appeal before various authorities	-	-	-	-	-	175.46	175.46
VAT demand where the Group has filed appeal before various appellates	-	-	-	-	-	117.54	117.54
Service tax demands where the Group has filed appeal before various authorities	-	-	-	-	-	1,976.63	1,976.63
Penalty levied for Contravention of provisions of Section 6(3)(b) of FEMA, 1999 read with Regulation 4 of Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000	-	-	-	-	-	5.00	5.00
Estimated amount of contracts remaining to be executed on capital account, net of advances	11.72	-	-	-	-	-	11.72
Commitments related to loans sanctioned but undrawn	92.43	-	-	-	-	-	92.43
Total commitments	104.15	-	-	-	-	2,274.63	2,378.78

54 RISK MANAGEMENT (Contd.)

54.04: Market Risk

Market risk that the fair value or future cash flows of financial instruments will fluctuate due to changes in market variables such as interest rates, foreign exchange rates and equity prices. The Group classifies exposures to market risk into either trading or non-trading portfolios and manages each of those portfolios separately.

Interest rate risk

The Group's exposure to changes in interest rates relates to the Group's outstanding floating rate liabilities. Most of the Group's outstanding liability is on fixed rate basis and hence not subject to interest rate risk. Some of the borrowings of the Group are linked to rate benchmarks such as Bank Marginal Cost of Funds based Lending Rate (MCLR) or London Inter-bank Offered Rate (LIBOR), Euro Interbank Offered Rate (EURIBOR), Secured Overnight Financing Rate (SOFR) and Mumbai Inter-Bank Offer Rate (MIBOR) and hence subject to interest rate risk. The Group hedges interest rate risks of foreign currency borrowings through derivative transactions. The sensitivity of the Group's floating rate borrowings to change in interest rate (assuming all other variables constant) is given below:

As at March 31, 2023

(Rs. in crores)

Particulars	Carrying amount	Favourable change 1% increase	Unfavourable change 1% decrease
Debt instrument	7,644.34	984.28	(445.85)
Term loans	37,568.87	3,126.89	(4,390.33)
Total floating rate borrowings	45,213.21	4,111.17	(4,836.18)

As at March 31, 2022

(Rs. in crores)

Particulars	Carrying amount	Favourable change 1% increase	Unfavourable change 1% decrease
Debt instrument	2,446.80	237.64	(294.97)
Term loans	11,198.93	1,356.11	(1,801.15)
Total floating rate borrowings	13,645.73	1,593.75	(2,096.12)

Most of the Group's outstanding loans is on fixed rate basis and hence not subject to interest rate risk. The Group's exposure to changes in interest rates relates to the Group's outstanding floating rate loans hence subject to interest rate risk. The sensitivity of the Group's floating rate loans to change in interest rate (assuming all other variables constant) is given below:

As at March 31, 2023

(Rs. in crores)

Particulars	Carrying amount	Favourable change 1% increase	Unfavourable change 1% decrease
Loans	2,691.16	(26.91)	26.91
Total floating rate loans	2,691.16	(26.91)	26.91

As at March 31, 2022

(Rs. in crores)

Particulars	Carrying amount	Favourable change 1% increase	Unfavourable change 1% decrease
Loans	-	-	-
Total floating rate loans	-	-	-

54 RISK MANAGEMENT (Contd.)

Fair value sensitivity analysis for fixed rate instruments

The Group's fixed rate instruments are carried at amortised cost and are not measured for interest rate risk, as neither the carrying amount nor the future cash flows will fluctuate because of changes in market interest rates.

Inter-bank Offered Rate (IBOR) reform

The table below shows the Group's exposure at the year end to significant IBORs subject to reform that have yet to transition to alternative Risk Free Rates (RFRs). These exposures will remain outstanding until the IBOR ceases and will therefore transition in future and the table excludes exposures to IBOR that will expire before transition is required. The derivative hedging instruments provide a close approximation to the extent of the risk exposure the Group manages through hedging relationships.

(Rs. in crores)

Particulars	As at March 31, 2023			As at March 31, 2022		
	Rate of interest	Notional amounts	Maturity date	Rate of interest	Notional amounts	Maturity date
Currency derivatives:						
- Spots and forwards	3 months LIBOR + 1.95%	6.71	June 10, 2022 to August 10, 2023	3 months LIBOR + 1.95%	22.19	June 10, 2022 to August 10, 2023
- Cross currency interest rate swaps	3 months LIBOR + 1.95%	2,402.33	August 10, 2023	3 months LIBOR + 1.95%	2,402.33	August 10, 2023
- Cross currency interest rate swaps	6 months LIBOR + 2.50%	106.91	December 11, 2029	6 months LIBOR + 2.50%	133.64	June 13, 2022 to December 11, 2026
TOTAL		2,515.95			2,558.16	

Foreign currency risk

Foreign currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. The Group is exposed to foreign currency fluctuation risk for its foreign currency borrowing. The Group's borrowings in foreign currency are governed by RBI Master Direction External Commercial Borrowings, Trade Credits and Structured Obligations dated March 26, 2019 (as and when updated) which requires entities raising External Commercial Borrowings (ECB) for an average maturity of less than 5 years to hedge minimum 70% of the its ECB exposure. The Group hedges its entire ECB and external commercial bond exposure as per Board approved hedging policy and resource mobilisation policy. The Group manages foreign currency risk by entering into cross currency swaps and forward contract. When a derivative is entered into for the purpose of being a hedge, the Group negotiates the terms of those derivatives to match with the terms of the hedge exposure. The Group holds derivative financial instruments such as Cross currency interest rate swap to mitigate risk of changes in exchange rate in foreign currency and floating interest rate. The Counterparty for these contracts is generally a bank. These derivative financial instruments are valued based on quoted prices for similar assets and liabilities in active markets or inputs that are directly or indirectly observable in market place. Refer Note 23 B - External commercial bond (ED) Secured and 24 C - External commercial borrowing, respectively for terms and conditions of external commercial bonds and external commercial borrowings.

Exposure to currency risk

The summary quantitative data about exposure to Currency risk (based on Notional amounts) as reported :

(Amount in crores)

Particulars	As at March 31, 2023				As at March 31, 2022			
	Contracts in EURO		Contracts in USD		Contracts in EURO		Contracts in USD	
	EURO	INR	USD	INR	EURO	INR	USD	INR
Total foreign currency exposure in respect of recognised assets and liabilities	0.67	533.08	49.69	39,552.52	8.65	685.39	536.60	36,134.01
Cross currency Interest rate swap /Forward exchange contracts	0.67	533.08	49.69	39,552.52	8.65	685.39	536.60	36,134.01
Net Exposure	-	-	-	-	-	-	-	-

54 RISK MANAGEMENT (Contd.)

Movement in Cash flow hedge reserve

(Rs. in crores)

Cash flow hedge reserve	As at March 31, 2023			As at March 31, 2022		
	Realised	Unrealised	Total	Realised	Unrealised	Total
Balance at the beginning of the year	-	(213.40)	(213.40)	-	(93.02)	(93.02)
Add: Changes in the fair value during the year	-	(14.73)	(14.73)	-	(160.87)	(160.87)
Less: Income tax relating to items that will be reclassified to profit or loss	-	3.71	3.71	-	40.49	40.49
Less: Amounts reclassified to Statement of profit and loss	-	-	-	-	-	-
Balance at the end of the year	-	(224.42)	(224.42)	-	(213.40)	(213.40)

Nature and terms and conditions of outstanding derivative contracts

(Rs. in crores)

Particulars	As at March 31, 2023				As at March 31, 2022			
	Rate of interest	Maturity date	Notional amounts	Fair Value - Assets	Rate of interest	Maturity date	Notional amounts	Fair Value - Assets
(i) Currency derivatives:								
- Spots and forwards	3 months LIBOR + 1.95%	June 10, 2022 to August 10, 2023	6.71	0.05	3 months LIBOR + 1.95%	June 10, 2022 to August 10, 2023	22.19	(0.56)
- Spots and forwards	SOFR + 2.00%	December 27, 2023 to December 27, 2027	3,141.79	(11.58)	-	-	-	-
- Spots and forwards	4.08% to 6.91%	June 15, 2023 to December 15, 2031	13,715.75	(182.04)	4.15% to 5.95%	June 15, 2022 to June 15, 2027	17,018.41	98.39
- Spots and forwards	12M SOFR 3.54% + 0.91%	August 31, 2022 to August 30, 2023	45.33	0.56	-	-	-	-
- Currency swaps	SOFR + 2.00%	January 20, 2026	1,425.88	14.24	-	-	-	-
- Currency swaps	4.78% to 5.25%	March 13, 2024 to July 18, 2025	1,290.05	107.41	4.15% to 5.10%	July 14, 2023 to July 18, 2025	2,320.47	(276.95)
- Cross currency interest rate swaps	3 months LIBOR + 1.95%	August 10, 2023	2,402.33	474.96	3 months LIBOR + 1.95%	August 10, 2023	2,402.33	197.16
- Cross currency interest rate swaps	6 months EURIBOR + 1.15%	April 26, 2022 to April 25, 2026	533.08	74.01	6 months EURIBOR + 1.15%	April 26, 2022 to April 25, 2026	685.38	155.82

54 RISK MANAGEMENT (Contd.)

(Rs. in crores)

Particulars	As at March 31, 2023				As at March 31, 2022			
	Rate of interest	Maturity date	Notional amounts	Fair Value - Assets	Rate of interest	Maturity date	Notional amounts	Fair Value - Assets
- Cross currency interest rate swaps	6 months LIBOR + 2.50%	June 13, 2022 to December 11, 2026	106.91	15.87	6 months LIBOR + 2.50%	June 13, 2022 to December 11, 2026	133.64	5.50
- Cross currency interest rate swaps	SOFR + 2.10%	December 03, 2024	187.35	23.49	SOFR + 2.10%	December 03, 2024	187.35	5.66
(ii) Interest rate derivatives:								
- Interest rate swaps	4.08% to 5.10%	July 17, 2023 to December 15, 2031	12,927.24	103.18	4.15% to 5.95%	October 24, 2022 to July 18, 2025	14,049.63	3.18
- Interest rate swaps	SOFR + 2.00%	January 20, 2026 to December 27, 2027	4,303.18	13.47	-	-	-	-
- Interest rate caps	6 months EURIBOR + 1.15%	April 26, 2022 to April 25, 2026	-	35.75	6 months EURIBOR + 1.15%	April 26, 2022 to April 25, 2026	-	13.20
TOTAL			40,085.60	669.37			36,819.40	201.40

Price-risk

The Group's hedging policy only allows for effective hedge relationships to be established. Hedge effectiveness is determined at the inception of the hedge relationship, and through periodic prospective effectiveness assessments to ensure that an economic relationship exists between the hedged item and hedging instrument. The Group enters into hedge relationships where the critical terms of the hedging instrument match exactly with the terms of the hedged item, and so a qualitative assessment of effectiveness is performed. If changes in circumstances affect the terms of the hedged item such that the critical terms no longer match exactly with the critical terms of the hedging instrument, the Group uses the hypothetical derivative method to assess effectiveness.

Ineffectiveness is recognised on a cash flow hedge where the cumulative change in the designated component value of the hedging instrument exceeds on an absolute basis the change in value of the hedged item attributable to the hedged risk. In such cases, ineffectiveness may arise if:

- The critical terms of the hedging instrument and the hedged item differ (i.e. nominal amounts, timing of the forecast transaction, interest resets changes from what was originally estimated), or
- differences arise between the credit risk inherent within the hedged item and the hedging instrument.

There were no ineffectiveness recognised in the statement of profit and loss.

There were no other sources of ineffectiveness in these hedge relationships.

55 DISCLOSURE UNDER THE MSME ACT 2006, (AS PER THE INTIMATION RECEIVED FROM THE VENDOR)

Based on the intimation received by the Group, some of the suppliers have confirmed to be registered under “The Micro, Small and Medium Enterprises Development (‘MSMED’) Act, 2006”. Accordingly, the disclosures relating to amounts unpaid as at the year ended together with interest paid /payable are furnished below:

Particulars	(Rs. in crores)	
	As at March 31, 2023	As at March 31, 2022
The principal amount remaining unpaid to supplier as at the end of the year	0.36	1.48
The interest due thereon remaining unpaid to supplier as at the end of the year	-	-
The amount of interest paid in terms of Section 16, along with the amount of payment made to the supplier beyond the appointed day during the year	-	-
The amount of interest due and payable for the year of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this Act	-	-
The amount of interest accrued during the year and remaining unpaid at the end of the year	-	-
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	-	-

56 DISCLOSURE REGARDING AUDITORS REMUNERATION DISCLOSED UNDER LEGAL AND PROFESSIONAL FEES

In addition to the auditors remuneration shown in note 43 Other expenses, the Group has also incurred auditors remuneration in connection with audit and related statutory services to be performed by auditors in connection with issue of senior secured notes of Rs. 0.60 crores (March 31, 2022: Rs. 0.54 crores) shown under Legal and professional fees in note 43 Other expenses.

57 DISCLOSURE REGARDING AUDITORS REMUNERATION DISCLOSED UNDER SHARE ISSUE EXPENSES

In addition to the auditors remuneration shown in note 43 Other expenses, the Group has also incurred auditors remuneration in connection with audit and related statutory services to be performed by auditors in connection with issue of Qualified institutional placement and preferential issue of equity shares of Rs. Nil (March 31, 2022: Rs. 0.33 crores) netted off against Securities premium under in note 32 Other equity.

58 SEGMENT REPORTING

The Group operates in a single reporting segment i.e. financing. Its associate is primarily engaged in the business of facilitation service. Since, it does not meet the quantitative thresholds laid down under the Ind AS 108 – Operating Segments for reportable segments, it has not been considered for segment reporting.

59 TRANSFER OF FINANCIAL ASSETS

Note 59.01: Transferred financial assets that are not derecognised in their entirety

The following table provides a summary of financial assets that have been transferred in such a way that part or all of the transferred financial assets do not qualify for derecognition, together with the associated liabilities.

Particulars	(Rs. in crores)	
	As at March 31, 2023	As at March 31, 2022
Securitisation		
Carrying amount of transferred assets measured at amortised cost (held as collateral)	22,596.75	21,120.76

59 TRANSFER OF FINANCIAL ASSETS (Contd.)

Particulars	(Rs. in crores)	
	As at March 31, 2023	As at March 31, 2022
Carrying amount of associated liabilities (Borrowings (other than debt securities)-measured at amortised cost)	22,476.91	19,538.08
Fair value of assets	22,459.82	21,105.47
Fair value of associated liabilities	22,262.08	19,765.43
Net position at fair value	197.74	1,340.04

Note 59.02: Transferred financial assets that are derecognised in their entirety

The Group has assigned loans (earlier measured at amortised cost) by way of direct assignment. As per the terms of these deals, since substantial risk and rewards related to these assets were transferred to the extent of 90% of the assets transferred to the buyer, the assets have been de-recognised from the Group's balance sheet. The table below summarises the carrying amount of the derecognised financial assets :

Particulars	(Rs. in crores)	
	As at March 31, 2023	As at March 31, 2022
Direct assignment		
Carrying amount of transferred assets measured at amortised cost	3,959.79	1,599.67
Carrying amount of exposures retained by the Group at amortised cost	437.74	159.97

Note 59.03: Transferred financial assets that are derecognised in their entirety but where the Group has continuing involvement

The Group has not transferred any assets that are derecognised in their entirety where the Group continues to have continuing involvement.

60 EXPENDITURE IN FOREIGN CURRENCY (ACCRUAL BASIS)

Particulars	(Rs. in crores)	
	Year ended March 31, 2023	Year ended March 31, 2022
Professional charges-resource mobilisation	106.28	36.63
Professional charges on securitisation	2.93	-
Total	109.21	36.63

61 DETAILS OF CSR EXPENSES

Particulars	(Rs. in crores)	
	Year ended March 31, 2023	Year ended March 31, 2022
a) Gross amount required to be spent by the Group during the year	95.40	69.12
b) Amount spent during the year		
- On purposes other than construction/acquisition of any asset		
Paid in cash	95.48	69.72
Yet to be paid in cash	-	-
Total	95.48	69.72

There is no shortfall in the CSR amount required to be spent by the Group as per section 135(5) of the Act for the financial years ended March 31, 2023 and March 31, 2022.

CSR activities include Education, Preservation of Arts, Culture and Heritage, Preventive Healthcare, Scholarship Scheme, Training and Skill Development, Road Safety Awareness Program, Contribution towards - Primary, Secondary and Higher Education, Mathematical and Scientific Research, School Repairs and renovation and other activities which are specified under Schedule VII of Companies Act, 2013.

The Group has neither made any CSR contributions towards its related parties nor recorded any provision for CSR expenditure during the financial years ended March 31, 2023 and March 31, 2022.

62 NOTE ON COVID

The Group holds management overlay of Rs. 1,107.49 crores as at March 31, 2023 and Rs. 2,052.58 crores as at March 31, 2022.

63 MOVEMENT IN PROVISIONS

(Rs. in crores)				
Provision for taxes - contested	Opening Balance	Additional provision	Utilisation/reversal during the year	Closing Balance
As at March 31, 2023	90.93	7.66	-	98.59
As at March 31, 2022	92.75	-	1.82	90.93

The above provisions relate to disputed tax demands in relation to VAT and Service tax. Due to the very nature of such provisions and the litigations involved, it is not possible to estimate the timing/ uncertainties relating to their outflows.

64 EVENTS AFTER REPORTING DATE

There have been no events after the reporting date.

65 FLOATING CHARGE ON INVESTMENT IN GOVERNMENT SECURITIES

In accordance with the Master Direction - Non-Banking Financial Companies Acceptance of Public Deposits (Reserve Bank) Directions, 2016 dated August 25, 2016, the Group has created a floating charge on the statutory liquid assets comprising of investment in government securities (face value) to the extent of Rs. 5,346.44 crores (March 31, 2022: Rs. 3,354.44 crores) in favour of trustees representing the public deposit holders of the Group.

- 66.01** The Group invoked resolution plans to relieve COVID-19 pandemic related stress to eligible borrowers. The resolution plans are based on the parameters laid down in the resolution policy approved by the Board of Directors of the Company and in accordance with the guidelines issued by the RBI on August 06, 2020 and May 05, 2021. The staging of accounts and provisioning for the eligible accounts where the resolution plans are invoked and implemented is in accordance with the Board Approved Policy in this regard.

Disclosure on Resolution Framework 2.0 implemented in terms of RBI notification no. RBI/2020-21/16 DOR. NO.BP.BC/3/21.04.048/2020-21 dated August 06, 2020 and RBI/2021-22/31/DOR.STR.REC.11 /21.04.048/2021-22 dated May 05, 2021

(Rs. in crores)					
Type of borrower	(A) Exposure to accounts classified as Standard consequent to implementation of Resolution Plan – Position as at the end of September 30, 2022 (A)	(B) Of (A), aggregate debt that slipped into NPA during the half-year	(C) Of (A) amount written off during the half-year	(D) Of (A) amount paid by the borrowers during the half-year	(E) Exposure to accounts classified as Standard consequent to implementation of Resolution Plan – Position as at the end of March 31, 2023
Personal Loans #	874.90	50.25	2.70	172.80	649.15
Corporate persons*	14.63	-	-	0.25	14.38
Of which, MSMEs	-	-	-	-	-
Others	-	-	-	-	-
Total	889.53	50.25	2.70	173.05	663.53

*As defined in Section 3(7) of the Insolvency and Bankruptcy Code, 2016

pertains to automobile loans

67 EMPLOYEE STOCK OPTION PLAN

A. Shriram Finance Limited ("the Company"):

The Company provides share-based payment schemes to its Employees.

Employee Stock Option Plan (2013)

67.01: About the plan

Pursuant to clause 3.35.11 of the approved the Composite Scheme of Arrangement and Amalgamation ("Scheme"), all the employees in service of Shriram City Union Finance Limited ("Transferor Company") have become employee of the Company with effect from appointed date of the scheme i.e April 01, 2022. The Transferor Company prior to the Scheme had framed and implemented the Shriram City Union Finance Limited Employee Stock Options Scheme 2013 ("SCUF ESOS 2013") under which Employee Stock Options were granted to certain of its eligible employees. Shriram Finance Limited Employee Stock Options Scheme 2023 ("SFL ESOS 2023") has been created in lieu of the SCUF ESOS 2013 to issue stock options to the eligible employee of the Transferor Company taking into account the share exchange ratio as provided in terms of clause 3.36.1 of the Scheme. The objective of SFL ESOS 2023 plan is that the eligible employees of the Transferor Company continue to enjoy the benefit of stock options upon becoming the employees of the Company and to restore the value of options post amalgamation in the manner provided in terms of Clause 3.35.17 of the Scheme. This SFL ESOS 2023 plan has been adopted on March 15, 2023 by the Board and Nomination and Remuneration Committee of the Company.

Total no. of grant of options under SCUF ESOS 2013 plan are 2,627,000.

Details of grants made under SCUF ESOS 2013 plan are as follows:

Particulars	Grant date	No. of options granted
Grant I	August 11, 2020	300,221
Grant II	November 02, 2020	300,030
Grant III	January 29, 2021	315,396
Grant IV	July 29, 2021	302,601
Grant V	October 27, 2021	303,270
Grant VI	January 28, 2022	301,582
Grant VII	April 29, 2022	599,800
Grant VIII	July 27, 2022	28,913

Particulars	Number of options
Options Outstanding under SCUF ESOS Scheme 2013; as on April 01, 2022	1,188,819
Options granted between April 01, 2022 to March 14, 2023	628,713
Options exercised between April 01, 2022 to March 14, 2023	404,724
Options lapsed/ forfeited between April 01, 2022 to March 14, 2023	30,120
Options Outstanding under SCUF ESOS Scheme 2013; as on March 14, 2023	1,382,688
No. of options not yet granted under SCUF ESOS Scheme 2013 as on March 14, 2023	216,594
Total Options Outstanding including ungranted options under SCUF ESOP Scheme 2013; as on March 14, 2023	1,599,282
Fresh Options to be granted under SFL ESOS Scheme 2023 in lieu of SCUF ESOP Scheme 2013 Swap ratio of 1.55 shares per one share	2,478,888
Roundup adjustment for fractional options resulting on account of conversion	620
Total Fresh Options granted under SFL ESOS Scheme 2023 adopted on March 15, 2023	2,479,508
Options lapsed/ forfeited after adoption of SFL ESOS Scheme 2023	36,097
No of options not yet granted under SFL ESOS Scheme 2023 in lieu of SCUF ESOP Scheme 2013 Swap ratio of 1.55 shares per one share	335,720
Total share Options Outstanding under SFL ESOS 2023 as on March 31, 2023	2,107,691

The options shall vest in the hands of the Option holder after a minimum period of 12 months from the date of grant of option or such longer period as may be determined by the Committee subject to the condition that the Option grantee continues to be an employee of the Company and the performance or other conditions as may be determined by the Committee. The maximum period of vesting shall be 5 years from the date of grant.

67 EMPLOYEE STOCK OPTION PLAN (Contd.)

The period during which the options granted by the Transferor Company under SCUF ESOS 2013 plan were held by the eligible employee shall be adjusted against the minimum vesting period. That is, the date of vesting under the SCUF ESOS 2013 plan shall be considered as the vesting date under SFL ESOS 2023 plan.

The exercise price shall be Rs. 193.55 per Fresh Options under the SFL ESOS 2023.

The options vested shall be exercised within period of ten years from the vesting date. When exercisable, each option is convertible into one equity share. Any option granted shall be exercisable according to the terms and conditions as determined by the Scheme.

67.02: Fair value of the options granted

The Company has recorded employee stock-based compensation expense relating to the SFL ESOS 2023 options on the basis of fair value of SCUF ESOS 2013 options.

The fair value of the options granted is mentioned below as per vesting period. The fair value of the options is determined using Black-Scholes model which takes into account the exercise price, the term of the option (time to maturity), the share price as at the grant date and expected price volatility (standard deviation) of the underlying share, the expected dividend yield and risk-free interest rate for the term of the option.

Fair value and assumptions for the equity-settled grants under the SCUF ESOS 2013 plan is as under;

Particulars	Grant I	Grant II	Grant III	Grant IV	Grant V	Grant VI	Grant VII	Grant VIII
Grant Date	August 11, 2020	November 02, 2020	January 29, 2021	July 29, 2021	October 27, 2021	January 28, 2022	April 29, 2022	July 27, 2022
Vesting Date	August 11, 2020	November 02, 2021	January 29, 2022	July 29, 2022	October 27, 2022	January 28, 2023	April 29, 2023	July 27, 2023
Exercise Price (in Rs.)	300.00	300.00	300.00	300.00	300.00	300.00	300.00	300.00
Fair value of option (in Rs.)	399.20	560.18	756.39	1,539.79	1,985.23	1,517.66	1,440.68	1,686.59
Input Variables:								
Share price as on grant date (in Rs.)	661.80	822.75	1,018.70	1,814.10	2,257.45	1,787.90	1,708.60	1,949.95
Standard deviation (Volatility)	38.28%	44.52%	47.21%	27.52%	49.85%	53.76%	51.12%	49.47%
Risk-free rate	5.85%	5.88%	6.20%	4.48%	4.82%	5.03%	5.51%	6.46%
Time to maturity (in years)	2	2	2	2	2	2	2	2
Expected Dividend per annum (in Rs)	20.00	25.00	30.00	-	-	-	-	-
Dividend yield	3.00%	3.00%	3.00%	-	-	-	-	-

Since the SFL ESOS scheme 2023 is already recorded by applying fair value method, the disclosure required under para 48 of guidance note on "Accounting for Employees Share Based Payments" issued by ICAI for reconciling the impact on net profit and earnings per share is not required.

67.03: Rationale for the variables used

The variables used for calculating the fair values and their rationale are as follows:

a. Stock Price

The latest available closing market price on the National Stock Exchange (NSE) date on which options are granted under SCUF ESOS 2023 plan has been considered for the purpose of valuation.

b. Volatility

Volatility is a measure of the amount by which a price has fluctuated or is expected to fluctuate during a period. The measure of volatility used in the Black-Scholes option pricing model is the annualised standard deviation of the continuously compounded rates of return on the stock over a period of time.

67 EMPLOYEE STOCK OPTION PLAN (Contd.)

The period to be considered for volatility must be adequate to represent a consistent trend in the price movements. Accordingly, the annualised volatility has been computed based on the share price data of past one year, from the date of the valuation.

The fair value is very sensitive to this variable. Higher the volatility, higher is the fair value. The rationale being, the more volatile a stock is, the more is its potential to go up (or come down), and the more is the probability to gain from the movement in the price. Accordingly, an option to buy a highly volatile stock is more valuable than the one to buy a less volatile stock, since the probability of gaining is lesser in the latter case.

c. Risk free interest rate

The risk-free interest rate being considered for the calculation is the interest rate applicable on Government securities - having 10 year maturity period.

d. Exercise price

Exercise price of the options granted is as per SCUF ESOS 2013 plan.

e. Time to maturity / Expected life of options

Time to maturity / expected life of options is the period from the grant date to the date on which option is expected to be exercised. The minimum life of stock option is the minimum period before which the options cannot be exercised and maximum life is the period after which the options cannot be exercised.

Considering the deep discount on the market price i.e. 55% to 70%, it is expected that the options will be exercised in 1 year from the vesting date. As such the average expected life of options is considered at 2 years.

67.04: Effect of the employee share-based payment plans on the Statement of profit and loss and on its financial position

The Company has recorded employee stock-based compensation cost of Rs. 168.03 crores in the Statement of profit and loss for the year ended March 31, 2023 (March 31, 2022: Rs. Nil)

The share option outstanding in the Balance Sheet as at March 31, 2023 is Rs. 194.84 crores (March 31, 2022: Rs. Nil)

67 EMPLOYEE STOCK OPTION SCHEME (ESOS)

B. Shriram Housing Finance Limited ("SHFL"):

SHFL provides share-based payment schemes to its employees. For the year ended March 31, 2023 following employee stock option plans (ESOPs) were in existence. The relevant details of the schemes and the grants are as below :

Details of Employee Stock Option Schemes	ESOP Scheme 2013 (Tranche I - 13)	ESOP Scheme 2013 (Tranche II - 13)	ESOP Scheme 2016 (Tranche I - 16)	ESOP Scheme 2013 (Tranche III - 13)	ESOP Scheme 2016 (Tranche II - 16)	ESOP Scheme 2016 (Tranche III - 16)
Date of shareholder's approval of plan	March 28, 2013	March 28, 2013	December 13, 2016	March 28, 2013	December 13, 2016	December 13, 2016
Date of grant	August 28, 2013 & April 20, 2015	December 19, 2018	February 01, 2020	February 23, 2021	November 01, 2021	May 01, 2022
Number of options granted	350,000	25,00,000	1,240,000	500,000	1,570,000	200,000
Method of settlement	Equity	Equity	Equity	Equity	Equity	Equity
Vesting period	3 - 5 years	3 - 10 years	1 - 3 years	1 - 8 years	1 - 3 years	1 - 3 years
Exercise price	10.00	10.00	35.00	10.00	35.00	35.00
Exercise period	Not later than 5 years from the date of vesting of options	Not later than 5 years from the date of vesting of options	Not later than 3 years from the date of vesting of options	Not later than 5 years from the date of vesting of options	Not later than 3 years from the date of vesting of options	Not later than 3 years from the date of vesting of options
Vesting conditions	Employee remaining in the employment of the enterprise during the vesting period					

67 EMPLOYEE STOCK OPTION SCHEME (ESOS) (Contd.)

Details of vesting

Vesting period from the grant date	ESOP Scheme 2013 (Tranche I - 13)	ESOP Scheme 2013 (Tranche II - 13)	ESOP Scheme 2016 (Tranche I, II and III - 16)	ESOP Scheme 2013 (Tranche III - 13)
Completion of 1 year	-	-	33.33%	12.50%
Completion of 2 year	-	-	33.33%	12.50%
Completion of 3 year	-	12.50%	33.33%	12.50%
Completion of 4 year	50.00%	12.50%	-	12.50%
Completion of 5 year	50.00%	12.50%	-	12.50%
Completion of 6 year	-	12.50%	-	12.50%
Completion of 7 year	-	12.50%	-	12.50%
Completion of 8 year	-	12.50%	-	12.50%
Completion of 9 year	-	12.50%	-	-
Completion of 10 year	-	12.50%	-	-

Details of activity under each plan

Particulars	ESOP Scheme 2013 (Tranche I - 13)		ESOP Scheme 2013 (Tranche II - 13)		ESOP Scheme 2016 (Tranche I, II and III - 16)		ESOP Scheme 2013 (Tranche III - 13)	
	No. of Options	Weighted Avg. Exercise Price	No. of Options	Weighted Avg. Exercise Price	No. of Options	Weighted Avg. Exercise Price	No. of Options	Weighted Avg. Exercise Price
Outstanding as at March 31, 2022	60,000	10.00	2,500,000	10.00	2,765,000	35.00	500,000	10.00
Vested as at March 31, 2022	-	-	312,500	-	413,333	-	62,500	-
Outstanding as at 01 April 2022	60,000	10.00	2,500,000	10.00	2,765,000	35.00	500,000	10.00
Granted during the year	-	-	-	-	200,000	35.00	-	-
Forfeited during the year	-	10.00	-	-	(70,000)	35.00	-	-
Exercised during the year	(25,000)	10.00	(625,000)	-	-	-	(125,000)	-
Outstanding as at March 31, 2023	35,000	10.00	1,875,000	10.00	2,895,000	35.00	375,000	10.00
Vested as at March 31, 2023	35,000		1,875,000		2,695,000		375,000	

The value of the underlying shares has been determined by an independent valuer. The following assumptions were used for calculation of fair value of grants in accordance with Black Scholes model, for options granted during the financial year:

Particulars	ESOP Scheme 2013 (Tranche I - 13)	ESOP Scheme 2013 (Tranche II - 13)	ESOP Scheme 2016 (Tranche I - 16)	ESOP Scheme 2013 (Tranche III - 13)	ESOP Scheme 2016 (Tranche II - 16)	ESOP Scheme 2016 (Tranche III - 16)
Risk-free interest rate	7.26% - 7.42%	7.08% - 7.68%	5.75% - 6.03%	5.45% - 6.46%	4.96% - 5.70%	4.96% - 5.70%
Expected life of options (years) [(year to vesting) + (contractual option term)/2]	6.50 Years - 7.50 Years	5.50 - 6.78 Years	2.50 - 4.50 Years	3.32 - 4.60 Years	2.50 - 2.91 Years	2.50 - 4.50 Years

67 EMPLOYEE STOCK OPTION SCHEME (ESOS) (Contd.)

Particulars	ESOP Scheme 2013 (Tranche I - 13)	ESOP Scheme 2013 (Tranche II - 13)	ESOP Scheme 2016 (Tranche I - 16)	ESOP Scheme 2013 (Tranche III - 13)	ESOP Scheme 2016 (Tranche II - 16)	ESOP Scheme 2016 (Tranche III - 16)
Expected volatility (%)	40.56% - 43.90%	36.58% - 42.21%	40.76% - 42.76%	36.00% - 40.16%	31.01% - 36.98%	31.01% - 36.98%
Dividend yield	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Weighted average remaining contractual life (in years)	-	-	-	-	-	1.09

The risk free interest rates are determined based on the Government bond yields with maturity equal to the expected term of the option. Volatility calculation is based on historical stock prices of comparable listed companies using standard deviation of daily change in stock price. The historical period is taken into account to match the expected life of the option. Dividend yield has been considered taking into account the historical and expected rate of dividend on equity share price as on grant date.

The expense recognised for employee services received during year ended March 31, 2023 is shown in the following table:

Particulars	(Rs. in crores)
	Year ended March 31, 2023
Expense arising from equity-settled share based payment transactions	3.47
Expense arising from cash-settled share based payment transactions	-
Total expense arising from share based payment transactions	3.47

68 CAPITAL MANAGEMENT

The Group maintains an actively managed capital base to cover risks inherent in the business which includes issued equity capital, share premium and all other equity reserves attributable to equity holders of the Group.

The primary objectives of the Group's capital management policy are to ensure that the Group complies with externally imposed capital requirements and maintains strong credit ratings and healthy capital ratios in order to support its business and to maximise shareholder value.

The Group manages its capital structure and makes adjustments to it according to changes in economic conditions and the risk characteristics of its activities. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividend payment to shareholders, return capital to shareholders or issue capital securities. No changes have been made to the objectives, policies and processes from the previous years except those incorporated on account of regulatory amendments. However, they are under constant review by the Board.

69 The Code on Social Security, 2020 (the Code) has been enacted, which would impact contribution by the Group towards Provident Fund and Gratuity. The effective date from which changes are applicable is yet to be notified and the rules thereunder are yet to be announced. The actual impact on account of this change will be evaluated and accounted for when notification becomes effective.

70 REGISTRATION OF CHARGES OR SATISFACTION WITH REGISTRAR OF COMPANIES (ROC)

All charges or satisfaction are registered with ROC within the statutory period for the financial years ended March 31, 2023 and March 31, 2022. No charges or satisfactions are yet to be registered with ROC beyond the statutory period.

71 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 for the financial years ended March 31, 2023 and March 31, 2022.

72 COMPLIANCE WITH APPROVED SCHEME(S) OF ARRANGEMENTS

The Board of Directors of the Company in its meeting held on December 13, 2021 had approved a Composite Scheme of Arrangement and Amalgamation ("Scheme"), inter alia, involving amalgamation of Shriram Capital Limited (after de-merger of few undertakings from the said Shriram Capital Limited) and Shriram City Union Finance Limited with the Company under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013. The Hon'ble National Company Law Tribunal, Chennai Bench ("NCLT") has approved the Composite Scheme of Arrangement and Amalgamation ("Scheme"). The effect of such Scheme of Arrangements has been accounted for in the books of account of the Company in accordance with the Scheme and in accordance with accounting standards.

73 UTILISATION OF BORROWED FUNDS AND SHARE PREMIUM

The Group, as part of its normal business, grants loans and advances, makes investment, provides guarantees to and accept deposits and borrowings from its customers, other entities and persons. These transactions are part of Group's normal non-banking finance business, which is conducted ensuring adherence to all regulatory requirements. Other than the transactions described above, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Group to or in any other persons or entities, including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in party identified by or on behalf of the Group (Ultimate Beneficiaries). The Group has also not received any fund from any parties (Funding Party) with the understanding that the Group shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

74 UNDISCLOSED INCOME

There are no transactions not recorded in the books of accounts for the financial years ended March 31, 2023 and March 31, 2022.

75 CHANGE IN POLICY FOR IMPAIRMENT OF FINANCIAL INSTRUMENTS

The Group had been fully providing for the underlying loans net of its estimated realisable value in respect of which collaterals had been repossessed and not sold for more than 12 months till June 30, 2021. During the quarter ended September 30, 2021, the Group had revised its policy to fully provide for the underlying loans net of its estimated realisable value in respect of which collaterals had been repossessed and not sold for more than 6 months. Had it continued to follow the earlier policy, impairment of financial instruments for the year ended March 31, 2022 would have been lower by Rs. 30.49 crores and profit before tax for the same period would have been higher by Rs. 30.49 crores.

76 CHANGE IN THE PROCESS OF NPA CLASSIFICATION

Pursuant to RBI circular RBI/2021-22/125 DOR/STR/REC.68/21.04.048/2021-22 dated November 12, 2021, on Prudential norms on Income Recognition, Asset Classification and Provisioning pertaining to Advances – Clarifications, the Group has revised its process of NPA classification to flagging of the borrower accounts as overdue as part of the day-end processes for the due date. Had the Group followed the earlier method, the profit before tax for the year ended on March 31, 2022 would have been higher by Rs. 407.65 crores.

77 PREVIOUS YEAR COMPARATIVES

The figures for the previous year have been regrouped/ rearranged wherever necessary to conform to the current year presentation. There are no significant regroupings/ reclassification for the year under report.

78 TITLE DEEDS OF IMMOVABLE PROPERTIES NOT HELD IN NAME OF THE GROUP

Consequent to effect of scheme of amalgamation of SCUF with STFC and change in the name of the company from STFC to SFL, the Company is in process of applying for the name change in respect of its immovable properties.

79 DETAILS OF CRYPTO CURRENCY OR VIRTUAL CURRENCY

The Group has not traded or invested in Crypto currency or Virtual currency during the financial years ended March 31, 2023 and March 31, 2022.

80 DETAILS OF BENAMI PROPERTY HELD

No proceedings have been initiated or pending against the Group for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder in the financial years ended March 31, 2023 and March 31, 2022.

81 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, 2023 and March 31, 2022.

82 RELATIONSHIP WITH STRUCK OFF COMPANIES

82.01: Shriram Finance Limited

Transactions with companies whose names have been struck off under section 248 of Companies Act, 2013 or section 560 of Companies Act, 1956 in the financial years ended March 31, 2023 and March 31, 2022 are given below:

Name of the struck off company	Relationship with the Struck off company	(Rs. in crores)		Nature of transaction
		Balance outstanding as at March 31, 2023 *	March 31, 2022 *	
Receivables (Loans outstanding)				
ARRR Constructions Chennai Private Limited	No	-	0.02	Borrower
Skilltech Services Private Limited	No	-	0.02	Borrower
Swift Equipments Private Limited	No	0.89	0.95	Borrower
Benze Vaccations Club Public Limited	No	0.01	-	Borrower
Gocha Infrastructure Private Limited	No	0.01	-	Borrower
Karainthi Private Limited	No	0.47	-	Borrower
Saanwi Housing Private Limited	No	0.06	-	Borrower
Seven Stones TM Private Limited	No	0.08	-	Borrower
Vekkaiammam Telecom Serv	No	0.06	-	Borrower
Janasaathi Media And Technologies Private Limited	No	0.01	-	Borrower
MCDN Management Services Private Limited	No	0.01	-	Borrower
Maltiton Equipments Private Limited	No	0.01	-	Borrower
Steigen Crop Tech Private Limited	No	0.44	-	Borrower
S. A. Industries Private Limited	No	0.23	-	Borrower
Three G Online Services Private Limited	No	0.03	-	Borrower

82 RELATIONSHIP WITH STRUCK OFF COMPANIES (Contd.)

Name of the struck off company	Relationship with the Struck off company	(Rs. in crores)		Nature of transaction
		Balance outstanding as at March 31, 2023 *	March 31, 2022 *	
Shares held by struck off company**				
Nasik Capital and Financial Services Private Limited	No	0.00	0.00	Equity shareholder
Rasi Leasing Company Private Limited	No	0.00	0.00	Equity shareholder
Unickon Fincap Private Limited	No	0.00	-	Equity shareholder
Arunoday Holdings Private Limited	No	0.00	-	Equity shareholder
Tangmarg Investment and Trading Private Limited	No	0.00	-	Equity shareholder

*0.00 denotes amounts less than Rs. 1.00 lac.

**In the financial years ended March 31, 2023 and March 31, 2022, the Company did not have any transaction with above equity shareholders, being the companies whose names have been struck off under section 248 of Companies Act, 2013 or section 560 of Companies Act, 1956. Our Company has not allotted any Equity share to the said companies. The shareholding data is as per the record of beneficiary position downloaded by the Registrar and Transfer Agent of the Company from the database maintained by the depositories and reported to us for the purpose of this disclosure.

82.02: Shriram Housing Finance Limited ("SHFL")

SHFL has not undertaken any transactions with any company whose name is struck off under section 248 of Companies Act, 2013 or section 560 of Companies Act, 1956 in the financial years ended March 31, 2023.

As per our report of even date

For KKC & Associates LLP
(formerly Khimji Kunverji & Co LLP)

Chartered Accountants

ICAI Firm Registration No.: 105146W/W100621

For Sundaram & Srinivasan

Chartered Accountants

ICAI Firm Registration No.: 004207S

For and on behalf of the Board of Directors of

Shriram Finance Limited

(formerly Shriram Transport Finance Company Limited)

Devang Doshi
Partner

Membership No.: 140056
Mumbai
April 27, 2023

P Menakshi Sundaram
Partner

Membership No.: 217914
Mumbai
April 27, 2023

Jugal Kishore Mohapatra
Chairman

DIN: 03190289
New Delhi
April 27, 2023

Parag Sharma
Joint Managing Director & CFO
DIN: 02916744
Mumbai
April 27, 2023

Y. S. Chakravarti
Managing Director
& CEO
DIN: 00052308
Mumbai
April 27, 2023

U Balasundararao
Company Secretary
Mumbai
April 27, 2023

Additional information as required by paragraph 2 of the general instructions for preparation of Consolidated Financial statements to schedule III to the Companies Act, 2013.

Name of the entity in the Group	Net Asset, i.e., total assets minus total liabilities		Shares in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of Consolidated net assets	Amount (Rs. in crores)	As % of Consolidated profit or loss	Amount (Rs. in crores)	As % of consolidated other comprehensive income	Amount (Rs. in crores)	As % of total comprehensive income	Amount (Rs. in crores)
I	2	3	4	5	4	5	4	5
Parent								
Shriram Finance Limited	98.87%	43,306.64	99.32%	5,979.34	97.51%	(25.82)	99.33%	5,953.52
Subsidiaries								
Indian								
Shriram Housing Finance Limited	2.31%	1,012.51	2.14%	128.76	1.28%	(0.34)	2.14%	128.42
Foreign								
	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
Minority interests in all subsidiaries								
	0.65%	286.68	0.00	8.99	0.23%	(0.06)	0.15%	8.93
Associates (Investment as per the equity method)								
Indian								
Shriram Automall India Limited	0.39%	170.37	0.14%	8.56	0.98%	(0.26)	0.14%	8.30
Foreign								
	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
Inter-company eliminations and consolidation adjustments								
	-2.23%	(976.66)	-1.75%	(105.62)	0.00%	-	-1.76%	(105.62)
Joint Ventures (as per proportionate consolidation / investment as per the equity method)								
Indian								
	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
Foreign								
	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
TOTAL	100.00%	43,799.54	100.00%	6,020.03	100.00%	(26.48)	100.00%	5,993.55

For and on behalf of the Board of Directors of
Shriram Finance Limited
(formerly Shriram Transport Finance Company Limited)

Jugal Kishore Mohapatra
Chairman

DIN: 03190289
New Delhi
April 27, 2023

Y. S. Chakravarti
Managing Director & CEO

DIN: 00052308
Mumbai
April 27, 2023

Parag Sharma
Joint Managing Director & CFO

DIN: 02916744
Mumbai
April 27, 2023

U Balasundarao
Company Secretary

Mumbai
April 27, 2023

To the Members of
Shriram Transport Finance Company Limited

REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Opinion

1. We have audited the accompanying consolidated financial statements of Shriram Transport Finance Company Limited ("the Holding Company" or "the Parent" or "the Company") and its associate, which comprise the consolidated balance sheet as at 31 March 2022 and the consolidated statement of profit & loss (including other comprehensive income), the consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information ("the Consolidated Financial Statements").
2. In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate financial statements of such associate as were audited by the other auditors, 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 accounting principles generally accepted in India, of the consolidated state of affairs of the Parent and its associate as at 31 March 2022, and its consolidated profit and other comprehensive income, consolidated changes in equity and its consolidated cash flows for the year ended on that date.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing ("SAs") specified under section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Parent and its associate in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the Consolidated Financial Statements under the provisions of the Act, and the rules 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 along with the consideration of audit reports of the other auditors referred to in the "Other Matters" paragraph below is sufficient and appropriate to provide a basis for our opinion on the Consolidated Financial Statements.

Emphasis of Matter

4. We draw attention to Note 63 to the Consolidated financial statements which describes the facts that the additional Expected Credit Loss (ECL) provision on account of COVID-19 is based on the Company's historical experience, collection efficiencies post lockdown, internal assessment, and other emerging forward-looking factors on account of the pandemic. However, the actual impact may vary due to prevailing uncertainty caused by the pandemic. Further, the extent to which the COVID-19 pandemic will impact the Company's financial performance is dependent on future developments, which are highly uncertain. Our Opinion is not modified in respect of this matter.

Key Audit Matters

5. 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 year under report. 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.
6. 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 our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying Consolidated Financial statements.

A. Impairment Loss Allowance of loans and advances

(Reference to Note 12 read with Statement of Accounting Policies Note 6.1(xi) and Note No. 63 of the Other Notes forming part of Consolidated Financial statements- Schedule to the Consolidated Financial Statements)

	(Rs. in crores)
Gross Advances	125,699.03
Provisions*	9,033.88
Net Advances	116,665.15
COVID-19 Provision*	2,052.58

(*COVID-19 Provisions - towards management overlay on account of COVID-19 is included in above provisions)

B. Significant estimates and judgment involved

Key Audit Matter

During the year, Reserve Bank of India issued revised guidelines (including clarifications thereon) on Income Recognition and Asset Classification norms ("IRAC"). These guidelines prescribe the prudential norms for identification and classification of such assets as Stage 3 / NPAs.

The Company has applied its judgement to determine the identification and classification of such assets as Stage 3 / NPAs by applying quantitative as well as qualitative factors. The risk of identification of such assets as Stage 3 / NPAs is affected by factors like stress and liquidity concerns of such assets.

Impairment loss allowance of loans and advances ("Impairment loss allowance") is a Key Audit Matter as the Company has significant credit risk exposure considering the large loan portfolio across a wide geographical range. The value of loans and advances on the balance sheet is significant and there is a high degree of complexity and judgment involved in estimating individual and collective credit impairment provisions, write-offs against these loans and to additionally determine the asset quality and provision of the Company. The Company's model to calculate expected credit loss ("ECL") is inherently complex and judgment is applied in determining the correct construction of the three-stage impairment model ("ECL Model") including the selection and input of forward looking information. ECL provision calculation require the use of large volumes of data. The completeness and reliability of data can significantly impact accuracy of the modelled impairment provisions. The accuracy of data flows and the implementation of related controls are critical for the integrity of the estimated impairment provisions.

C. Auditor's Response

Audit Procedures included but were not limited to the following:

We have started our audit procedures with understanding of the internal control environment related to Impairment loss allowance. Our procedures over internal controls focused on recognition and measurement of impairment loss allowance. We assessed the design and tested the operating effectiveness of the selected key controls implemented by the Company.

We also assessed whether the impairment methodology used by the Company is in accordance with the assumptions and methodology approved by the Board of Directors of the Company which is based on and in compliance with Ind AS 109 "Financial Instruments".

Accordingly, we assessed the approach of the Company regarding definition of Default, Probability of Default (PD), Loss Given Default (LGD) and incorporation of forward-looking information for the calculation of ECL.

For loans and advances which are assessed for impairment on a portfolio basis we performed particularly the following procedures:

- Read the Company's policies for identification, classification and assessing compliance for Stage 3 / NPAs customers in line with the IRAC norms;
- We understood the design, reliability and operating effectiveness of key data inputs and related management controls;
- We performed substantial audit procedure relating to identification and classification of Stage 3 / NPAs by the company.
- We tested the identification / grouping of the loan accounts mapped with the customer code as identified by the management;
- We tested the exception reports generated from the company's software systems where the loan accounts have been recorded.
- We performed analytical procedures to identify possible cases of evergreening of loans and tested these on sample basis.
- We checked the stage classification as at the balance sheet date as per the definition of Default of the Company and Reserve Bank of India circulars issued from time to time;
- We validated the ECL Model and its calculation by involving our Information Technology Expert;
- We have checked on sample basis that the stage classification for the borrowers has been given in accordance with the Resolution Framework issued by Reserve Bank of India (the 'RBI') and the Board approved policy for ECL provisioning and stage classification with respect to such accounts;

- We have verified whether the ECL provision is made in accordance with the Board Approved Policy in this regard;
- We have also calculated the ECL provision manually for selected samples;
- We have assessed the assumptions made by the Company in making accelerated provision considering forward looking information and based on an event in a particular geographical range;
- With respect to additional provision made by the Company on account of the impact of COVID-19 pandemic, we broadly reviewed the underlying assumptions and estimates used by the management for the same but as the extent of impact is dependent on future developments which are highly uncertain, we have primarily relied on those assumptions and estimates. These assumptions and estimates are a subject matter of periodic review by the Company; and
- We have assessed disclosure requirements for classification and identification of Stage 3/ NPAs in accordance with RBI circulars including those issued specifically issued for COVID-19 related matters.

For loans and advances which are written off during the year under audit, we read and understood the methodology and policy laid down and implemented by the Company in this regards along with its compliance on sample basis.

Other Information

7. The Holding Company's Board of Directors are responsible for the other information. The other information comprises the information included in the Holding Company's annual report like Management Discussion and Analysis, Director's Report and Corporate Governance Report, but does not include the Consolidated Financial Statements and our auditors' report thereon. The Other Information which we obtained prior to the date of this auditor's report, and Annual Report, which is expected to be made available to us after that date.
8. Our opinion on the Consolidated Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.
9. 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. If, based on the work we have performed and based on the work done / audit report of other auditors, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's responsibility for the Consolidated Financial Statements

10. The Holding Company's Board of Directors are responsible for the preparation and presentation of these Consolidated Financial Statements, that give a true and fair view of the consolidated state of affairs, consolidated profit and other comprehensive income, consolidated changes in equity and consolidated cash flows of the Parent including its associate in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards ("Ind AS") specified under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.
11. The respective Board of Directors of the Parent and of its associate are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Parent and of its associate and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring 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.
12. In preparing the Consolidated Financial Statements, the respective Board of Directors of the Parent and of its associate are responsible for assessing the ability of each company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the management either intends to liquidate the Parent or to cease operations, or has no realistic alternative but to do so.

13. The respective Board of Directors of the Parent and of its associate are responsible for overseeing the financial reporting process of the Parent and of its associate.

Auditor's responsibilities for the audit of the Consolidated Financial Statements

14. 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.
15. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
 - 15.1 Identify and assess the risks of material misstatement of the Consolidated Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
 - 15.2 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 Holding Company has adequate internal financial controls with reference to the Consolidated Financial Statements and the operating effectiveness of such controls.
 - 15.3 Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
 - 15.4 Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or

conditions that may cast significant doubt on the ability of the Parent and its associate to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Consolidated Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Parent and its associate to cease to continue as a going concern.

- 15.5 Evaluate the overall presentation, structure and content of the Consolidated Financial Statements, including the disclosures, and whether the Consolidated Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.
- 15.6 Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities of the Parent and its associate to express an opinion on the Consolidated Financial Statements. We are responsible for the direction, supervision and performance of the audit of financial statements of such entities included in the Consolidated Financial Statements of which we are the independent auditors. For the other entities included in the Consolidated Financial Statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.
16. We communicate with those charged with governance of the Holding Company and such other entities included in the Consolidated Financial Statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
17. 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.
18. 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 auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

19. The Consolidated Financial Statements include the Holding Company's share of net profit of Rs. 13.17 crore and share of Total comprehensive income of Rs. 13.15 crore for the year ended 31 March 2022, as considered in the Consolidated Financial Statements, in respect of one associate, whose financial statements have not been audited by us. These financial statements have been audited by other auditors whose reports have been furnished to us by the management and our opinion on the Consolidated Financial Statements, in so far as it relates to the amounts and disclosures included in respect of this associate, and our report in terms of section 143(3) of the Act, in so far as it relates to the aforesaid associate, is based solely on the reports of the other auditors.
20. The comparative financial Statements of the Company for the year ended 31 March 2021 included in Consolidated Financial Statements, were audited by the then Joint statutory auditors "Haribhakti & Co. LLP, Chartered Accountants" and "Pijush Gupta & Co., Chartered Accountants" whose reports dated 29 April 2021 expressed an unmodified opinion on those consolidated financial statements. Our opinion is not modified in respect of this matter.
21. 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 reports of the other auditors.

Report on Other Legal and Regulatory Requirements

22. As required by section 143(3) of the Act, based on our audit and on the consideration of audit reports of the other auditors on separate financial statements of such associate as were audited by other auditors, as noted in the 'Other Matters' paragraph, we report, to the extent applicable, that:

- 22.1. 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.
- 22.2. In our opinion, proper books of account as required by law relating to preparation of the aforesaid Consolidated Financial Statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
- 22.3. 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 relevant books of account maintained for the purpose of preparation of the Consolidated Financial Statements.
- 22.4. In our opinion, the aforesaid consolidated financial statements comply with the Ind AS prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended;
- 22.5. On the basis of the written representations received from the directors of the Holding Company as on 31 March 2022, taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its associate company incorporated in India, none of the directors of the Holding Company and its associate company incorporated in India are disqualified as on 31 March 2022 from being appointed as a director in terms of Section 164(2) of the Act.
- 22.6. With respect to the adequacy of internal financial controls with reference to the Consolidated Financial Statements of the Holding Company and associate company incorporated in India and the operating effectiveness of such controls, refer to our separate report in "Annexure A".
- 22.7. With respect to the other matter to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act:
In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid/ provided by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act;

23. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014 as amended, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of audit reports of the other auditors on separate financial statements of such associate, as noted in the 'Other Matters' paragraph:

23.1. The Consolidated Financial Statements disclose the impact of pending litigations as at 31 March 2022 on the consolidated financial position of the Parent and its associate- Refer Note 49 to the consolidated financial statements.

23.2. Provision has been made in the Consolidated Financial Statements, as required under the applicable law or Ind AS, for material foreseeable losses, if any, on long-term contracts including derivative contracts - Refer Note 10 to the Consolidated Financial Statements in respect of such items as it relates to the Parent and its associate.

23.3. There has been no delay in transferring amounts required to be transferred, to the Investor Education and Protection Fund by the Holding Company and/or its associate company incorporated in India during the year ended 31 March 2022.

23.4.(a) The management has represented to us that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend to or invest in other persons or entities identified in any manner whatsoever by or on behalf of

the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

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

(c) Based on such audit procedures that were considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause 23.4 (a) and 23.4 (b) contain any material misstatement.

23.5. As stated in Note 30 to the Consolidated Financial Statements

a) The final dividend proposed in the previous year, declared, and paid by the Company during the year is in accordance with Section 123 of the Act, as applicable.

b) The interim dividend declared and paid by the Company during the year and until the date of this report is in compliance with Section 123 of the Act.

c) The Board of Directors of the Company have not proposed final dividend for the year. As such the interim dividend aggregating to Rs. 20/-per share (i.e. 200 %) shall be the final dividend for the financial year 2021-22 . The amount of dividend declared is in accordance with section 123 of the Act, as applicable.

For **Sundaram & Srinivasan**
Chartered Accountants
Firm Registration Number - 004207S

P Menakshi Sundaram
Partner
Membership Number: 217914
UDIN: 22217914AHYPMQ3382

Place: Mumbai
Date: 28 April 2022

For **Khimji Kunverji & Co LLP**
Chartered Accountants
Firm Registration Number - 105146W/W- 100621

Gautam Shah
Partner
Membership Number: 117348
UDIN: 22117348AHYPZE3273

Place: Mumbai
Date: 28 April 2022

Annexure “A” to the Independent Auditor’s report on the Consolidated Financial Statements of Shriram Transport Finance Company Limited for the year ended 31 March 2022

(Referred to in paragraph 22.6 under ‘Report on Other Legal and Regulatory Requirements’ section of our Independent Auditor’s report of even date)

Report on the Internal Financial Controls with reference to the aforesaid Consolidated Financial Statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013

Opinion

1. We have audited the internal financial controls with reference to the Consolidated Financial Statements of Shriram Transport Finance Company Limited (“the Holding Company”) and its associate company, which are companies incorporated in India, as at 31 March 2022 in conjunction with our audit of the Consolidated Financial Statements of the Company for the year ended on that date.
2. In our opinion, the Holding Company and its associate company, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls with reference to the Consolidated Financial Statements and such internal financial controls were operating effectively as at 31 March 2022, based on the internal controls over financial reporting criteria established by the respective companies considering the essential components of such internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (“ICAI”) (“the Guidance Note”).

Management’s responsibility for Internal Financial Controls

3. The respective management of the Holding Company and its associate company, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls with reference to consolidated financial statements based on the internal controls over financial reporting criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company’s policies, the safeguarding of its assets,

the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor’s responsibility

4. Our responsibility is to express an opinion on the Holding Company and its associate, which are companies incorporated in India, internal financial controls with reference to the Consolidated Financial Statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing (“SA”), prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to the Consolidated Financial Statements. Those SAs and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to the Consolidated Financial Statements were established and maintained and whether such controls operated effectively in all material respects.
5. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to the Consolidated Financial Statements and their operating effectiveness. Our audit of internal financial controls with reference to the Consolidated Financial Statements included obtaining an understanding of internal financial controls with reference to the Consolidated Financial Statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of the internal controls based on the assessed risk. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the Consolidated Financial Statements, whether due to fraud or error.
6. We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the ‘Other Matters’ paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Holding Company’s and its associate’s the internal financial controls with reference to the Consolidated Financial Statements.

Meaning of Internal Financial controls with reference to the Consolidated Financial Statements

7. A company’s internal financial controls with reference to the Consolidated Financial Statements is a process

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

For **Sundaram & Srinivasan**
Chartered Accountants
Firm Registration Number - 004207S

P Menakshi Sundaram
Partner
Membership Number: 217914
UDIN: 22217914AHYPMQ3382

Place: Mumbai
Date: 28 April 2022

Inherent Limitations of Internal Financial Controls with reference to the Consolidated Financial Statements

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

Other Matters

9. Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls system with reference to the Consolidated Financial Statements in so far as it relates to one associate company, which is a company incorporated in India, is based on the corresponding reports of the auditors of such associate incorporated in India.

For **Khimji Kunverji & Co LLP**
Chartered Accountants
Firm Registration Number - 105146W/W- 100621

Gautam Shah
Partner
Membership Number: 117348
UDIN: 22117348AHYPZE3273

Place: Mumbai
Date: 28 April 2022

CONSOLIDATED BALANCE SHEET

AS AT MARCH 31, 2022

(Rs. in crores)			
Particulars	Note No.	As at March 31, 2022	As at March 31, 2021
ASSETS			
(1) Financial assets			
(a) Cash and cash equivalents	8	10,662.44	11,050.93
(b) Bank balance other than (a) above	9	5,692.72	5,390.89
(c) Derivative financial instruments	10	201.40	169.25
(d) Receivables	11		
(I) Trade receivables		5.35	8.92
(II) Other receivables		192.67	49.90
(e) Loans	12	116,665.15	108,303.04
(f) Investments	13	6,971.23	3,346.77
(g) Other financial assets	14	51.45	49.03
Total financial assets		140,442.41	128,368.73
(2) Non-financial Assets			
(a) Current tax assets (net)	15	228.24	171.73
(b) Deferred tax assets (net)	43	869.38	639.14
(c) Investment property	16	1.97	2.00
(d) Property, plant and equipment	17	110.56	124.44
(e) Right-of-use assets	18	302.52	308.51
(f) Other intangible assets	19	3.04	2.39
(g) Other non-financial assets	20	310.04	293.32
Total non-financial assets		1,825.75	1,541.53
Total assets		142,268.16	129,910.26
LIABILITIES AND EQUITY			
Liabilities			
(1) Financial liabilities			
(a) Payables			
(I) Trade payables	21		
(i) total outstanding dues of micro enterprises and small enterprises		0.02	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		166.01	152.52
(II) Other payables			
(i) total outstanding dues of micro enterprises and small enterprises		1.46	0.37
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		1.21	0.54
(b) Debt securities	22	41,256.55	40,061.87
(c) Borrowings (other than debt securities)	23	46,676.93	45,281.37
(d) Deposits	24	21,948.98	16,232.41
(e) Subordinated liabilities	25	4,614.25	4,620.76
(f) Lease liabilities	18	349.43	349.49
(g) Other financial liabilities	26	859.64	1,149.82
Total financial liabilities		115,874.48	107,849.15
(2) Non-financial liabilities			
(a) Current tax liabilities (net)	27	36.82	102.02
(b) Provisions	28	138.18	142.54
(c) Other non-financial liabilities	29	124.42	99.26
Total non-financial liabilities		299.42	343.82
Total liabilities		116,173.90	108,192.97
(3) Equity			
(a) Equity share capital	30	270.52	253.06
(b) Other equity	31	25,823.74	21,464.23
Total equity		26,094.26	21,717.29
Total liabilities and equity		142,268.16	129,910.26

See accompanying notes to the consolidated financial statements

As per our report of even date

For **Khimji Kunverji & Co LLP**

Chartered Accountants

ICAI Firm Registration No. 105146W/W-100621

For **Sundaram & Srinivasan**

Chartered Accountants

ICAI Firm Registration No. 004207S

For and on behalf of the Board of Directors of

Shriram Transport Finance Company Limited

Gautam Shah

Partner

Membership No. 117348

Mumbai

April 28, 2022

P Menakshi Sundaram

Partner

Membership No. 217914

Mumbai

April 28, 2022

S. Lakshminarayanan

Chairman

DIN: 02808698

Mumbai

April 28, 2022

Umesh Revankar

Vice Chairman &
Managing Director

DIN: 00141189

Mumbai

April 28, 2022

Parag Sharma

Joint Managing Director & CFO

DIN: 02916744

Mumbai

April 28, 2022

Vivek M. Achwal

Company Secretary

Mumbai

April 28, 2022

CONSOLIDATED STATEMENT OF **PROFIT AND LOSS**
FOR THE YEAR ENDED MARCH 31, 2022

CONSOLIDATED ACCOUNTS

(Rs. in crores)			
Particulars	Note No.	Year ended March 31, 2022	Year ended March 31, 2021
Revenue from operations			
(i) Interest income	32	18,646.26	17,128.14
(ii) Dividend income		-	-
(iii) Rental income		0.17	0.21
(iv) Fees and commission income	33	100.08	115.86
(v) Net gain on fair value changes	34	221.70	21.80
(vi) Net gain on derecognition of financial instruments under amortised cost category		217.74	58.85
(vii) Other operating income	35	69.22	95.59
(I) Total Revenue from operations		19,255.17	17,420.45
(II) Other Income	36	19.06	15.95
(III) Total Income (I + II)		19,274.23	17,436.40
Expenses			
(i) Finance cost	37	9,734.31	9,054.26
(ii) Fees and commission expenses	38	91.74	78.89
(iii) Impairment on financial instruments	39	3,860.86	3,118.40
(iv) Employee benefits expenses	40	997.09	906.25
(v) Depreciation, amortisation and impairment	41	135.37	137.36
(vi) Other expenses	42	905.61	863.23
(IV) Total Expenses		15,724.98	14,158.39
(V) Profit before exceptional items and tax (III - IV)		3,549.25	3,278.01
(VI) Exceptional items		-	-
(VII) Profit before tax (V + VI)		3,549.25	3,278.01
(VIII) Tax expense:			
(1) Current tax	43	1,112.57	1,197.77
(2) Deferred tax	43	(188.93)	(545.36)
(3) Tax adjustment for earlier years	43	(82.32)	138.34
(IX) Profit for the year from continuing operations (VII - VIII)		2,707.93	2,487.26
(X) Share of profit of associate		13.17	11.57
(XI) Profit for the year (IX + X)		2,721.10	2,498.83
(XII) Other comprehensive income			
A (i) Items that will not be reclassified to profit or loss			
Remeasurement gain/(loss) on defined benefit plan		(3.24)	-
Share of other comprehensive income from associates		(0.03)	0.27
(ii) Income tax relating to items that will not be reclassified to profit or loss		0.82	-
Tax on share of other comprehensive income from associates		0.01	(0.07)
Subtotal (A)		(2.44)	0.20
B (i) Items that will be reclassified to profit or loss			
Cash flow hedge			
Gain/(loss) on effective portion of hedging instruments in a cash flow hedge		(160.87)	(124.31)
(ii) Income tax relating to items that will be reclassified to profit or loss		40.49	31.29
Subtotal (B)		(120.38)	(93.02)
Other comprehensive income (A + B)		(122.82)	(92.82)
(XIII) Total Comprehensive income for the year (XI + XII)		2,598.28	2,406.01
(XIV) Earnings per equity share (face value Rs. 10/- per equity share)			
Basic (Rs.)	44	102.23	101.44
Diluted (Rs.)	44	102.23	101.44

See accompanying notes to the consolidated financial statements

As per our report of even date

For **Khimji Kunverji & Co LLP**
Chartered Accountants
ICAI Firm Registration No. 105146W/W-100621

For **Sundaram & Srinivasan**
Chartered Accountants
ICAI Firm Registration No. 004207S

For and on behalf of the Board of Directors of
Shriram Transport Finance Company Limited

Gautam Shah
Partner

Membership No. 117348
Mumbai
April 28, 2022

P Menakshi Sundaram
Partner

Membership No. 217914
Mumbai
April 28, 2022

S. Lakshminarayanan
Chairman

DIN: 02808698
Mumbai
April 28, 2022

Umesh Revankar
Vice Chairman &
Managing Director
DIN: 00141189
Mumbai
April 28, 2022

Parag Sharma
Joint Managing Director & CFO
DIN: 02916744
Mumbai
April 28, 2022

Vivek M. Achwal
Company Secretary
Mumbai
April 28, 2022

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED MARCH 31, 2022

A.
(1)

Equity share capital

Current reporting period

		(Rs. in crores)	
Balance at the beginning of the current reporting period	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the current year
As at March 31, 2021	-	253.06	17.46
As at March 31, 2022	-	270.52	

(2)

Previous reporting period

		(Rs. in crores)	
Balance at the beginning of the current reporting period	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the current year
As at March 31, 2020	-	226.88	26.18
As at March 31, 2021	-	253.06	

B.

(1)

Other equity

Current reporting period

Particulars	Share application money pending allotment	Capital reserve	Securities premium	Reserves and Surplus				Other Comprehensive Income	Money received against share warrants	Total
				Statutory reserve	Debenture redemption reserve #	Capital redemption reserve	General reserve	Remeasurement gain/(loss) on defined benefit Plan		
Balance at the beginning of the current reporting period (as at April 01, 2021)	-	27.64	3,201.27	4,166.39	921.41	53.88	2,663.27	(9.12)	(93.02)	21,464.23
Changes in accounting policy/prior period errors	-	-	-	-	-	-	-	-	-	-
Restated balance at the beginning of the current reporting period	-	27.64	3,201.27	4,166.39	921.41	53.88	2,663.27	(9.12)	(93.02)	21,464.23
Profit for the year	-	-	-	-	-	-	-	-	-	2,721.10
Other comprehensive income for the year	-	-	-	-	-	-	-	(2.44)	(120.38)	(122.82)
Total comprehensive income for the year	-	-	-	-	-	-	-	(2.44)	(120.38)	2,598.28
Dividends (interim)	-	-	-	-	-	-	-	(539.65)	-	(539.65)
Dividends (final for the year ended March 31, 2021)	-	-	-	-	-	-	-	(160.23)	-	(160.23)
Transferred to/(from) (refer note 31 Other equity)	-	-	-	541.59	(614.13)	-	270.80	(198.26)	-	-
Any other change:	-	-	-	-	-	-	-	-	-	-
Securities premium proceeds received on issue of equity shares (refer note 30 Equity and note 31 Other equity)	-	-	2,482.54	-	-	-	-	-	-	2,482.54
Share issue expenses (refer note 30 Equity and note 31 Other equity)	-	-	(21.43)	-	-	-	-	-	-	(21.43)
Money received against share warrants	-	-	-	-	-	-	-	-	250.00	250.00
Shares allotted during the year	-	-	-	-	-	-	-	-	(250.00)	(250.00)
Balance at the end of the current reporting period (as at March 31, 2022)	-	27.64	5,662.38	4,707.98	307.28	53.88	2,934.07	(11.56)	(213.40)	25,823.74

(Rs. in crores)

CONSOLIDATED STATEMENT OF **CHANGES IN EQUITY**
FOR THE YEAR ENDED MARCH 31, 2022 (Contd.)

CONSOLIDATED ACCOUNTS

(2) Previous reporting period

Particulars	Share application money pending allotment	Reserves and Surplus					Other Comprehensive Income	Money received against share warrants	Total
		Capital reserve	Securities premium	Statutory reserve	Debt redemption reserve #	Capital reserve	General reserve	Remeasurement gain/(loss) on defined benefit Plan	
Balance at the beginning of the current reporting period (as at April 01, 2020)	-	27.64	1,754.81	3,668.93	610.41	53.88	2,414.54	(9.32)	17,915.43
Changes in accounting policy/prior period errors	-	-	-	-	-	-	-	-	-
Restated balance at the beginning of the current reporting period	-	27.64	1,754.81	3,668.93	610.41	53.88	2,414.54	(9.32)	17,915.43
Profit for the year	-	-	-	-	-	-	-	-	-
Other comprehensive income for the year	-	-	-	-	-	-	-	-	-
Total comprehensive income for the year	-	-	-	-	-	-	-	-	-
Dividends (interim)	-	-	-	-	-	-	-	-	-
Transferred to/(from) (refer note 31 Other equity)	-	-	-	497.46	311.00	-	248.73	(1,057.19)	-
Any other change:	-	-	-	-	-	-	-	-	-
Securities premium proceeds received on issue of equity shares (refer note 30 Equity and note 31 Other equity)	-	-	1,466.01	-	-	-	-	-	1,466.01
Rights issue expenses (refer note 30 Equity and note 31 Other equity)	-	-	(19.55)	-	-	-	-	-	(19.55)
Balance at the end of the current reporting period (as at March 31, 2021)	-	27.64	3,201.27	4,166.39	921.41	53.88	2,663.27	(9.12)	21,464.23

Refer note 31 Other equity
See accompanying notes to the consolidated financial statements

As per our report of even date
For **Khimji Kunverji & Co LLP**
Chartered Accountants
ICAI Firm Registration No. 105146W/W-100621

Gautam Shah
Partner
Membership No. 117348
Mumbai
April 28, 2022

For **Sundaram & Srinivasan**
Chartered Accountants
ICAI Firm Registration No. 0042075

P Menakshi Sundaram
Partner
Membership No. 217914
Mumbai
April 28, 2022

For and on behalf of the Board of Directors of
Shriram Transport Finance Company Limited

S. Lakshminarayanan
Chairman

DIN: 02808698
Mumbai
April 28, 2022

Parag Sharma
Joint Managing Director & CFO
DIN: 02916744
Mumbai
April 28, 2022

Unesh Revankar
Vice Chairman &
Managing Director
DIN: 00141189
Mumbai
April 28, 2022

Vivek M. Achwal
Company Secretary
Mumbai
April 28, 2022

CONSOLIDATED CASH FLOW STATEMENT

FOR THE YEAR ENDED MARCH 31, 2022

Particulars	(Rs. in crores)	
	Year ended March 31, 2022	Year ended March 31, 2021
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax	3,549.25	3,278.01
Depreciation, amortisation and impairment	135.37	137.36
Interest income on loans	(18,028.13)	(16,611.31)
Finance costs	9,734.31	9,054.26
Loss/(profit) on sale of property plant and equipments (net)	0.79	0.65
Impairment on loans	3,865.02	3,128.29
Impairment on investments	(2.00)	(4.22)
Impairment on undrawn loan commitment	(4.00)	(5.45)
Impairment on other assets	1.84	(0.22)
Net (gain)/loss on fair value changes on investment	(236.83)	(22.87)
Net (gain)/loss on fair value changes on direct assignment	15.13	1.07
Net gain on derecognition of financial instruments under amortised cost category	217.74	58.85
Cash inflow from interest on loans	18,006.70	18,405.90
Cash outflow towards finance costs	(8,588.09)	(7,745.19)
Operating profit before working capital changes	8,667.10	9,675.13
Movements in Working capital:		
Decrease/(increase) in loans	(12,205.70)	(10,994.29)
(Increase)/decrease in investments	(3,372.48)	(372.28)
Decrease/(increase) in receivables	(372.06)	(102.64)
Decrease/(increase) in bank deposits	(301.83)	(1,164.96)
Decrease/(increase) in other financial assets	(4.26)	(10.11)
Decrease/(increase) in other non-financial assets	(14.67)	(41.13)
Increase/(decrease) in payables	13.51	8.68
Increase/(decrease) in other financial liabilities	(138.25)	3.94
Increase/(decrease) in non-financial liabilities	25.16	15.98
Increase/(decrease) other provision	(3.60)	1.66
Cash used in operations	(7,707.08)	(2,980.02)
Direct taxes paid (net of refunds)	(1,151.94)	(1,258.75)
Net cash flows from/(used in) operating activities (A)	(8,859.02)	(4,238.77)
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment and intangible assets	(35.75)	(25.82)
Proceeds from sale of property, plant and equipment and intangible assets	1.42	0.94
Net cash generated from/(used in) investing activities (B)	(34.33)	(24.88)

CONSOLIDATED **CASH FLOW STATEMENT**
FOR THE YEAR ENDED MARCH 31, 2022 (Contd.)

CONSOLIDATED ACCOUNTS

Particulars	(Rs. in crores)	
	Year ended March 31, 2022	Year ended March 31, 2021
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from issue of share capital (including share premium and net of share issue expenses)	2,478.57	1,472.64
Proceeds/(repayment) on settlement of derivative contracts	(32.15)	589.48
Increase / (decrease) in Fixed deposits (net)	5,443.14	4,206.86
Amounts received from debt securities	16,637.86	10,636.15
Repayments of debt securities	(16,203.36)	(5,797.45)
Proceeds/(repayment) of subordinated debts	(50.32)	(1,069.27)
Amounts received from borrowings other than debt securities	41,477.93	38,480.04
Repayments of borrowings other than debt securities	(40,280.10)	(36,032.94)
Payment of Lease Liabilities	(114.90)	(107.33)
Dividend paid	(851.81)	(152.59)
Net cash flows from financing activities (C)	8,504.86	12,225.59
Net increase in cash and cash equivalents (A+B+C)	(388.49)	7,961.94
Cash and cash equivalents at the beginning of the year	11,050.93	3,088.99
Cash and cash equivalents at the end of the year	10,662.44	11,050.93

Components of cash and cash equivalents	(Rs. in crores)	
	As at March 31, 2022	As at March 31, 2021
Cash and cash equivalents at the end of the year		
i) Cash on hand	95.05	79.61
ii) Cheques on hand	5.56	6.16
iii) Balances with banks (of the nature of cash and cash equivalents)	2,654.78	5,014.78
iv) Call Money (CBLO)	3,198.60	2,498.85
v) Bank deposit with original maturity upto three months or less	4,708.45	3,451.53
Total	10,662.44	11,050.93

The above Cash flow statement has been prepared under the indirect method as set out in Ind AS 7 'Statement of Cash Flows'.
See accompanying notes to the consolidated financial statements

As per our report of even date

For **Khimji Kunverji & Co LLP**
Chartered Accountants

ICAI Firm Registration No. 105146W/W-100621

For **Sundaram & Srinivasan**
Chartered Accountants

ICAI Firm Registration No. 004207S

For and on behalf of the Board of Directors of
Shriram Transport Finance Company Limited

Gautam Shah
Partner

Membership No. 117348
Mumbai
April 28, 2022

P Menakshi Sundaram
Partner

Membership No. 217914
Mumbai
April 28, 2022

S. Lakshminarayanan
Chairman

DIN: 02808698
Mumbai
April 28, 2022

Umesh Revankar
Vice Chairman &
Managing Director
DIN: 00141189
Mumbai
April 28, 2022

Parag Sharma
Joint Managing Director & CFO
DIN: 02916744
Mumbai
April 28, 2022

Vivek M. Achwal
Company Secretary
Mumbai
April 28, 2022

1 BASIS OF PREPARATION

The Consolidated financial statements relate to M/s. Shriram Transport Finance Company Limited (the “Company”) and its associate. The Consolidated financial statements of the Company and its associate have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time). The Consolidated financial statements have been prepared under the historical cost convention, as modified by the application of fair value measurements required or allowed by relevant Accounting Standards, and other relevant provisions of the Companies Act 2013 and other accounting principles generally accepted in India. Any applicable guidance / clarifications / directions issued by any regulators are implemented as and when they are issued / applicable.

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 (refer note 6.1 (xi)).

The preparation of financial statements requires the use of certain critical accounting estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses and the disclosed amount of contingent liabilities. Areas involving a higher degree of judgement or complexity, or areas where assumptions are significant to the Company are discussed in Note 7- Significant accounting judgements, estimates and assumptions.

The Consolidated financial statements are presented in Indian Rupees in Crores (INR Crores or Rs. in crores) and all values are rounded to the nearest crore, except when otherwise indicated.

2 BASIS OF CONSOLIDATION

- (i) The financial statements of the associate company used in the consolidation are drawn up to the same reporting date as of the Company i.e. year ended March 31, 2022 and are prepared based on the accounting policies consistent with those used by the Company.
- (ii) The financial statements of the Company and its associate have been prepared in accordance with the Ind AS 110- ‘Consolidated Financial Statements’ as per the Companies (Indian Accounting Standards) Rules, 2015 as amended by the Companies (Indian Accounting Standards) Rules, 2016, notified under Section 133 of the Companies Act, 2013 (“the Act”) and the other relevant provisions of the Act.
- (iii) The consolidated financial statements have been prepared on the following basis:
 - a) Investment made by the Company in an associate company is accounted under the equity method, in accordance with the Indian Accounting Standard 28 on ‘Investments in Associates and Joint Ventures’.
 - b) The policies of the associate company are consistent with those of the Company.
- (iv) The associate company considered in the consolidated financial statements are as below (refer note 45):

Name of the associate company	Country of incorporation	Share of ownership interest as at March 31, 2022	Share of ownership interest as at March 31, 2021
Shriram Automall India Limited (SAMIL)	India	44.56%	44.56%

3 PRESENTATION OF FINANCIAL STATEMENT

The Consolidated financial statements of the Company and its associate are presented as per Schedule III (Division III) of the Companies Act, 2013 applicable to Non-banking Finance Companies (NBFCs), as notified by the MCA. The Statement of Cash Flows has been presented as per the requirements of Ind-AS 7 Statement of Cash Flows. The Company classifies its assets and liabilities as financial and non-financial and presents them in the order of liquidity. An analysis regarding expected recovery or settlement within 12 months after the reporting date and more than 12 months after the reporting date is presented in notes to the financial statements. Financial assets and financial liabilities are generally reported on a gross basis except when, there is an unconditional legally enforceable right to offset the recognised amounts without being contingent on a future event and the parties intend to settle on a net basis in the following circumstances:

- i. The normal course of business
- ii. The event of default
- iii. The event of insolvency or bankruptcy of the Company and its associate and/or its counterparties

Derivative assets and liabilities with master netting arrangements (e.g. International Swaps and Derivative Association Arrangements) are presented net if all the above criteria are met.

4 STATEMENT OF COMPLIANCE

These Consolidated financial statements of the Company and its associate have been prepared in accordance with Indian Accounting Standards as per the Companies (Indian Accounting Standards) Rules, as amended by the Companies (Indian Accounting Standards) Rules, 2016, notified under Section 133 of the Companies Act, 2013 and the other relevant provisions of the Act.

The Company and its associate have consistently applied accounting policies to all the periods except for note 6.1 (xi).

5 NEW ACCOUNTING STANDARDS ISSUED BUT NOT EFFECTIVE /RECENT ACCOUNTING DEVELOPMENTS

MCA notifies new standards or amendments to the existing standards. On March 23, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022 which is effective from April 01, 2022. On March 24, 2021, MCA through a notification, amended Schedule III of the Companies Act, 2013 effective from April 01, 2021. Amendments relating to Division III which relate to NBFCs whose financial statements are required to comply with Companies (Indian Accounting Standards) Rules 2015 as amended by the Companies (Indian Accounting Standards) Rules, 2016, have been complied with.

6 SIGNIFICANT ACCOUNTING POLICIES

6.1 Financial instruments

(i) Classification of financial instruments

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

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

The classification depends on the contractual terms of the cashflows of the financial assets and the Company's business model for managing financial assets which are explained below:

Business model assessment

The Company determines its business model at the level that best reflects how it manages groups of financial assets to achieve its business objective.

The Company's business model is not assessed on an instrument-by-instrument basis, but at a higher level of aggregated portfolios and is based on observable factors such as:

- ▶ How the performance of the business model and the financial assets held within that business model are evaluated and reported to the entity's key management personnel.
- ▶ The risks that affect the performance of the business model (and the financial assets held within that business model) and the way those risks are managed.
- ▶ How managers of the business are compensated (for example, whether the compensation is based on the fair value of the assets managed or on the contractual cash flows collected).
- ▶ The expected frequency, value and timing of sales are also important aspects of the Company's assessment. The business model assessment is based on reasonably expected scenarios without taking 'worst case' or 'stress case' scenarios into account. If cash flows after initial recognition are realised in a way that is different from the Company's original expectations, the Company does not change the classification of the remaining financial assets held in that business model, but incorporates such information when assessing newly originated or newly purchased financial assets going forward.
- ▶ At initial recognition of a financial asset, the Company determines whether newly recognised financial assets are part of an existing business model or whether they reflect the commencement of a new business model. The Company reassesses its business models each reporting period to determine whether the business model/ (s) have changed since the preceding period. For the current and prior reporting period the Company has not identified a change in its business model.

The Solely Payments of Principal and Interest (SPPI) test

As a second step of its classification process the Company assesses the contractual terms of financial assets to identify whether they meet the SPPI test.

'Principal' for the purpose of this test is defined as the fair value of the financial asset at initial recognition and may change over the life of the financial asset (for example, if there are repayments of principal or amortisation of the premium/discount).

In making this assessment, the Company considers whether the contractual cash flows are consistent with a basic lending arrangement i.e. interest includes only consideration for the time value of money, credit risk, other basic lending risks and a profit margin that is consistent with a basic lending arrangement. Where the contractual terms introduce exposure to risk or volatility that are inconsistent with a basic lending arrangement, the related financial asset is classified and measured at fair value through profit or loss.

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

(ii) Financial assets measured at amortised cost

Debt instruments

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

Debt instruments are measured at amortised cost where they have:

- a) contractual terms that give rise to cash flows on specified dates, that represent solely payments of principal and interest on the principal amount outstanding; and
- b) are held within a business model whose objective is achieved by holding to collect contractual cash flows.

These debt instruments are initially recognised at fair value plus directly attributable transaction costs and subsequently measured at amortised cost.

(iii) Financial assets measured at fair value through other comprehensive income

Debt instruments

Investments in debt instruments are measured at fair value through other comprehensive income where they have:

- a) contractual terms that give rise to cash flows on specified dates, that represent solely payments of principal and interest on the principal amount outstanding; and
- b) are held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets.

These debt instruments are initially recognised at fair value plus directly attributable transaction costs and subsequently measured at fair value. Gains and losses arising from changes in fair value are included in other comprehensive income within a separate component of equity. Impairment losses or reversals, interest revenue and foreign exchange gains and losses are recognised in the statement of profit and loss. Upon disposal, the cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to the statement of profit and loss. As at the reporting date, the Company does not have any financial instruments measured at fair value through other comprehensive income.

Equity instruments

Investment in equity instruments that are neither held for trading nor contingent consideration recognised by the Company in a business combination to which Ind AS 103 'Business Combination' applies, are measured at fair value through other comprehensive income, where an irrevocable election has been made by management and when such instruments meet the definition of Equity under Ind AS 32 Financial Instruments: Presentation. Such classification is determined on an instrument-by-instrument basis. As at reporting date, there are no equity instruments measured at fair value through other comprehensive income (FVOCI).

Amounts presented in other comprehensive income are not subsequently transferred to the statement of profit and loss. Dividends on such investments are recognised in the statement of profit and loss.

(iv) Financial assets measured at fair value through profit or loss

Items at fair value through profit or loss comprise:

- Investments (including equity shares) held for trading;
- Items specifically designated as fair value through profit or loss on initial recognition; and
- Debt instruments with contractual terms that do not represent solely payments of principal and interest.

Financial instruments held at fair value through profit or loss are initially recognised at fair value, with transaction costs recognised in the statement of profit and loss as incurred. Subsequently, they are measured at fair value and any gains or losses are recognised in the statement of profit and loss as they arise.

Financial instruments held for trading

A financial instrument is classified as held for trading if it is acquired or incurred principally for selling or repurchasing in the near term, or forms part of a portfolio of financial instruments that are managed together and for which there is evidence of short-term profit taking, or it is a derivative not in a qualifying hedge relationship. Trading derivatives and trading securities are classified as held for trading and recognised at fair value.

Financial instruments designated as measured at fair value through profit or loss

Upon initial recognition, financial instruments may be designated as measured at fair value through profit or loss. A financial asset may only be designated at fair value through profit or loss if doing so eliminates or significantly reduces measurement or recognition inconsistencies (i.e. eliminates an accounting mismatch) that would otherwise arise from measuring financial assets or liabilities on a different basis.

Equity Investments

Investment in Associate is carried at cost in the Separate Financial Statements as permitted under Ind AS 27. All other equity investments are measured at fair value through profit or loss.

A financial liability may be designated at fair value through profit or loss if it eliminates or significantly reduces an accounting mismatch or:

- if a host contract contains one or more embedded derivatives; or
- if financial assets and liabilities are both managed and their performance evaluated on a fair value basis in accordance with a documented risk management or investment strategy.

Where a financial liability is designated at fair value through profit or loss, the movement in fair value attributable to changes in the Company's own credit quality is calculated by determining the changes in credit spreads above observable market interest rates and is presented separately in other comprehensive income. As at the reporting date, the Company has not designated any financial liability as measured at fair value through profit or loss.

(v) Derivatives

A derivative is a financial instrument or other contract with all three of the following characteristics:

- ▶ Its value changes in response to the change in a specified interest rate, financial instrument price, commodity price, foreign exchange rate, index of prices or rates, credit rating or credit index, or other variable, provided that, in the case of a non-financial variable, it is not specific to a party to the contract (i.e., the 'underlying').
- ▶ It requires no initial net investment or an initial net investment that is smaller than would be required for other types of contracts expected to have a similar response to changes in market factors.
- ▶ It is settled at a future date.

The Company enters into derivative transactions with various counterparties to hedge its foreign currency risks and interest rate risks. Derivative transaction consists of hedging of foreign exchange transactions, which includes interest rate and currency swaps, interest rate options and forwards. The Company undertakes derivative transactions for hedging on-balance sheet liabilities.

Hedge accounting:

The Company has adopted hedge accounting. The Company makes use of derivative instruments to manage exposures to interest rate risk and foreign currency risk. In order to manage particular risks, the Company applies hedge accounting for transactions that meet specified criteria. The Company has formally designated and documented the hedge relationship to which the Company wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge. The documentation includes the Company's risk management objective and strategy for undertaking hedge, the hedging/economic relationship, the hedged item or transaction, the nature of the risk being hedged, hedge ratio and how the Company would assess the effectiveness of changes in the hedging instrument's fair value in offsetting the exposure to changes in the hedged item's cash flows attributable to the hedged risk. Such hedges are expected to be highly effective in achieving offsetting changes in cash flows and are assessed on an on-going basis to determine that they actually have been highly effective throughout the financial reporting periods for which they were designated.

Hedges that meet the criteria for hedge accounting and qualify as cash flow hedges are accounted as follows:

Cash flow hedge: A cash flow hedge is a hedge of the exposure to variability in cash flows that is attributable to a particular risk associated with a recognised asset or liability and could affect the statement of profit and loss. For designated and qualifying cash flow hedges, the effective portion of the cumulative gain or loss on the hedging instrument is initially recognised directly in other comprehensive income as cash flow hedge reserve. The ineffective portion of the gain or loss on the hedging instrument is recognised immediately as finance cost in the statement of profit and loss. When the hedged cash flow affects the statement of profit and loss, the effective portion of the gain or loss on the hedging instrument is recorded in the corresponding income or expense line of the statement of profit and loss. When a hedging instrument expires, is sold, terminated, exercised, or when a hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss that has been recognised in OCI at that time remains in OCI and is recognised when the hedged forecast transaction is ultimately recognised in the statement of profit and loss. When a forecast transaction is no longer expected to occur, the cumulative gain or loss that was reported in OCI is immediately transferred to the statement of profit and loss.

(vi) Embedded Derivatives

An embedded derivative is a component of a hybrid instrument that also includes a non-derivative host contract with the effect that some of the cash flows of the combined instrument vary in a way similar to a stand-alone derivative.

If the hybrid contract contains a host that is a financial asset within the scope of Ind AS 109, the Company does not separate embedded derivatives. Rather, it applies the classification requirements contained in Ind AS 109 to the entire hybrid contract.

(vii) Debt securities and other borrowed funds

After initial measurement, debt issued and other borrowed funds are subsequently measured at amortised cost. Amortised cost is calculated by taking into account any discount or premium on issue funds, and transaction costs that are an integral part of the Effective Interest Rate (EIR).

(viii) Financial guarantees

Financial guarantees are initially recognised in the financial statements at fair value, being the premium received. Subsequent to initial recognition, the Company's liability under each guarantee is measured at the higher of the amount initially recognised less cumulative amortisation recognised in the statement of profit and loss.

- The premium is recognised in the statement of profit and loss on a straight-line basis over the life of the guarantee.

(ix) Reclassification of financial assets and liabilities

The Company does not reclassify its financial assets subsequent to their initial recognition. Financial liabilities are never reclassified. The Company did not reclassify any of its financial assets or liabilities in 2020-21 and until the year ended March 31, 2022.

(x) Recognition and Derecognition of financial assets and liabilities

Recognition:

- a) Loans and Advances are initially recognised when the funds are transferred to the customers' account or delivery of assets by the dealer, whichever is earlier.
- b) Investments are initially recognised on the settlement date.
- c) Debt securities, deposits and borrowings are initially recognised when funds reach the Company.
- d) Other Financial assets and liabilities are initially recognised on the trade date, i.e., the date that the Company becomes a party to the contractual provisions of the instrument. This includes regular way trades: purchases or sales of financial assets that require delivery of assets within the time frame generally established by regulation or convention in the marketplace.

Derecognition of financial assets due to substantial modification of terms and conditions:

The Company derecognises a financial asset, such as a loan to a customer, when the terms and conditions have been renegotiated to the extent that, substantially, it becomes a new loan, with the difference recognised as a derecognition gain or loss, to the extent that an impairment loss has not already been recorded. The newly recognised loans are classified as Stage 1 for ECL measurement purposes, unless the new loan is deemed to be Purchased or Originated as Credit Impaired (POCI).

If the modification does not result in cash flows that are substantially different, the modification does not result in derecognition. Based on the change in cash flows discounted at the original EIR, the Company records a modification gain or loss, to the extent that an impairment loss has not already been recorded.

Derecognition of financial assets other than due to substantial modification

a) Financial assets:

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised when the rights to receive cash flows from the financial asset have expired. The Company also derecognises the financial asset if it has both transferred the financial asset and the transfer qualifies for derecognition.

The Company has transferred the financial asset if, and only if, either:

- i. The Company has transferred its contractual rights to receive cash flows from the financial asset, or
- ii. It retains the rights to the cash flows, but has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement.

Pass-through arrangements are transactions whereby the Company retains the contractual rights to receive the cash flows of a financial asset (the 'original asset'), but assumes a contractual obligation to pay those cash flows to one or more entities (the 'eventual recipients'), when all of the following three conditions are met:

- i. The Company has no obligation to pay amounts to the eventual recipients unless it has collected equivalent amounts from the original asset, excluding short-term advances with the right to full recovery of the amount lent plus accrued interest at market rates.

- ii. The Company cannot sell or pledge the original asset other than as security to the eventual recipients.
- iii. The Company has to remit any cash flows it collects on behalf of the eventual recipients without material delay. In addition, the Company is not entitled to reinvest such cash flows, except for investments in cash or cash equivalents including interest earned, during the period between the collection date and the date of required remittance to the eventual recipients.

A transfer only qualifies for derecognition if either:

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

The Company considers control to be transferred if and only if, the transferee has the practical ability to sell the asset in its entirety to an unrelated third party and is able to exercise that ability unilaterally and without imposing additional restrictions on the transfer.

When the Company has neither transferred nor retained substantially all the risks and rewards and has retained control of the asset, the asset continues to be recognised only to the extent of the Company's continuing involvement, in which case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

On derecognition of a financial asset in its entirety, the difference between the carrying amount (measured at the date of derecognition) and the consideration received (including any new asset obtained less any new liability assumed) is recognised in the statement of profit and loss. Accordingly, gain or loss on sale or derecognition of assigned portfolio are recorded upfront in the statement of profit and loss as per Ind AS 109. Also, the Company recognises servicing income as a percentage of interest spread over tenure of loan in cases where it retains the obligation to service the transferred financial asset. As per the guidelines of RBI, the Company is required to retain certain portion of the loan assigned to parties in its books as Minimum Retention Requirement ("MRR"). Therefore, it continues to recognise the portion retained by it as MRR.

b) Financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expires. Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability. The difference between the carrying value of the original financial liability and the consideration paid is recognised in the statement of profit and loss.

As at the reporting date, the Company does not have any financial liabilities which have been derecognised.

(xi) Impairment of financial assets

Overview of the ECL principles

The Company records allowance for expected credit losses for all loans, other financial assets not held at fair value through profit or loss (FVTPL), together with financial guarantee contracts, in this section all referred to as 'financial instruments'. Equity instruments are not subject to impairment under Ind AS 109.

The ECL allowance is based on the credit losses expected to arise over the life of the asset (the lifetime expected credit loss), unless there has been no significant increase in credit risk since origination, in which case, the allowance is based on the 12 months' expected credit loss.

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 the portion of Lifetime ECL that represent the ECLs that result from default events on a financial instrument that are possible within the 12 months after the reporting date.

Both Lifetime ECLs and 12-month ECLs are calculated on either an individual basis or a collective basis, depending on the nature of the underlying portfolio of financial instruments. The Company has grouped its loan portfolio into Business Loans, secured loans for new vehicles, secured loans for used vehicles and Equipment Finance Loans.

The Company has established a policy to perform an assessment, at the end of each reporting period, of whether a financial instrument's credit risk has increased significantly since initial recognition, by considering the change in the risk of default occurring over the remaining life of the financial instrument. The Company does the assessment of significant increase in credit risk at a borrower level. If a borrower has various facilities having different past due status, then the highest days past due (DPD) is considered to be applicable for all the facilities of that borrower.

Based on the above, the Company categorises its loans into Stage 1, Stage 2 and Stage 3 as described below:

Stage 1

All exposures where there has not been a significant increase in credit risk since initial recognition or that has low credit risk at the reporting date and that are not credit impaired upon origination are classified under this stage. The Company classifies all standard advances and advances upto 30 days default under this category. Stage 1 loans also include facilities where the credit risk has improved and the loan has been reclassified from Stage 2 or Stage 3.

Stage 2

All exposures where there has been a significant increase in credit risk since initial recognition but are not credit impaired are classified under this stage. 30 Days Past Due is considered as significant increase in credit risk.

Stage 3

All exposures 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 are classified in this stage. For exposures that have become credit impaired, a lifetime ECL is recognised and interest revenue is calculated by applying the effective interest rate to the amortised cost (net of provision) rather than the gross carrying amount. 90 Days Past Due is considered as default for classifying a financial instrument as credit impaired. If an event (for e.g., any natural calamity) warrants a provision higher than as mandated under ECL methodology, the Company may classify the financial asset in Stage 3 accordingly.

In line with Reserve Bank of India Master Circular on Prudential norms on Income Recognition, Asset Classification and Provisioning pertaining to Advances and Clarifications dated November 12, 2021 borrower accounts shall be flagged as overdue as part of the day-end processes for the due date, irrespective of the time of running such processes. Similarly, classification of borrower accounts as Non-Performing Asset / Stage 3 shall be done as part of day-end process for the relevant date i.e. more than 90 days overdue and NPA/Stage 3 classification date shall be the calendar date for which the day end process is run. In other words, the date of Non-Performing Asset / Stage 3 shall reflect the asset classification status of an account at the day-end of that calendar date.

The Company has carried out the requirement in line with Reserve Bank of India Clarification and accordingly the change in accounting policy is effective financial year 2021-22 and impact on financials is disclosed in note 77.

Upgradation of accounts classified as Stage 3/Non-performing assets (NPA) - The Company upgrades loan accounts classified as Stage 3/NPA to "standard" asset category only if the entire arrears of interest, principal and other amount are paid by the borrower and there is no change in the accounting policy followed by the company in this regard.

Credit-impaired financial assets:

At each reporting date, the Company assesses whether financial assets carried at amortised cost and debt financial assets carried at FVOCI are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

- Significant financial difficulty of the borrower or issuer;
- A breach of contract such as a default or past due event;
- The restructuring of a loan or advance by the Company on terms that the Company would not consider otherwise;
- It is becoming probable that the borrower will enter bankruptcy or other financial reorganisation; or
- The disappearance of an active market for a security because of financial difficulties.

ECL on Investment in Government securities:

The Company has invested in Government of India loans. Investment in Government securities are classified under stage 1. No ECL has been applied on these investments as there is no history of delay in servicing of interest/repayments. The Company does not expect any delay in interest/redemption servicing in future.

Simplified approach for trade/other receivables and contract assets

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade/other receivables that do not contain a significant financing component. The application of simplified approach does not require the Company to track changes in credit risk. It recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition. At every reporting date, the historical observed default rates are updated for changes in the forward-looking estimates. For trade receivables that contain a significant financing component a general approach is followed.

Financial guarantee contracts

The Company's liability under financial guarantee is measured at the higher of the amount initially recognised less cumulative amortisation recognised in the statement of profit and loss, and the ECL provision. For this purpose, the Company estimates ECLs by applying a credit conversion factor.

ECL on Debt instruments measured at fair value through OCI

The ECLs for debt instruments measured at FVOCI do not reduce the carrying amount of these financial assets in the balance sheet, which remains at fair value. Instead, an amount equal to the allowance that would arise if the assets were measured at amortised cost is recognised in OCI as an accumulated impairment amount, with a corresponding charge to the statement of profit and loss. The accumulated loss recognised in OCI is recycled to the statement of profit and loss.

upon derecognition of the assets. As at the reporting date, the Company does not have any debt instruments measured at fair value through OCI.

Undrawn loan commitments

When estimating ECL for undrawn loan commitments, a credit conversion factor of 100% is applied for expected drawdown. The Company discloses ECL allowance on undrawn loan commitments under the head "Provisions" under Non-financial liabilities.

The mechanics of ECL:

The Company calculates ECLs based on probability-weighted scenarios to measure the expected cash shortfalls, discounted at an approximation to the EIR. A cash shortfall is the difference between the cash flows that are due to the Company in accordance with the contract and the cash flows that the Company expects to receive.

The mechanics of the ECL calculations are outlined below and the key elements are, as follows:

Probability of Default (PD) - The Probability of Default is an estimate of the likelihood of default over a given time horizon. A default may only happen at a certain time over the assessed period, if the facility has not been previously derecognised and is still in the portfolio. The concept of PD is further explained in Note 53.

Exposure at Default (EAD) - The Exposure at Default is an estimate of the exposure at a future default date. The concept of EAD is further explained in Note 53.

Loss Given Default (LGD) - The Loss Given Default is an estimate of the loss arising in the case where a default occurs at a given time. It is based on the difference between the contractual cash flows due and those that the Company would expect to receive, including from the realisation of any collateral. It is usually expressed as a percentage of the EAD. The concept of LGD is further explained in Note 53.

Forward looking information

While estimating the expected credit losses, the Company reviews macro-economic developments occurring in the economy and market it operates in. On a periodic basis, the Company analyses if there is any relationship between key economic trends like GDP, unemployment rates, benchmark rates set by the Reserve Bank of India, inflation etc. with the estimate of PD, LGD determined by the Company based on its internal data. While the internal estimates of PD, LGD rates by the Company may not be always reflective of such relationships, temporary overlays, if any, are embedded in the methodology to reflect such macro-economic trends reasonably.

Refer note 63 for impact of COVID and macro-economic factors on PD and LGD estimation.

Collateral Valuation

To mitigate its credit risks on financial assets, the Company seeks to use collateral, wherever possible. The collateral comes in various forms, such as movable and immovable assets, guarantees, etc. However, the fair value of collateral affects the calculation of ECLs. To the extent possible, the Company uses active market data for valuing financial assets held as collateral. Other financial assets which do not have readily determinable market values are valued using models. Non-financial collateral, such as vehicles, is valued based on data provided by third parties or management judgements.

Collateral repossessed

In its normal course of business whenever default occurs, the Company may take possession of properties or other assets in its retail portfolio and generally disposes such assets through auction, to settle outstanding debt. Any surplus funds are returned to the customers/obligors. The Company generally does not use the assets repossessed for the internal operations. The underlying loans in respect of which collaterals have been repossessed and not sold for more than 12 months are considered as Stage 3 assets and fully provided for net of estimated realizable value or written off. As a result of this practice, assets under legal repossession processes are not recorded on the balance sheet as it does not meet the recognition criteria in other standards and consequently the Company also does not derecognise the underlying financial asset immediately on repossession. The Company had revised its policy to fully provide for the underlying loans net of its estimated realisable value in respect of which collaterals had been repossessed and not sold for more than 6 months. The change in accounting policy is effective financial year 2021-22 and impact on financials is disclosed in note 76.

Restructured loans

The Company is permitted to restructure customer accounts. Restructuring would normally involve modification of terms of the advances / securities, which would generally include, among others, alteration of payment period / payable amount / the amount of instalments / rate of interest, sanction of additional credit facility/ release of additional funds for a customer account. The Company considers the modification of the loan only before the loans gets credit impaired. In case of restructuring, the accounts classified as 'standard' shall be immediately downgraded as non-performing assets / Stage 3 unless and other wise explicitly stated in the Circulars and Directions issued by Reserve Bank of India from time to time. Once an asset has been classified as restructured, it will remain restructured for a period of year from the date on which it has been restructured until the customer account demonstrates satisfactory performance during the specified period.

For upgradation of accounts classified as Non-Performing Assets due to restructuring, the instructions as specified for such cases as per the said RBI guidelines shall continue to be applicable.

Loan accounts which have been restructured or modified in accordance with RBI Notifications - RBI/2020-21/16 DOR. No.BP.BC/3/21.04.048/2020-21 dated August 06, 2020- Resolution Framework for COVID-19 related Stress and RBI/2021-22/31/DOR.STR.REC.11/21.04.048/2021-22 dated May 05, 2021- Resolution Framework – 2.0: Resolution of Covid-19 related stress of Individuals and Small Businesses and RBI/2020-21/17 DOR. No.BP.BC/4/21.04.048/2020-21- dated August 06, 2020 - Micro, Small and Medium Enterprises (MSME) sector – Restructuring of Advances and RBI/2021-22/32 DOR.STR.REC.12/21.04.048/2021-22 dated May 5, 2021 Resolution Framework 2.0 – Resolution of Covid-19 related stress of Micro, Small and Medium Enterprises (MSMEs) have been classified as Stage 2 due to significant increase in credit risk.

(xii) Write-offs

The Company reduces the gross carrying amount of a financial asset when the Company has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof. This is generally the case when the Company determines that the borrower does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subjected to write-offs. Any subsequent recoveries against such loans are credited to the statement of profit and loss. Write off in case of standard accounts is done by way of waiver of last one or two instalments in case the borrower pays all the EMIs as per the due dates mentioned in the agreement.

(xiii) Determination of fair value

On initial recognition, all the financial instruments are measured at fair value. For subsequent measurement, the Company measures certain categories of financial instruments (as explained in note 6.1(iii) to 6.1(vi)) at fair value on each balance sheet date.

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

- i. In the principal market for the asset or liability, or
- ii. In the absence of a principal market, in the most advantageous market for the asset or liability.

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

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

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

In order to show how fair values have been derived, financial instruments are classified based on a hierarchy of valuation techniques, as summarised below:

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

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

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

The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred. No such instances of transfers between levels of the fair value hierarchy were recorded during the reporting period.

Difference between transaction price and fair value at initial recognition

The best evidence of the fair value of a financial instrument at initial recognition is the transaction price (i.e. the fair value of the consideration given or received) unless the fair value of that instrument is evidenced by comparison with other observable current market transactions in the same instrument (i.e. without modification or repackaging) or based on a valuation technique whose variables include only data from observable markets. When such evidence exists, the Company recognises the difference between the transaction price and the fair value in profit or loss on initial recognition (i.e. on day one).

When the transaction price of the instrument differs from the fair value at origination and the fair value is based on a valuation technique using only inputs observable in market transactions, the Company recognises the difference between the transaction price and fair value in net gain on fair value changes. In those cases where fair value is based on models for which some of the inputs are not observable, the difference between the transaction price and the fair value is deferred and is only recognised in the statement of profit and loss when the inputs become observable, or when the instrument is derecognised.

6.2 Revenue from operations

(i) Interest Income

Interest income is recognised by applying the Effective Interest Rate (EIR) to the gross carrying amount of financial assets measured at amortised cost other than credit-impaired assets and financial assets classified as measured at FVTPL.

The EIR in case of a financial asset is computed

- a. As the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset.
- b. By considering all the contractual terms of the financial instrument in estimating the cash flows.
- c. Including all fees received between parties to the contract that are an integral part of the effective interest rate, transaction costs, and all other premiums or discounts.

Any subsequent changes in the estimation of the future cash flows is recognised in interest income with the corresponding adjustment to the carrying amount of the assets.

Interest income on credit impaired assets is recognised by applying the effective interest rate to the net amortised cost (net of ECL provision) of the financial asset.

Interest on delayed payments by customers are treated to accrue only on realisation, due to uncertainty of realisation and are accounted accordingly.

Interest spread under par structure of direct assignment of loan receivables is recognised upfront. On derecognition of the loan receivables in its entirety, the difference between the carrying amount (measured at the date of derecognition) and the consideration received (including any new asset obtained less any new liability assumed) shall be recognised upfront in the statement of profit and loss.

(ii) Dividend Income

Dividend income is recognised when the right to receive the payment is established.

(iii) Rental Income

Rental income arising from operating leases is recognised on a straight-line basis over the lease term. In cases where the increase is in line with expected general inflation, rental income is recognised as per the contractual terms.

Operating leases are leases where the Company does not transfer substantially all of the risk and benefits of ownership of the asset.

(iv) Fees & Commission Income

Fees and commissions are recognised when the Company satisfies the performance obligation, at fair value of the consideration received or receivable based on a five-step model as set out below, unless included in the effective interest calculation:

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

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

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

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

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

(v) Net gain/loss on fair value changes

Any differences between the fair values of financial assets classified as fair value through the profit or loss (refer Note 34) held by the 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 FVTPL and debt instruments measured at FVOCI is recognised in net gain/loss on fair value changes. As at the reporting date, the Company does not have any debt instruments measured at FVOCI.

(vi) Net gain/loss on derecognition of financial instruments under amortised cost category

In case where transfer of a part of financial assets qualifies for de-recognition, any difference between the proceeds received on such sale and the carrying value of the transferred asset is recognised as gain or loss on derecognition of such financial asset previously carried under amortisation cost category is presented separately under the respective head in the statement of profit and loss. The resulting interest only strip initially is recognised at FVTPL under interest income.

6.3 Expenses

(i) Finance costs

Finance costs represents Interest expense recognised by applying the Effective Interest Rate (EIR) to the gross carrying amount of financial liabilities other than financial liabilities classified as FVTPL.

The EIR in case of a financial liability is computed

- As the rate that exactly discounts estimated future cash payments through the expected life of the financial liability to the gross carrying amount of the amortised cost of a financial liability.
- By considering all the contractual terms of the financial instrument in estimating the cash flows.
- Including all fees paid between parties to the contract that are an integral part of the effective interest rate, transaction costs, and all other premiums or discounts.

Any subsequent changes in the estimation of the future cash flows is recognised in interest income with the corresponding adjustment to the carrying amount of the assets.

Interest expense includes issue costs that are initially recognised as part of the carrying value of the financial liability and amortised over the expected life using the effective interest method. These include fees and commissions payable to advisers and other expenses such as external legal costs, rating fee etc, provided these are incremental costs that are directly related to the issue of a financial liability.

(ii) Retirement and other employee benefits

Short term employee benefit

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits. These benefits include short term compensated absences such as paid annual leave. The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees is recognised as an expense during the period. Benefits such as salaries and wages, etc. and the expected cost of the bonus/ex-gratia are recognised in the period in which the employee renders the related service.

Post-employment employee benefits

a) Defined contribution schemes

All the employees of the Company are entitled to receive benefits under the Provident Fund and Employees State Insurance scheme, defined contribution plans in which both the employee and the Company contribute monthly at a stipulated rate. The Company has no liability for future benefits other than its annual contribution and recognises such contributions as an expense in the period in which employee renders the related service. If the contribution payable to the scheme for service received before the Balance Sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognised as a liability after deducting the contribution already paid. If the

contribution already paid exceeds the contribution due for services received before the Balance Sheet date, then excess is recognised as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

b) Defined Benefit schemes

The Company provides for the gratuity, a defined benefit retirement plan covering all employees. The plan provides for lump sum payments to employees upon death while in employment or on separation from employment after serving for the stipulated years mentioned under 'The Payment of Gratuity Act, 1972'. The present value of the obligation under such defined benefit plan is determined based on actuarial valuation, carried out by an independent actuary at each Balance Sheet date, using the Projected Unit Credit Method, which recognises each period of service as giving rise to an additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

The obligation is measured at the present value of the estimated future cash flows. The discount rates used for determining the present value of the obligation under defined benefit plan are based on the market yields on Government Securities as at the Balance Sheet date.

Net interest recognised in profit or loss is calculated by applying the discount rate used to measure the defined benefit obligation to the net defined benefit liability or asset. The actual return on the plan assets above or below the discount rate is recognised as part of re-measurement of net defined liability or asset through other comprehensive income. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, attrition rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, these liabilities are highly sensitive to changes in these assumptions. All assumptions are reviewed annually.

The Company fully contributes all ascertained liabilities to The Trustees - Shriram Transport Finance Company Limited Employees Group Gratuity Assurance Scheme. Trustees administer contributions made to the trust and contributions are invested in a scheme of insurance with the IRDA approved Insurance Companies.

Re-measurement, comprising of actuarial gains and losses and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Re-measurements are not reclassified to the statement of profit and loss in subsequent periods.

Other long-term employee benefits

Company's 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.

The Company presents the provision for compensated absences under provisions in the Balance Sheet.

(iii) Leases:

The Company as a lessee

The Company has adopted Ind AS 116 'Leases' with the date of initial application being April 01, 2019 (transition date). The determination of whether an arrangement is a lease, or contains a lease, is based on the substance of the arrangement and requires an assessment of whether the fulfilment of the arrangement is dependent on the use of a specific asset or assets or whether the arrangement conveys a right to use the asset. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a time in exchange for a consideration. The Company, at the inception of a contract, assesses whether the contract is a lease or not lease. For arrangements entered into prior to April 01, 2019, the Company has determined whether the arrangement contains a lease on the basis of facts and circumstances existing on the date of transition.

The Company recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received. The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the Company's incremental borrowing rate at the transition date in case of leases existing as on the date of transition date and in case of leases entered after transition date, incremental borrowing rate as on the date of lease commencement date. In case of existing leases, the said date would be the date of transition. It is remeasured when there is a change in future lease payments arising from a change in a rate, if the Company changes its assessment of whether it will exercise an extension or termination option.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in the statement of profit and loss if the carrying amount of the right-of-use asset has been reduced to zero.

The Company has elected not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The Company recognises the lease payments associated with these leases as an expense over the lease term. The Company's lease asset class consist of leases for office premises.

In case of a sub-lease, the Company accounts for its head lease and sub-lease separately.

The Company as a lessor

Operating leases are leases where the Company does not transfer substantially all of the risk and benefits of ownership of the asset. Rental income arising from operating leases is recognised on a straight-line basis over the lease term. In cases where the increase is in line with expected general inflation, rental income is recognised as per the contractual terms.

(iv) Other income and expenses

All other income and expense are recognised in the period they occur.

(v) Impairment of non-financial assets

The carrying amount of assets is reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors. An impairment loss is recognised wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the asset's net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and risks specific to the asset.

In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

(vi) Taxes

Current Tax

Current tax assets and liabilities for the current and prior years are measured at the amount expected to be recovered from, or paid to, the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted, or substantively enacted, by the reporting date in the countries where the Company operates and generates taxable income.

Current income tax relating to items recognised outside the statement of profit and loss is recognised outside the statement of profit and loss (either in other comprehensive income or in equity). Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred tax assets and liabilities are recognised for temporary differences arising between the tax bases of assets and liabilities and their carrying amounts. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the reporting date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are only recognised for temporary differences, unused tax losses and unused tax credits if it is probable that future taxable amounts will arise to utilise those temporary differences and losses. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Deferred tax assets and liabilities are offset where there is a legally enforceable right to offset current tax assets and liabilities and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities are realised simultaneously.

Goods and services tax /value added taxes paid on acquisition of assets or on incurring expenses

Expenses and assets are recognised net of the goods and services tax/value added taxes paid, except:

- i. When the tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the tax paid is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable.
- ii. When receivables and payables are stated with the amount of tax included.

The net amount of tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.

(vii) Dividends on ordinary shares

The Company recognises a liability to make cash distributions to equity shareholders of the Company when the distribution is authorised and the distribution is no longer at the discretion of the Company. As per the Companies Act, 2013 final dividend is authorised when it is approved by the shareholders and interim dividend is authorised when it is approved by the Board of Directors of the Company. A corresponding amount is recognised directly in equity.

6.4 Foreign currency translation

(i) Functional and presentational currency

The consolidated financial statements are presented in Indian Rupees which is also functional currency of the Company and the currency of the primary economic environment in which the Company operates.

(ii) Transactions and balances

Initial recognition:

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

Conversion:

Monetary assets and liabilities denominated in foreign currency, which are outstanding as at the reporting date, are translated at the reporting date at the closing exchange rate and the resultant exchange differences are recognised in the statement of profit and loss.

Non-monetary items that are measured at historical cost in a foreign currency are translated using the spot exchange rates as at the date of recognition.

6.5 Cash and cash equivalents

Cash and cash equivalents comprise the net amount of short-term, highly liquid investments that are readily convertible to known amounts of cash (short-term deposits with an original maturity of three months or less) and are subject to an insignificant risk of change in value, cheques on hand and balances with banks. They are held for the purposes of meeting short-term cash commitments (rather than for investment or other purposes).

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash on hand, cheques on hand, balances with banks (of the nature of cash and cash equivalents), CBLO and short-term deposits, as defined above.

6.6 Property, plant and equipment

Property, plant and equipment (PPE) are carried at historical cost of acquisition less accumulated depreciation and accumulated impairment losses, (if any). The total cost of assets comprises its purchase price, freight, duties, taxes and any other incidental expenses directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by the management. Changes in the expected useful life are accounted for by changing the amortisation period or methodology, as appropriate, and treated as changes in accounting estimates.

Subsequent expenditure related to an item of tangible asset are added to its gross value only if it increases the future benefits of the existing asset, if it is probable that future economic benefit will flow to the Company from that expenditure and cost can be measured reliably. Other repairs and maintenance costs are expensed off as and when incurred.

Depreciation

Depreciation is calculated using the straight-line method to write down the cost of property and equipment to their residual values over their estimated useful lives which is in line with the estimated useful life as specified in Schedule II of the Companies Act, 2013 except for Leasehold improvements which are amortised on a straight-line basis over the period of lease or estimated period of useful life of such improvement, subject to a maximum period of 60 months. Leasehold improvements include all expenditure incurred on the leasehold premises that have future economic benefits. Land is not depreciated.

The estimated useful lives are as follows:

Particulars	Useful life as prescribed by Schedule II of the Companies Act, 2013	Useful life estimated by Company
Building	60 years	60 years
Plant and machinery	15 years	15 years
Electrical equipment	10 years	10 years
Generator	10 years	10 years
Furniture and fixture	10 years	10 years
Air conditioner	5 years	5 years

Particulars	Useful life as prescribed by Schedule II of the Companies Act, 2013	Useful life estimated by Company
Electronic equipment	5 years	5 years
Office equipment	5 years	5 years
Refrigerator	5 years	5 years
Motor car	8 years	8 years
Vehicles	10 years	10 years
Server and networking	6 years	6 years
Computer	3 years	3 years

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

Property, plant and equipment is derecognised on disposal or when no future economic benefits are expected from its use. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is recognised in other income / expense in the statement of profit and loss in the year the asset is derecognised.

Depreciation on assets acquired/sold during the year is recognised on a pro-rata basis to the statement of profit and loss from / upto the date of acquisition/sale.

6.7 Intangible assets

An intangible asset is recognised only when its cost can be measured reliably and it is probable that the expected future economic benefits that are attributable to it will flow to the Company.

Intangible assets acquired separately are measured on initial recognition at cost. The cost of an intangible asset comprises its purchase price and any directly attributable expenditure on making the asset ready for its intended use and net of any trade discounts and rebates. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses.

The useful lives of intangible assets are assessed to be either finite or indefinite. Intangible assets with finite lives are amortised over the useful economic life. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at each financial year-end. Changes in the expected useful life, or the expected pattern of consumption of future economic benefits embodied in the asset, are accounted for by changing the amortisation period or methodology, as appropriate, which are then treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is presented as a separate line item in the statement of profit and loss. Amortisation on assets acquired/sold during the year is recognised on a pro-rata basis to the statement of profit and loss from / upto the date of acquisition/sale.

Amortisation is calculated using the straight-line method to write down the cost of intangible assets to their residual values over their estimated useful lives. Intangible assets comprising of software are amortised on a straight-line basis over a period of 3 years, unless it has a shorter useful life.

The Company's intangible assets consist of computer software with definite life.

Gains or losses from derecognition of intangible assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset are recognised in the statement of profit and loss when the asset is derecognised.

6.8 Investment Property

Properties, held to earn rentals and/or capital appreciation are classified as investment property and measured and reported at cost, including transaction costs.

Depreciation is recognised using straight line method so as to write off the cost of the investment property less their residual values over their useful lives specified in Schedule II to the Companies Act, 2013 or in case of assets where the useful life was determined by technical evaluation, over the useful life so determined. Depreciation method is reviewed at each financial year end to reflect the expected pattern of consumption of the future benefits embodied in the investment property. The estimated useful life and residual values are also reviewed at each financial year end and the effect of any change in the estimates of useful life/residual value is accounted on prospective basis.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on derecognition of property is recognised in the statement of profit and loss in the same period.

6.9 Ind AS 101 - First-time Adoption of Indian Accounting Standards

Exemptions applied

Ind AS 101 allows first-time adopters certain exemptions from the retrospective application of certain requirements under Ind AS. The Company has applied the following exemptions:

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment, intangible assets and investment property as at March 31, 2017 measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment and intangible assets as on April 01, 2017.

6.10 Provisions

Provisions are recognised when the enterprise has a present obligation (legal or constructive) as a result of past events, and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

When the effect of the time value of money is material, the enterprise determines the level of provision by discounting the expected cash flows at a pre-tax rate reflecting the current rates specific to the liability. The expense relating to any provision is presented in the statement of profit and loss net of any reimbursement. As at reporting date, the Company does not have any such provisions where the effect of time value of money is material.

6.11 Contingent Liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognised because it cannot be measured reliably. The Company does not recognise a contingent liability but discloses its existence in the financial statements. Contingent liabilities are reviewed at each Balance Sheet date.

6.12 Contingent asset

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company. Contingent assets are not recognised nor disclosed in the financial statements. Contingent assets are reviewed at each Balance Sheet date.

6.13 Earning Per Share

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

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the period, unless they have been issued at a later date. In computing the dilutive earnings per share, only potential equity shares that are dilutive and that either reduces the earnings per share or increases loss per share are included.

6.14 Cash flow Statement

Cash flows are reported under the 'Indirect method' as set out in Ind AS 7 on 'Statement of Cash Flows, whereby net profit after tax is adjusted for the effects of transactions of non-cash nature, tax and any deferrals or accruals of past or future cash receipts or payments. The cash flows are prepared for the operating, investing and financing activities of the Company.

6.15 Share Based Payment Transactions

As per Ind AS 101, the entity is encouraged, but not required, to apply Ind AS 102 Share-based payment to equity instruments that vested before date of transition to Ind-AS. The Company has decided to avail this exemption and have decided not to apply the requirements of Ind AS 102 to equity instruments that vested before date of transition to Ind-AS.

7 SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

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

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

7.1 Business Model Assessment

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

7.2 Defined employee benefit assets and liabilities

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

7.3 Fair value measurement:

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using various valuation techniques. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgments include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

7.4 Impairment of loans portfolio

The measurement of impairment losses across all categories of financial assets requires judgement, in particular, the estimation of the amount and timing of future cash flows and collateral values when determining impairment losses and the assessment of a significant increase in credit risk. These estimates are driven by a number of factors, changes in which can result in different levels of allowances.

It has been the Company's policy to regularly review its models in the context of actual loss experience and adjust when necessary. The impairment loss on loans and advances is disclosed in more detail in Note 6.1(xi) Overview of ECL principles.

7.5 Contingent liabilities and provisions other than impairment on loan portfolio

Provisions and liabilities are recognised in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability requires the application of judgement to existing facts and circumstances, which can be subject to change. The carrying amounts of provisions and liabilities are reviewed at each Balance sheet date and revised to take account of changing facts and circumstances.

7.6 Effective Interest Rate (EIR) method

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

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

7.7 Estimating the incremental borrowing rate

The Company uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Company would have to pay to for its incremental borrowings.

7.8 Other estimates

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

		(Rs. in crores)	
Particulars		As at March 31, 2022	As at March 31, 2021
8	CASH AND CASH EQUIVALENTS		
	Cash on hand	95.05	79.61
	Balances with banks (of the nature of cash and cash equivalents)	2,654.78	5,014.78
	Cheques on hand	5.56	6.16
	Others		
	- Call money (CBLO)	3,198.60	2,498.85
	- Bank deposit with original maturity upto three months or less	4,708.45	3,451.53
	Total	10,662.44	11,050.93

Balances with banks earn interest at fixed rates. Short term deposits are made for varying periods of between one day and three months, depending on the immediate cash requirements of the Company, and earn interest at the respective short-term deposit rates. The Company has not taken bank overdraft, therefore the cash and cash equivalent for cash flow statement is same as cash and for cash equivalent given above.

		(Rs. in crores)	
Particulars		As at March 31, 2022	As at March 31, 2021
9	BANK BALANCE OTHER THAN CASH AND CASH EQUIVALENTS		
	Earmarked balances with banks for		
	- Interim dividend	-	151.84
	- Unclaimed dividend accounts	9.72	9.81
	Bank deposit with original maturity for more than three months	574.16	351.50
	Balances with banks to the extent held as credit enhancement or security against the borrowings, guarantees, other commitments. *	5,108.84	4,877.74
	Total	5,692.72	5,390.89

Fixed deposit and other balances with banks earns interest at fixed rate.

*Includes deposits Rs. 4,829.26 crores (March 31, 2021: Rs. 4,642.90 crores) pledged with Banks as margin for credit enhancement, Rs. 33.30 crores (March 31, 2021: Rs. 34.36 crores) as margin for guarantees and Rs. 246.28 crores (March 31, 2021: Rs. 200.48 crores) pledged as lien against loans taken.

10 DERIVATIVE FINANCIAL INSTRUMENTS

The Company enters into derivatives for risk management purposes. Derivatives held for risk management purposes include hedges that either meet the hedge accounting requirements or hedges that are economic hedges. The Company has adopted hedge accounting. The table below shows the fair values of derivative financial instruments recorded as assets or liabilities together with their notional amounts.

The notional amounts indicate the value of transactions outstanding at the year end and are not indicative of either the market risk or credit risk.

		(Rs. in crores)			
		As at March 31, 2022		As at March 31, 2021	
Particulars		Notional Amounts	Fair Value - Assets	Notional Amounts	Fair Value - Liabilities
Part I					
(i)	Currency derivatives:				
	- Spots and forwards	17,040.59	97.84	-	-
	- Currency swaps	2,320.47	(276.95)	-	-
	- Cross currency interest rate swaps	3,408.70	364.13	-	-
	Sub total (i)	22,769.76	185.02	-	-
(ii)	Interest rate derivatives:				
	- Interest rate swaps	14,049.63	3.18	-	-
	- Interest rate caps	-	13.20	-	-
	Sub total (ii)	14,049.63	16.38	-	-

10 DERIVATIVE FINANCIAL INSTRUMENTS (Contd.)

		(Rs. in crores)							
		As at March 31, 2022				As at March 31, 2021			
Particulars		Notional Amounts	Fair Value - Assets	Notional Amounts	Fair Value - Liabilities	Notional Amounts	Fair Value - Assets	Notional Amounts	Fair Value - Liabilities
(iii) Credit derivatives:		-	-	-	-	-	-	-	-
(iv) Equity linked derivatives:		-	-	-	-	-	-	-	-
(v) Other derivatives:		-	-	-	-	-	-	-	-
Total Derivative financial instruments (i)+(ii)+(iii)+(iv)+(v)		36,819.39	201.40	-	-	36,431.68	169.25	-	-
Part II									
Included in above (Part I) are derivatives held for hedging and risk management purposes as follows:									
(i) Fair value hedging:		-	-	-	-	-	-	-	-
(ii) Cash flow hedging:		-	-	-	-	-	-	-	-
- Currency derivatives		22,769.76	185.02	-	-	22,384.20	157.68	-	-
- Interest rate derivatives		14,049.63	16.38	-	-	14,047.48	11.57	-	-
(iii) Net investment hedging:		-	-	-	-	-	-	-	-
(iv) Undesignated derivatives		-	-	-	-	-	-	-	-
Total Derivative financial instruments (i)+(ii)+(iii)+(iv)		36,819.39	201.40	-	-	36,431.68	169.25	-	-

Hedging activities and derivatives

The Company is exposed to certain risks relating to its ongoing business operations. The primary risks managed using derivative instruments are foreign currency risk and interest rate risk. The Company's risk management strategy and how it is applied to manage risk are explained in Note 53.

Derivatives designated as hedging instruments

The Company designates its derivatives as hedging instruments to hedge the variability in cash flows associated with highly probable forecast transactions arising from changes in foreign exchange rates and interest rates. At inception of designated hedging relationships, the Company documents the risk management objective and strategy for undertaking the hedge. The Company also documents the economic relationship between the hedged item and the hedging instrument, including whether the changes in cash flows of the hedged item and hedging instrument are expected to offset each other. There is an economic relationship between the hedged item and the hedging instrument as the terms of the cross currency swap contract matches that of the foreign currency borrowing (notional amount, interest payment dates, principal repayment date etc.). The Company has established a hedge ratio of 1:1 for the hedging relationships as the underlying risk of the hedging instruments are identical to the hedged risk components. To test the hedge effectiveness, the Company uses the hypothetical derivative method and compares the changes in the fair value of the hedging instruments against the changes in fair value of the hedged items attributable to the hedged risks.

Cash flow hedges

When a derivative is designated as a cash flow hedging instrument, the effective portion of changes in the fair value of the derivative is recognised in OCI and accumulated in other equity under 'effective portion of cash flow hedges'. The effective portion of changes in the fair value of the derivative that is recognised in OCI is limited to the cumulative change in fair value of the hedged item, determined on a present value basis, from inception of the hedge. Any ineffective portion of changes in the fair value of the derivative is recognised in the statement of profit and loss.

10 DERIVATIVE FINANCIAL INSTRUMENTS (Contd.)

Derivatives not designated as hedging instruments

There are no undesignated derivatives.

Notes:

- 1) The interest rate risk and exchange rate risk on the borrowings of the Company are managed using various derivative instruments which are entered from time to time. The risk management strategy and the use of derivatives are explained in Note 53 - Risk management.
- 2) The Company has designated the interest rate derivatives which were entered to mitigate interest rate risks on its external commercial bond and external commercial borrowings, as hedging instruments.

The impact of the hedging instrument on the Balance sheet is as follows:

(Rs. in crores)

Hedged Instrument	As at March 31, 2022				As at March 31, 2021			
	Notional Amount	Carrying Amount	Line item in the Balance sheet	Change in fair value used for measuring ineffectiveness for the year	Notional Amount	Carrying Amount	Line item in the Balance sheet	Change in fair value used for measuring ineffectiveness for the year
Currency derivatives/ Interest rate derivatives	36,819.39	201.40	Derivative Financial Instruments	160.87	36,431.68	169.25	Derivative Financial Instruments	124.31

The impact of hedged items on the Balance sheet is as follows:

(Rs. in crores)

Hedged Item	As at March 31, 2022		As at March 31, 2021	
	Change in value used for measuring ineffectiveness	Cash flow hedge reserve as on March 31, 2022	Change in value used for measuring ineffectiveness	Cash flow hedge reserve as on March 31, 2021
External commercial bond and external commercial borrowings	(160.87)	(213.40)	(124.31)	(93.02)

The effect of cash flow hedge in the statement of profit and loss and other comprehensive income is as follows:

(Rs. in crores)

Particulars	As at March 31, 2022	As at March 31, 2021
Hedged Item	External commercial bond and external commercial borrowings	
Total hedging gain / (loss) recognised in OCI	(160.87)	(124.31)
Ineffectiveness recognised in the statement of profit and loss	-	-
Line item in the statement of profit and loss that include the hedge ineffectiveness	NA	NA
Amount reclassified from cash flow hedge reserve to the statement of profit and loss	-	-
Line item in the statement of profit and loss that includes the reclassification adjustment	NA	NA

11 RECEIVABLES

(I) Trade receivables

Particulars	(Rs. in crores)	
	As at March 31, 2022	As at March 31, 2021
Trade receivables considered good-secured	-	-
Trade receivables considered good-unsecured	5.35	8.92
Trade receivables which have significant increase in credit risk	-	-
Trade receivables -credit impaired	-	-
Gross	5.35	8.92
Less: Allowances for impairment loss on credit impaired trade receivables	-	-
Net	5.35	8.92

Trade receivables ageing

As at March 31, 2022

Particulars	Unbilled	Not Due for payment	Outstanding for following periods from due date of payment					Total
			Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	-	-	5.35	-	-	-	-	5.35
(ii) Undisputed Trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
(iii) Undisputed Trade receivables – credit impaired	-	-	-	-	-	-	-	-
(iv) Disputed Trade receivables– considered good	-	-	-	-	-	-	-	-
(v) Disputed Trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
(vi) Disputed Trade receivables – credit impaired	-	-	-	-	-	-	-	-
Gross	-	-	5.35	-	-	-	-	5.35

As at March 31, 2021

Particulars	Unbilled	Not Due for payment	Outstanding for following periods from due date of payment					Total
			Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	-	-	8.92	-	-	-	-	8.92
(ii) Undisputed Trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
(iii) Undisputed Trade receivables – credit impaired	-	-	-	-	-	-	-	-
(iv) Disputed Trade receivables– considered good	-	-	-	-	-	-	-	-
(v) Disputed Trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
(vi) Disputed Trade receivables – credit impaired	-	-	-	-	-	-	-	-
Gross	-	-	8.92	-	-	-	-	8.92

11 RECEIVABLES (Contd.)

The managements expects no default in receipt of trade receivables; also there is no history of default observed by the management. Hence, no ECL has been recognised on trade receivables.

There are no dues from directors or other officers of the Company or any firm or private company in which any director is a partner, a director or a member.

Trade receivables are non-interest bearing and are generally on terms of 30 days.

(II) Other receivables

Particulars	(Rs. in crores)	
	As at March 31, 2022	As at March 31, 2021
Other receivables considered good-secured	-	-
Other receivables considered good-unsecured	192.67	49.90
Other receivables which have significant increase in credit risk	-	-
Other receivables - credit impaired	2.61	1.88
Gross	195.28	51.78
Less: Allowances for impairment loss on credit impaired other receivables	2.61	1.88
Net	192.67	49.90

There are no dues from directors or other officers of the Company or any firm or private company in which any director is a partner, a director or a member.

Other receivables days past due		(Rs. in crores)						
		Current	1-30 days past due	31-60 days past due	61-90 days past due	91-360 days past due	More than 360 days past due	Total
Estimated total gross carrying amount at default	March 31, 2022	189.17	4.10	0.59	0.27	0.85	0.30	195.28
ECL-simplified approach		-	1.45	0.01	-	0.85	0.30	2.61
Net carrying amount		189.17	2.65	0.58	0.27	-	-	192.67
Estimated total gross carrying amount at default	March 31, 2021	46.82	2.58	0.43	0.19	0.19	1.57	51.78
ECL-simplified approach		-	0.04	0.04	0.04	0.19	1.57	1.88
Net carrying amount		46.82	2.54	0.39	0.15	-	-	49.90

Reconciliation of impairment loss allowance on other receivables:

Particulars	(Rs. in crores)	
	Amount	
Impairment allowance measured as per simplified approach		
Impairment allowance as per April 01, 2020	2.10	
Add: Addition during the year	0.21	
(Less): Reduction during the year	(0.43)	
Impairment allowance as per March 31, 2021	1.88	
Add: Addition during the year	1.00	
(Less): Reduction during the year	(0.27)	
Impairment allowance as per March 31, 2022	2.61	

		(Rs. in crores)	
Particulars	As at March 31, 2022	As at March 31, 2021	
12 LOANS			
Loans (at amortised cost)			
(A)			
i) Term loans	123,999.00	113,424.31	
ii) Others @	1,700.03	2,767.28	
Total (A) - Gross	125,699.03	116,191.59	
Less : Impairment loss allowance (refer note 63)	9,033.88	7,888.55	
Total (A) - Net	116,665.15	108,303.04	
(B)			
i) Secured by tangible assets	123,981.87	113,415.53	
ii) Secured by deposits	17.13	8.78	
iii) Unsecured	1,700.03	2,767.28	
Total (B) - Gross	125,699.03	116,191.59	
Less : Impairment loss allowance (refer note 63)	9,033.88	7,888.55	
Total (B) - Net	116,665.15	108,303.04	
(C)			
Loans outside India	-	-	
Loans in India			
i) Public sector	-	-	
ii) Others			
Retail	125,285.30	115,654.09	
Corporates	413.73	537.50	
Total (C) - Gross	125,699.03	116,191.59	
Less : Impairment loss allowance (refer note 63)	9,033.88	7,888.55	
Total (C) - Net	116,665.15	108,303.04	

There are no loans measured at FVOCI or FVTPL or designated at FVTPL.

@ includes unsecured working capital loans, loans to employees, trade advances and part disbursement to customers.

Credit quality of assets

The table below shows the credit quality and the maximum exposure to credit risk based on the Company's internal credit rating system and year-end stage classification. The amounts presented are gross of impairment allowances. Details of the Company's internal grading system are explained in note 53.02 and policies on whether ECL allowances are calculated on an individual or collective basis are set out in note 53.02.02.07.

					(Rs. in crores)			
Particulars	As at March 31, 2022				As at March 31, 2021			
	Stage 1 collective	Stage 2 collective	Stage 3 collective	Total	Stage 1 collective	Stage 2 collective	Stage 3 collective	Total
Internal rating grade								
Performing								
High grade	85,781.86	-	-	85,781.86	66,806.72	-	-	66,806.72
Standard grade	17,711.12	-	-	17,711.12	27,108.94	-	-	27,108.94
Sub-standard grade	-	8,511.97	-	8,511.97	-	6,570.01	-	6,570.01
Past due but not impaired	-	4,806.53	-	4,806.53	-	7,413.11	-	7,413.11
Non- performing	-	-	8,887.55	8,887.55	-	-	8,292.81	8,292.81
Total	103,492.98	13,318.50	8,887.55	125,699.03	93,915.66	13,983.12	8,292.81	116,191.59

12 LOANS (Contd.)

An analysis of changes in the gross carrying amount as follows:

(Rs. in crores)

Particulars	Year ended March 31, 2022				Year ended March 31, 2021			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount opening balance	93,915.66	13,983.12	8,292.81	116,191.59	87,064.97	12,259.66	9,177.08	108,501.71
New assets originated or purchased	54,151.77	5,925.28	1,731.40	61,808.45	32,100.42	4,062.47	1,318.50	37,481.39
Assets derecognised or repaid (excluding write offs and includes interest accruals adjusted)	(40,462.98)	(6,026.81)	(3,091.93)	(49,581.72)	(22,592.41)	(3,531.65)	(2,157.84)	(28,281.90)
Transfers to stage 1	10,616.77	(8,891.78)	(1,724.99)	-	9,958.65	(7,726.70)	(2,231.95)	-
Transfers to stage 2	(10,291.06)	10,849.87	(558.81)	-	(9,766.35)	10,722.93	(956.58)	-
Transfers to stage 3	(3,544.42)	(2,299.79)	5,844.21	-	(2,449.08)	(1,693.12)	4,142.20	-
Changes to contractual cash flows due to modifications not resulting in derecognition	-	-	-	-	-	-	-	-
Amounts written off	(892.76)	(221.39)	(1,605.14)	(2,719.29)	(400.54)	(110.47)	(998.60)	(1,509.61)
Gross carrying amount closing balance	103,492.98	13,318.50	8,887.55	125,699.03	93,915.66	13,983.12	8,292.81	116,191.59

Reconciliation of ECL balance is given below:

(Rs. in crores)

Particulars	Year ended March 31, 2022				Year ended March 31, 2021			
	General approach				General approach			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
ECL allowance - opening balance	3,046.35	1,356.07	3,486.13	7,888.55	2,156.05	928.08	3,185.95	6,270.08
New assets originated or purchased	1,735.00	628.10	754.40	3,117.50	1,010.13	402.20	556.65	1,968.98
Transfers to stage 1	1,628.92	(891.41)	(737.51)	-	1,381.13	(602.54)	(778.59)	-
Transfers to stage 2	(335.64)	574.88	(239.24)	-	(260.75)	598.96	(338.21)	-
Transfers to stage 3	(118.19)	(241.53)	359.72	-	(65.42)	(145.29)	210.71	-
Impact on year end ECL of exposures transferred between stages during the year and reversal of ECL on account of recovery	(1,682.33)	6.31	2,423.13	747.11	(774.25)	285.13	1,648.22	1,159.10
Amounts written off	(892.76)	(221.39)	(1,605.13)	(2,719.28)	(400.54)	(110.47)	(998.60)	(1,509.61)
ECL allowance - closing balance	3,381.35	1,211.03	4,441.50	9,033.88	3,046.35	1,356.07	3,486.13	7,888.55

The contractual amount outstanding on loans that have been written off during the financial year, but were still subject to enforcement activity was Rs. 1,689.33 crores (Rs. 1,080.81 crores for March 31, 2021).

13 INVESTMENTS

(Rs. in crores)

Particulars	As at March 31, 2022				As at March 31, 2021			
	Amortised Cost	At Fair value Through profit or loss	Others (at cost)	Total	Amortised Cost	At Fair value Through profit or loss	Others (at cost)	Total
i) Investments in mutual funds	-	1,523.02	-	1,523.02	-	-	-	-
ii) Investments in government securities (refer note 65)	3,154.39	-	-	3,154.39	2,058.34	-	-	2,058.34
iii) Investments in equity instruments	-	23.89	-	23.89	-	6.74	-	6.74
iv) Investments in associates (at cost)	-	-	175.44	175.44	-	-	162.29	162.29
v) Investments in pass through certificates (unquoted)	1,106.88	-	-	1,106.88	1,155.87	-	-	1,155.87
vi) Investments in certificate of deposits	-	822.29	-	822.29	-	-	-	-
vii) Investments in commercial papers	199.79	-	-	199.79	-	-	-	-
viii) Others (venture capital fund)	-	1.53	-	1.53	-	1.54	-	1.54
Total Gross (A)	4,461.06	2,370.73	175.44	7,007.23	3,214.21	8.28	162.29	3,384.78
i) Investments outside India	-	-	-	-	-	-	-	-
ii) Investments in India	4,461.06	2,370.73	175.44	7,007.23	3,214.21	8.28	162.29	3,384.78
Total Gross (B)	4,461.06	2,370.73	175.44	7,007.23	3,214.21	8.28	162.29	3,384.78
Less : Allowance for impairment loss (C)	(36.00)	-	-	(36.00)	(38.01)	-	-	(38.01)
Total - Net D = (A) - (C)	4,425.06	2,370.73	175.44	6,971.23	3,176.20	8.28	162.29	3,346.77

More information regarding the valuation methodologies can be found in Note 52.09.

There is no investments measured at FVOCI or designated at FVTPL.

Investments carried at amortised cost

The table below shows the credit quality and the maximum exposure to credit risk per based on the Company's internal credit rating system and year-end stage classification. The amounts presented are gross of impairment allowances. Details of the Company's internal grading system for investments carried at amortised cost are explained in note 53.02.

(Rs. in crores)

Particulars	As at March 31, 2022				As at March 31, 2021			
	Stage 1 individual	Stage 2 individual	Stage 3	Total	Stage 1 individual	Stage 2 individual	Stage 3	Total
Internal rating grade								
Performing								
High grade	4,461.06	-	-	4,461.06	3,214.21	-	-	3,214.21
Standard grade	-	-	-	-	-	-	-	-
Non-performing								
Individually Impaired	-	-	-	-	-	-	-	-
Total	4,461.06	-	-	4,461.06	3,214.21	-	-	3,214.21

13 INVESTMENTS (Contd.)

An analysis of changes in gross carrying amount and the corresponding ECLs on investments carried at amortised cost which are subject to ECL is as follows:

Particulars	Year ended March 31, 2022				Year ended March 31, 2021			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount – opening balance	3,214.21	-	-	3,214.21	2,767.25	52.67	-	2,819.92
New assets originated or purchased	2,141.55	-	-	2,141.55	1,093.04	2.08	-	1,095.12
Assets derecognised or matured (excluding write-offs)	(894.71)	-	-	(894.71)	(646.08)	(54.75)	-	(700.83)
Closing balance	4,461.06	-	-	4,461.06	3,214.21	-	-	3,214.21

(Rs. in crores)

Reconciliation of ECL balance is given below:

Particulars	Year ended March 31, 2022				Year ended March 31, 2021			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Opening balance in ECL	38.01	-	-	38.01	23.79	18.44	-	42.23
New assets originated or purchased	-	-	-	-	-	-	-	-
Changes to models and inputs used for ECL calculations	(2.00)	-	-	(2.00)	14.22	-	-	14.22
Recoveries	-	-	-	-	-	(18.44)	-	(18.44)
Closing balance in ECL	36.00	-	-	36.00	38.01	-	-	38.01

(Rs. in crores)

Reconciliation of gross carrying value of investment in associate is given below:

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Opening balance	162.29	150.52
Share of profit of associate	13.17	11.57
Share of other comprehensive income from associates (net of tax)	(0.02)	0.20
Closing balance	175.44	162.29

(Rs. in crores)

Particulars	As at March 31, 2022	As at March 31, 2021
14 OTHER FINANCIAL ASSETS		
Security deposits *	51.45	46.96
Other financial assets	-	2.07
Total	51.45	49.03

(Rs. in crores)

* Net of allowance for impairment loss recognised on security deposit Rs. 0.39 crores (March 31, 2021: Rs. 0.51 crores).

Particulars	As at March 31, 2022	As at March 31, 2021
15 CURRENT TAX ASSETS (NET)		
Advance income tax	228.24	171.73
[net of provision for income tax Rs. 5,577.72 crores (March 31, 2021: Rs. 5,168.83 crores)]		
Total	228.24	171.73

(Rs. in crores)

		(Rs. in crores)					
		As at March 31, 2022			As at March 31, 2021		
Particulars		Freehold Land	Buildings	Total	Freehold Land	Buildings	Total
16	INVESTMENT PROPERTY						
	Gross block*						
	Opening balance	0.70	1.45	2.15	0.70	1.45	2.15
	Additions	-	-	-	-	-	-
	Disposals	-	-	-	-	-	-
	Closing balance	0.70	1.45	2.15	0.70	1.45	2.15
	Accumulated depreciation						
	Opening balance	-	0.15	0.15	-	0.12	0.12
	Depreciation charge for the year	-	0.03	0.03	-	0.03	0.03
	Disposals	-	-	-	-	-	-
	Closing balance	-	0.18	0.18	-	0.15	0.15
	Net carrying amount	0.70	1.27	1.97	0.70	1.30	2.00

*Refer note 6.9 of Significant accounting policies for exemption applied during first-time adoption of Indian Accounting Standards.

(i) Amounts recognised in Statement of Profit and Loss for Investment property

		(Rs. in crores)	
Particulars		Year ended March 31, 2022	Year ended March 31, 2021
Rental income from investment property		0.17	0.21
Direct operating expenses arising from investment property that generated rental income during the year		0.02	0.02
Direct operating expenses arising from investment property that did not generate rental income during the year		0.00	-
Profit from investment property before depreciation		0.15	0.19
Depreciation charge for the year		0.03	0.03
Profit from investment property after depreciation		0.12	0.16

Amounts less than Rs. 1.00 lac are presented as Rs. 0.00 crores in the above statement.

(ii) Contractual obligations

The Company has no contractual obligations to purchase, construct or develop investment property. However, the responsibility for its repairs, maintenance or enhancements is with the Company.

(iii) Fair value

The fair value of the investment property as at March 31, 2022 is Rs. 6.12 crores (March 31, 2021 is Rs. 6.12 crores).

(iv) Pledged details

Investment property is not pledged.

(v) Estimation of fair value

The fair values of investment property is determined by guidance value given by the local government of the area where the investment properties are located.

(vi) Leasing arrangements

Investment properties are leased out to tenants. Agreements provide for cancellation by either party or contain clause for escalation and renewal of agreements. The non-cancellable operating lease agreement is for a period of 108 months.

17 PROPERTY, PLANT AND EQUIPMENT									
									(Rs. in crores)
Particulars	Freehold Land	Building	Plant and equipment	Computers	Office equipment	Furniture and fixtures	Vehicles	Leasehold improvement	Total
Gross block*									
As at April 01, 2020	0.59	2.39	11.09	54.29	31.59	30.69	0.25	104.63	235.52
Additions	-	-	0.70	10.03	2.61	1.58	-	9.49	24.41
Disposals	-	-	0.43	7.48	1.96	0.94	-	4.94	15.75
As at March 31, 2021	0.59	2.39	11.36	56.84	32.24	31.33	0.25	109.18	244.18
Additions	-	-	0.93	15.56	3.00	2.56	-	11.18	33.23
Disposals	-	-	0.83	14.55	2.64	1.60	0.19	6.73	26.54
As at March 31, 2022	0.59	2.39	11.46	57.85	32.60	32.29	0.06	113.63	250.87
Accumulated depreciation and impairment losses									
As at April 01, 2020	-	(0.03)	2.82	18.92	11.68	6.52	(0.09)	45.82	85.64
Charge for the year	-	0.05	1.54	15.50	5.67	3.48	0.08	21.94	48.26
Disposals	-	-	0.37	6.49	1.80	0.82	-	4.68	14.16
As at March 31, 2021	-	0.02	3.99	27.93	15.55	9.18	(0.01)	63.08	119.74
Charge for the year	-	0.05	1.47	13.18	5.57	3.52	0.08	21.04	44.91
Disposals	-	-	0.63	13.23	2.43	1.39	0.18	6.48	24.34
As at March 31, 2022	-	0.07	4.83	27.88	18.69	11.31	(0.11)	77.64	140.31
Net carrying amount as at March 31, 2021	0.59	2.37	7.37	28.91	16.69	22.15	0.26	46.10	124.44
Net carrying amount as at March 31, 2022	0.59	2.32	6.63	29.97	13.91	20.98	0.17	35.99	110.56

Carrying value of property, plant and equipment pledged as collateral for liabilities as at March 31, 2022 is Rs. 0.32 crores (March 31, 2021 is Rs. 0.35 crores).

*Refer note 6.9 of Significant accounting policies for exemption applied during first-time adoption of Indian Accounting Standards.

The Company has not revalued any of its property, plant and equipment during the years ended March 31, 2022 and March 31, 2021. Hence, the amount of change in gross and net carrying amount due to revaluation and impairment losses/reversals is nil.

18 LEASES

A] This note provides information for leases where the Company is a lessee.

(i) Amounts recognised in the balance sheet

The Balance sheet shows the following amounts relating to leases

Right-of-use assets

Particulars	(Rs. in crores)	
	As at March 31, 2022	As at March 31, 2021
Office Premises		
Opening Balance	308.51	334.29
Additions	100.33	62.80
Depreciation charge for the year	(88.86)	(87.73)
Deletions	(17.46)	(0.85)
Net Carrying Amount	302.52	308.51

The Company has not revalued any of its Right-of-use assets during the years ended March 31, 2022 and March 31, 2021. Hence, the amount of change in gross and net carrying amount due to revaluation and impairment losses/reversals is nil.

Lease liabilities

Maturity analysis of lease liabilities

Particulars	(Rs. in crores)	
	As at March 31, 2022	As at March 31, 2021
Less than 1 year	74.92	74.29
1 to 2 years	66.53	68.40
2 to 3 years	54.11	57.31
3 to 4 years	38.36	46.24
4 to 5 years	31.94	28.32
More than 5 years	83.57	74.93
Total	349.43	349.49

The Company has taken various office premises under lease. Certain agreements provide for cancellation by either party or certain agreements contains clause for escalation and renewal of agreements. The non-cancellable operating lease agreements are ranging for a period 11 to 180 months. There are no restrictions imposed by lease arrangements.

Particulars	(Rs. in crores)	
	As at March 31, 2022	As at March 31, 2021
(ii) Amounts recognised in the Statement of Profit and Loss		
Depreciation charge of right-of-use assets (included in depreciation, amortisation and impairment)	88.86	87.73
Interest expense (included in finance costs)	31.97	32.06
Expense relating to short-term leases (included in other expenses)	3.24	9.24
Expense relating to leases of low-value assets that are not shown above as short-term leases (included in other expenses)	1.80	2.13
Expense relating to variable lease payments not included in lease liabilities (included in other expenses)	-	-
The Company had remeasured lease liability in respect of certain leases during the year and income on such remeasurement of leases as per Ind AS 116 is included in other income	3.16	2.66
Income from subleasing right-of-use assets (included in other income)	7.27	7.94
(iii) Gains or losses arising from sale and leaseback transactions	-	-
(iv) The total cash outflow for leases during the year	109.13	96.16

18 LEASES (Contd.)

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

B] This note provides information for leases where the Company is a lessor.

The Company had given office premises under lease. The income from lease recognised in the Statement of Profit and Loss are Rs. 0.17 crores (March 31, 2021: Rs. 0.21 crores). Agreements provide for cancellation by either party or contain clause for escalation and renewal of agreements. The non-cancellable operating lease agreement is for a period of 108 months.

Future minimum lease receivables under non-cancellable leases as at March 31, 2022 are as follows:

Particulars	(Rs. in crores)	
	As at March 31, 2022	As at March 31, 2021
Within one year	0.17	0.17
After one year but not more than five years	0.08	0.25
More than five years	-	-
Total	0.25	0.42

Particulars	(Rs. in crores)	
	Computer software	
19 OTHER INTANGIBLE ASSETS #		
Gross block*		
As at April 01, 2020	4.02	
Additions	1.06	
Disposals	-	
As at March 31, 2021	5.08	
Additions	2.22	
Disposals	0.03	
As at March 31, 2022	7.27	
Accumulated amortisation and impairment losses		
As at April 01, 2020	1.35	
Charge for the year	1.34	
Disposals	0.00	
As at March 31, 2021	2.69	
Charge for the year	1.57	
Disposals	0.03	
As at March 31, 2022	4.23	
Net carrying amount as at March 31, 2021	2.39	
Net carrying amount as at March 31, 2022	3.04	

Other than internally generated

Amounts less than Rs. 1.00 lac are presented as Rs. 0.00 crores in the above statement.

*Refer note 6.9 of Significant accounting policies for exemption applied during first-time adoption of Indian Accounting Standards.

The Company has not revalued any of its intangible assets during the years ended March 31, 2022 and March 31, 2021. Hence, the amount of change in gross and net carrying amount due to revaluation and impairment losses/reversals is nil.

		(Rs. in crores)	
Particulars		As at March 31, 2022	As at March 31, 2021
20	OTHER NON-FINANCIAL ASSETS		
	Goods and services tax credit (input) receivable	198.82	183.44
	Prepaid expenses	9.32	7.80
	Capital advances	3.05	1.00
	Duties paid under protest	96.40	96.40
	Other non-financial assets	2.45	4.68
	Total	310.04	293.32

21	PAYABLES

(I) Trade payables

		(Rs. in crores)	
Particulars		As at March 31, 2022	As at March 31, 2021
(i) total outstanding dues of micro enterprises and small enterprises (refer note 54)		0.02	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises *		166.01	152.52
Total		166.03	152.52

*Includes payable to associate Rs. 0.91 crores (March 31, 2021: Rs. 1.27 crores).

Trade Payables ageing
As at March 31, 2022

		(Rs. in crores)					
Particulars	Unbilled	Not Due for payment	Outstanding for following periods from due date of payment				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	-	0.02	-	-	-	0.02
(ii) Others	108.81	-	50.63	4.25	1.10	1.22	166.01
(iii) Disputed dues – MSME	-	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-	-
Total	108.81	-	50.65	4.25	1.10	1.22	166.03

As at March 31, 2021

		(Rs. in crores)					
Particulars	Unbilled	Not Due for payment	Outstanding for following periods from due date of payment				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	-	-	-	-	-	-
(ii) Others	136.07	-	11.46	3.60	1.07	0.32	152.52
(iii) Disputed dues – MSME	-	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-	-
Total	136.07	-	11.46	3.60	1.07	0.32	152.52

(II) Other payables

		(Rs. in crores)	
Particulars		As at March 31, 2022	As at March 31, 2021
(i) total outstanding dues of micro enterprises and small enterprises (refer note 54)		1.46	0.37
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		1.21	0.54
Total		2.67	0.91

		(Rs. in crores)	
Particulars		As at March 31, 2022	As at March 31, 2021
22	DEBT SECURITIES		
At amortised cost			
Secured			
Redeemable non-convertible debentures			
- Public issue ₹		2,500.63	5,776.24
- Privately placed ₹ ₹		18,768.05	15,153.29
External commercial bond		19,011.29	17,779.55
Senior secured notes		891.40	888.35
Unsecured			
Redeemable non-convertible debentures			
- Privately placed		85.18	464.44
Total		41,256.55	40,061.87
Debt securities in India		21,353.86	21,393.97
Debt securities outside India		19,902.69	18,667.90
Total		41,256.55	40,061.87

There are no debt securities measured at FVTPL or designated at FVTPL.

₹ includes Rs. 29.40 crores (March 31, 2021 Rs. 69.20 crores) issued to related parties including Directors.

₹₹ includes Rs. 27.96 crores (March 31, 2021 Rs. 10.01 crores) issued to related parties.

		(Rs. in crores)	
Particulars		As at March 31, 2022	As at March 31, 2021
23	BORROWINGS (OTHER THAN DEBT SECURITIES)		
At amortised cost			
Secured			
Term loan from banks - INR		16,755.62	13,304.70
Term loan from financial institutions/corporates - INR		5,685.24	3,783.20
External commercial borrowing - FCNR		4,243.13	4,122.49
Loans repayable on demand from banks (Cash credit from banks)		454.86	667.38
Other loans - INR -Securitisation liabilities		19,538.08	23,403.60
Total		46,676.93	45,281.37
Borrowings in India		42,433.80	41,158.88
Borrowings outside India		4,243.13	4,122.49
Total		46,676.93	45,281.37

There are no borrowings measured at FVTPL or designated at FVTPL.

The borrowings have not been guaranteed by directors or others. The Company has not defaulted in repayment of principal and interest to its lenders.

The Company has utilised the funds raised from banks and financial institutions for the specific purpose for which they were borrowed.

The Company has borrowed funds from banks and financial institutions on the basis of security of current assets. It has filed quarterly returns or statements of current assets with banks and financial institutions and the said returns/statements are in agreement with books of accounts.

		(Rs. in crores)	
Particulars	As at March 31, 2022	As at March 31, 2021	
24 DEPOSITS			
At amortised cost			
Unsecured			
i. Public deposits (refer note 65) *	20,190.08	15,790.71	
ii. From Banks	-	-	
iii. From Others			
- Deposits from corporates **	1,729.76	392.11	
- Inter-corporate deposits ***	29.14	49.59	
Total	21,948.98	16,232.41	

There are no deposits measured at FVTPL or designated at FVTPL.

* includes Rs. 3.01 crores (March 31, 2021 Rs. 1.89 crores) accepted from related parties including Director.

** includes Rs. 118.94 crores (March 31, 2021 Rs. 34.34 crores) accepted from related parties.

*** includes Rs. 27.45 crores (March 31, 2021 Rs. 49.59 crores) accepted from associate.

		(Rs. in crores)	
Particulars	As at March 31, 2022	As at March 31, 2021	
25 SUBORDINATED LIABILITIES			
At amortised cost			
Others			
Unsecured			
Subordinated debts - Debentures #	4,614.25	4,620.76	
Total	4,614.25	4,620.76	
Subordinated debts in India	4,614.25	4,620.76	
Subordinated debts outside India	-	-	
Total	4,614.25	4,620.76	

There are no subordinated liabilities measured at FVTPL or designated at FVTPL.

includes Rs. 516.07 crores (March 31, 2021 Rs. 495.36 crores) issued to related parties.

I DEBT SECURITIES

A) Redeemable non-convertible debenture (NCD) -secured

i) Public issue of redeemable non-convertible debentures of Rs. 1,000/- each-(2014)

Terms of repayment as on March 31, 2022

Outstanding as on March 31, 2022: Nil

Terms of repayment as on March 31, 2021

		(Rs. in crores)		
Redeemable at par/premium (from the date of the Balance Sheet)	Rate of interest			Total
	< 10%	>= 10% < 12%	>= 12% < 14%	
12 months	-	240.22	-	240.22
Total	-	240.22	-	240.22

Nature of security

Secured by specific assets covered under hypothecation loan agreements and by way of exclusive charge and equitable mortgage of immovable property.

The Company had utilised the entire sum of Rs. 1,974.85 crores raised from public issue (net off expenses) towards asset financing activities as per the objects stated in the prospectus for the issue.

I DEBT SECURITIES (Contd.)

Debentures may be bought back subject to applicable statutory and/or regulatory requirements, upon the terms and conditions as may be decided by the Company.

As per the terms of the issue Rs. 199.37 crores were redeemed on July 15, 2021.

As per the terms of the issue Rs. 427.15 crores were redeemed on July 15, 2019.

As per the terms of the issue Rs. 1,348.33 crores were redeemed on July 15, 2017.

ii) Public issue of Non-convertible debentures (NCD) of Rs. 1,000/- each-(IPO 2018 - 1)

Terms of repayment as on March 31, 2022

(Rs. in crores)

Redeemable at par/premium (from the date of the Balance Sheet)	Rate of interest			Total
	< 10%	>= 10% < 12%	>= 12% < 14%	
over 60 months	497.98	-	-	497.98
12-24 months	850.87	-	-	850.87
Total	1,348.85	-	-	1,348.85

Terms of repayment as on March 31, 2021

(Rs. in crores)

Redeemable at par/premium (from the date of the Balance Sheet)	Rate of interest			Total
	< 10%	>= 10% < 12%	>= 12% < 14%	
over 60 months	497.03	-	-	497.03
24-36 months	837.55	-	-	837.55
upto 12 months	2,447.63	-	-	2,447.63
Total	3,782.21	-	-	3,782.21

Nature of security

Secured by specific assets covered under hypothecation loan agreements and by way of exclusive charge and equitable mortgage of immovable property.

The Company had utilised the entire sum of Rs. 3,648.52 crores raised from public issue (net off expenses) towards repayment of borrowings as per the objects stated in the prospectus for the issue.

As per the terms of the issue Rs. 2,285.45 crores were redeemed on July 12, 2021.

As per the terms of the issue Rs. 107.40 crores were redeemed on December 26, 2019.

iii) Public issue of Non-convertible debentures (NCD) of Rs. 1,000/- each-(IPO 2018 - 2)

Terms of repayment as on March 31, 2022

(Rs. in crores)

Redeemable at par/premium (from the date of the Balance Sheet)	Rate of interest			Total
	< 10%	>= 10% < 12%	>= 12% < 14%	
over 60 months	71.82	-	-	71.82
12-24 months	269.30	-	-	269.30
Total	341.12	-	-	341.12

Terms of repayment as on March 31, 2021

(Rs. in crores)

Redeemable at par/premium (from the date of the Balance Sheet)	Rate of interest			Total
	< 10%	>= 10% < 12%	>= 12% < 14%	
over 60 months	71.67	-	-	71.67
24-36 months	263.13	-	-	263.13
upto 12 months	-	310.11	-	310.11
Total	334.80	310.11	-	644.91

Nature of security

Secured by specific assets covered under hypothecation loan agreements and by way of exclusive charge and equitable mortgage of immovable property.

I DEBT SECURITIES (Contd.)

The Company had utilised the entire sum of Rs. 606.79 crores raised from public issue (net off expenses) for the purpose of onward disbursements as per the objects stated in the prospectus for the issue.

As per the terms of the issue Rs. 107.40 crores were redeemed on November 2, 2021.

iv) Public issue of Non-convertible debentures (NCD) of Rs. 1,000/- each-(IPO 2018 - 3)

Terms of repayment as on March 31, 2022

(Rs. in crores)

Redeemable at par/premium (from the date of the Balance Sheet)	Rate of interest			Total
	< 10%	>= 10% < 12%	>= 12% < 14%	
over 60 months	60.13	-	-	60.13
12-24 months	243.38	-	-	243.38
Total	303.51	-	-	303.51

Terms of repayment as on March 31, 2021

(Rs. in crores)

Redeemable at par/premium (from the date of the Balance Sheet)	Rate of interest			Total
	< 10%	>= 10% < 12%	>= 12% < 14%	
over 60 months	59.99	-	-	59.99
24-36 months	237.50	-	-	237.50
upto 12 months	-	262.55	-	262.55
Total	297.49	262.55	-	560.04

Nature of security

Secured by specific assets covered under hypothecation loan agreements and by way of exclusive charge and equitable mortgage of immovable property.

The Company had utilised the entire sum of Rs. 537.32 crores raised from public issue (net off expenses) for the purpose of onward disbursements as per the objects stated in the prospectus for the issue.

As per the terms of the issue Rs. 247.04 crores were redeemed on February 6, 2022.

v) Public issue of Non-convertible debentures (NCD) of Rs. 1,000/- each-(IPO 2019 - 1)

Terms of repayment as on March 31, 2022

(Rs. in crores)

Redeemable at par/premium (from the date of the Balance Sheet)	Rate of interest			Total
	< 10%	>= 10% < 12%	>= 12% < 14%	
48-60 Months	20.65	45.16	-	65.81
24-36 months	33.87	71.47	-	105.34
upto 12 months	41.91	94.28	-	136.19
Total	96.43	210.91	-	307.34

Terms of repayment as on March 31, 2021

(Rs. in crores)

Redeemable at par/premium (from the date of the Balance Sheet)	Rate of interest			Total
	< 10%	>= 10% < 12%	>= 12% < 14%	
over 60 months	20.57	43.38	-	63.95
36-48 months	33.67	69.12	-	102.79
12-24 months	41.56	90.45	-	132.01
upto 12 months	-	55.59	-	55.59
Total	95.80	258.54	-	354.34

Nature of security

Secured by specific assets covered under hypothecation loan agreements and by way of exclusive charge and equitable mortgage of immovable property.

The Company has utilised the entire sum of Rs. 339.94 crores raised from public issue (net off expenses) for the purpose of onward disbursements as per the objects stated in the prospectus for the issue.

As per the terms of the issue Rs. 53.11 crores were redeemed on February 22, 2022.

I DEBT SECURITIES (Contd.)

vi) Public issue of Non-convertible debentures (NCD) of Rs. 1,000/- each-(IPO 2019 - 2)

Terms of repayment as on March 31, 2022

(Rs. in crores)

Redeemable at par/premium (from the date of the Balance Sheet)	Rate of interest			Total
	< 10%	>= 10% < 12%	>= 12% < 14%	
48-60 months	26.44	-	-	26.44
24-36 months	68.61	-	-	68.61
upto 12 months	79.87	24.89	-	104.76
Total	174.92	24.89	-	199.81

Terms of repayment as on March 31, 2021

(Rs. in crores)

Redeemable at par/premium (from the date of the Balance Sheet)	Rate of interest			Total
	< 10%	>= 10% < 12%	>= 12% < 14%	
over 60 months	26.31	-	-	26.31
36-48 months	66.64	-	-	66.64
12-24 months	78.97	22.60	-	101.57
Total	171.92	22.60	-	194.52

Nature of security

Secured by specific assets covered under hypothecation loan agreements and by way of exclusive charge and equitable mortgage of immovable property.

The Company has utilised the entire sum of Rs. 193.67 crores raised from public issue (net off expenses) for the purpose of onward disbursements as per the objects stated in the prospectus for the issue.

vii) Privately placed redeemable non-convertible debenture of Rs. 1,000,000/- each

Terms of repayment as on March 31, 2022

(Rs. in crores)

Redeemable at par/premium (from the date of the Balance Sheet)	Rate of interest				Total
	< 10% ^ \$	>= 10% < 12% ^ #	>= 12% < 14%	>=14% <16%	
over 60 months	6,374.70	-	-	-	6,374.70
48-60 months	338.75	-	-	-	338.75
36-48 months	352.54	-	-	-	352.54
24-36 months ^	461.91	1,301.21	-	-	1,763.12
12-24 months ^ # \$	4,610.29	304.39	-	-	4,914.68
upto 12 months ^ \$	3,637.44	1,179.96	154.56	52.30	5,024.26
Total	15,775.63	2,785.56	154.56	52.30	18,768.05

^ NCD amounting to Rs. 2,396.30 crores issued at zero coupon rates and redeemable at premium are included in above on the basis of IRR.

includes 1 NCD of Rs. 250 crores partly paid to the extend of Rs. 116.67 crores.

\$ Out of above NCD having put / call option are as under

(Rs. in crores)

Sr No.	Rate of interest	Amount	Put / Call Option Date
1	7.46%	1,000.00	April 29, 2022
2	7.15%	1,585.00	June 17, 2022
Total		2,585.00	

I DEBT SECURITIES (Contd.)

Terms of repayment as on March 31, 2021

(Rs. in crores)

Redeemable at par/premium (from the date of the Balance Sheet)	Rate of interest				Total
	< 10%^	>= 10% < 12% ^	>= 12% < 14%	>=14% <16%	
over 60 months	3,613.48	-	-	-	3,613.48
48-60 months	302.37	-	-	-	302.37
36-48 months	154.79	1,299.99	-	-	1,454.78
24-36 months ^	863.19	172.21	-	-	1,035.40
12-24 months^	1,970.82	1,086.19	151.27	45.73	3,254.01
upto 12 months ^	4,627.44	865.81	-	-	5,493.25
Total	11,532.09	3,424.20	151.27	45.73	15,153.29

^ NCD amounting to Rs. 2,692.60 crores issued at zero coupon rates and redeemable at premium are included in above on the basis of IRR.

Nature of security

Secured by specific assets covered under hypothecation loan and by way of exclusive charge and equitable mortgage of immovable property.

Debentures may be bought back subject to applicable statutory and/or regulatory requirements, upon the terms and conditions as may be decided by the Company.

(Rs. in crores)

Total non-convertible debentures- secured	As at March 31, 2022	As at March 31, 2021
Public issue (i+ii+iii+iv+v+vi)	2,500.63	5,776.24
Privately placed (vii)	18,768.05	15,153.29
Total non-convertible debentures- secured	21,268.68	20,929.53

B) External commercial bond (ED) Secured

Privately Placed Redeemable External commercial bond of Rs. 100,000/- each

Terms of repayment as on March 31, 2022

(Rs. in crores)

Detail	Rate of Interest		Total
	< 10%	>= 10% < 12%	
36-48 months	3,622.91	-	3,622.91
12-24 months	9,564.27	-	9,564.27
upto 12 months	5,824.11	-	5,824.11
Total	19,011.29	-	19,011.29

Terms of repayment as on March 31, 2021

(Rs. in crores)

Detail	Rate of Interest		Total
	< 10%	>= 10% < 12%	
24-36 months	9,182.92	-	9,182.92
12-24 months	5,638.17	-	5,638.17
upto 12 months	-	2,958.46	2,958.46
Total	14,821.09	2,958.46	17,779.55

On January 18, 2022, the Company issued and allotted USD 475,000,000 4.15% senior secured notes due 2025 in offshore market (Social Bonds) for sum of Rs. 3,512.86 crores under USD 3.5 Billion Global Medium Term Note Programme. The said Social Bonds were listed on Singapore Stock Exchange (SGX- ST) on January 19, 2022. The proceeds of the issue of the Social Bonds are being utilised as per the Company's Social Finance Framework, for onward lending and other activities as permitted by the RBI Master Direction — External Commercial Borrowings, Trade Credits and Structured Obligations.

On March 31, 2021, the Company issued and allotted USD 225,000,000 4.40% senior secured notes due 2024 in offshore market (Social Bonds) for sum of Rs.1,630.35 crores to be consolidated and form a single series with the U.S.\$500,000,000 4.40 per cent Senior Secured Notes due 2024 issued on January 13, 2021 under USD 3 Billion Global Medium Term Note Programme. The said Social Bonds were listed on Singapore Stock Exchange (SGX- ST) on April 01, 2021. The proceeds of the issue of the Social Bonds are being utilised as per the Company's Social Finance Framework, for onward lending and other activities as permitted by the RBI Master Direction — External Commercial Borrowings, Trade Credits and Structured Obligations.

I DEBT SECURITIES (Contd.)

On January 13, 2021, the Company issued and allotted USD 500,000,000 4.40% Senior Secured Notes due 2024 in offshore market (Social Bonds) for sum of USD 499,950,000 equivalent to Rs. 3,672.50 crores under USD 3 Billion GMTN Programme. The said Social Bonds were listed on Singapore Stock Exchange (SGX-ST) on January 14, 2021. The proceeds of the issue of the Social Bonds are being utilised as per the Company's Social Finance Framework, for onward lending and other activities as permitted by the RBI Master Direction – External Commercial Borrowings, Trade Credits, and Structured Obligations.

During the year ended March 31, 2020, the Company issued and allotted USD 250,000,000 5.3750% senior secured notes due 2022 in offshore market (notes) equivalent to Rs. 1,714.38 crores under USD 2,000,000,000 Global Medium Term Note Programme. The said notes are listed on Singapore Stock Exchange (SGX- ST). The proceeds of the issue of the notes have been utilised for the purpose of onward lending and other activities as may be permitted by the ECB Directions.

During the year ended March 31, 2020, the Company issued and allotted USD 500,000,000 5.100% senior secured notes due 2023 in offshore market (Social Bonds) equivalent to Rs. 3,541.75 crores under USD 3,000,000,000 Global Medium Term Note Programme. The said Social Bonds are listed on Singapore Stock Exchange (SGX- ST). The proceeds of the issue of the Social Bonds have been utilised for the purpose of onward lending and other activities as per the Company's Social Finance Framework and as may be permitted by the ECB Directions.

During the year ended March 31, 2019, the Company issued and allotted senior secured notes in offshore market (notes) aggregating to INR 2,849.90 crores consisting of 5.70% notes due 2022 under INR 5,000 crores Medium Term Note Programme. The notes issued by the Company are listed on Singapore Stock Exchange (SGX- ST). The proceeds of the issue have been utilised for the purpose of onward disbursements.

As per the terms of the issue, Rs. 2,849.90 crores were redeemed on February 28, 2022.

Nature of security

Secured by way of an exclusive fixed charge over hypothecation loan receivables of the Company.

C) Senior secured notes

Senior secured notes of Rs. 10,000,000/- each

Terms of repayment		(Rs. in crores)	
Detail	Rate of interest	As at March 31, 2022	As at March 31, 2021
36-48 months	<10%	-	-
24-36 months	<10%	-	888.35
12-24 months	<10%	891.40	-
upto 12 months	<10%	-	-
Total		891.40	888.35

During the year ended March 31, 2018, the Company had issued senior secured notes in offshore market (notes) aggregating to INR 1,160 crores consisting of INR 840 crores 8.10% notes due 2023 and INR 320 crores 7.90% notes due 2021 payable in US dollars under INR 5,000 crores Medium Term Note Programme. The notes issued by the Company are listed on Singapore Stock Exchange (SGX- ST).

The Company had utilised the entire sum of Rs. 1,160.00 crores raised from Senior secured notes towards asset financing activities as per the objects stated in the prospectus for the issue.

During the year ended March 31, 2017, the Company had issued Rs. 1,350.00 crores 8.25 % senior secured notes at the price of 100.18% that are due for repayment on February 18, 2020. The said notes (with ISIN - XS 1549374475) are listed and traded on the Singapore Exchange (SGX-ST) with a minimum board lot size of S \$200,000.

The Company had utilised the entire sum of Rs. 1,350.00 crores raised from Senior secured notes towards asset financing activities as per the objects stated in the prospectus for the issue.

As per the terms of the issue, Rs. 1,350.00 crores were redeemed on February 18, 2020.

As per the terms of the issue, Rs. 320.00 crores were redeemed on March 12, 2021.

I DEBT SECURITIES (Contd.)

Nature of security

Secured by way of an exclusive fixed charge over hypothecation loan receivables of the Company.

D) Redeemable non-convertible debenture (NCD) -unsecured

i) Privately placed redeemable non-convertible debenture of Rs. 1,000,000/- each

Terms of repayment as on March 31, 2022

(Rs. in crores)

Redeemable at par/premium (from the date of the Balance Sheet)	Rate of interest			Total
	< 10%	>= 10% < 12%	>= 12% < 14%	
24-36 months	-	-	85.18	85.18
Total	-	-	85.18	85.18

Terms of repayment as on March 31, 2021

(Rs. in crores)

Redeemable at par/premium (from the date of the Balance Sheet)	Rate of interest			Total
	< 10%	>= 10% < 12%	>= 12% < 14%	
36-48 months	-	-	464.44	464.44
Total	-	-	464.44	464.44

II BORROWINGS (OTHER THAN DEBT SECURITIES)

A) Term loans from banks -secured (INR)

As at March 31, 2022

Terms of repayment #

(Rs. in crores)

Tenure (from the date of the Balance Sheet)	Rate of interest	Repayment details	Amount
48-60 months	7.45% to 8.90%	20 to 60 instalments of monthly and quarterly frequency	3,318.09
36-48 months	5.50% to 8.56%	14 to 60 instalments of monthly and quarterly frequency	2,874.22
24-36 months	5.70% to 9.56%	1 to 48 instalments of bullet, monthly, quarterly and half-yearly frequency	3,539.61
12-24 months	6.61% to 10.14%	1 to 36 instalments of bullet, monthly and quarterly frequency	1,603.16
upto 12 months	5.60% to 10.34%	1 to 36 instalments of bullet, monthly, quarterly and specific frequency	5,420.54
Total			16,755.62

Loans are classified in respective time buckets based on option date.

Nature of security

Secured by an exclusive charge by way of hypothecation of specific movable assets being fixed/current assets relating to hypothecation loans.

II BORROWINGS (OTHER THAN DEBT SECURITIES) (Contd.)

As at March 31, 2021

Terms of repayment #			(Rs. in crores)
Tenure (from the date of the Balance Sheet)	Rate of interest	Repayment details	Amount
48-60 months	7.73% to 8.71%	20 to 60 instalments of monthly and quarterly frequency	1,345.25
36-48 months	8.15% to 10.98%	20 to 48 instalments of monthly, quarterly and specific frequency	2,809.75
24-36 months	7.00% to 10.10%	1 to 36 instalments of bullet and quarterly frequency	2,150.23
12-24 months	7.30% to 10.07%	1 to 36 instalments of bullet, monthly, quarterly and specific frequency	1,536.39
upto 12 months	6.65% to 10.01%	1 to 20 instalments of bullet, quarterly and specific frequency	5,463.08
Total			13,304.70

Loans are classified in respective time buckets based on option date.

Nature of security

Secured by an exclusive charge by way of hypothecation of specific movable assets being fixed/current assets relating to hypothecation loans.

B) Term loans from financial institutions/corporates -secured (INR)

As at March 31, 2022

Terms of repayment #			(Rs. in crores)
Tenure (from the date of the Balance Sheet)	Rate of interest	Repayment details	Amount
48-60 months	7.34% to 8.95%	19 to 20 instalments of quarterly frequency	1,227.32
36-48 months	8.23% to 9.00%	1 to 20 instalments of bullet and quarterly frequency	1,898.70
24-36 months	7.25% to 10.20%	11 instalments of quarterly, half-yearly and specific frequency	2,229.80
12-24 months	9.70% to 10.50%	11 to 12 instalments of quarterly, half-yearly and specific frequency	197.15
upto 12 months	7.44% to 9.07%	11 to 20 instalments of quarterly, half-yearly and specific frequency	132.27
Total			5,685.24

Loans are classified in respective time buckets based on option date.

Nature of security

Secured by an exclusive charge by way of hypothecation of specific movable assets being fixed/current assets relating to hypothecation loans.

II BORROWINGS (OTHER THAN DEBT SECURITIES) (Contd.)

As at March 31, 2021

Terms of repayment #			(Rs. in crores)
Tenure (from the date of the Balance Sheet)	Rate of interest	Repayment details	Amount
over 60 months	8.95%	20 instalments of quarterly frequency	389.57
48-60 months	8.23% to 9.00%	20 instalments of quarterly frequency	2,385.43
36-48 months	10.20%	11 instalments of specific frequency	130.11
24-36 months	9.70% to 10.50%	11 to 12 instalments of quarterly and specific frequency	404.35
12-24 months	7.02% to 9.01%	11 to 20 instalments of quarterly and specific frequency	343.41
upto 12 months	6.21% to 6.31%	1 to 9 instalments of bullet and monthly frequency	130.33
Total			3,783.20

Loans are classified in respective time buckets based on option date.

Nature of security

Secured by an exclusive charge by way of hypothecation of specific movable assets being fixed/current assets relating to hypothecation loans.

C) External commercial borrowing

As at March 31, 2022

Terms of repayment			(Rs. in crores)
Tenure (from the date of the Balance Sheet)	Rate of interest	Repayment details	Amount
Over 60 months	4.59%	11 instalments of half-yearly frequency	531.25
48-60 Months	8.63% to 10.86%	11 to 13 instalments of half-yearly and specific frequency	873.29
24-36 months	8.12%	Bullet frequency	191.59
12-24 months	9.83% to 10.02%	Bullet frequency	2,647.00
Total			4,243.13

Nature of security

Secured by an exclusive charge by way of hypothecation of specific movable assets being fixed/current assets relating to hypothecation loans.

As at March 31, 2021

Terms of repayment			(Rs. in crores)
Tenure (from the date of the Balance Sheet)	Rate of interest	Repayment details	Amount
over 60 months	4.59% to 10.87%	11 to 13 instalments of half-yearly and specific frequency	1,566.94
24-36 months	9.83% to 10.02%	Bullet frequency	2,555.55
Total			4,122.49

Nature of security

Secured by an exclusive charge by way of hypothecation of specific movable assets being fixed/current assets relating to hypothecation loans.

II BORROWINGS (OTHER THAN DEBT SECURITIES) (Contd.)

D) Loans repayable on demand from banks (Cash credit from banks)

As at March 31, 2022

Terms of repayment

(Rs. in crores)

Particulars	Rate of interest	Amount
Secured by hypothecation of specific assets covered under hypothecation loan agreements	7.30% to 10.45%	454.86
Total		454.86

As at March 31, 2021

Terms of repayment

(Rs. in crores)

Particulars	Rate of interest	Amount
Secured by hypothecation of specific assets covered under hypothecation loan agreements	8.20% to 11.70%	667.38
Total		667.38

E) Other loans - INR -Securitisation liabilities

As at March 31, 2022

Terms of repayment

(Rs. in crores)

Tenure (from the date of the Balance Sheet)	Rate of interest	Repayment details	Amount
48-60 months	5.90% to 9.00%	1 to 86 instalments monthly frequency	11,209.94
36-48 months	5.50% to 9.00%	1 to 67 instalments monthly frequency	3,565.64
24-36 months	6.31% to 9.40%	1 to 65 instalments monthly frequency	1,166.14
12-24 months	8.00% to 9.70%	1 to 61 instalments monthly frequency	3,092.50
upto 12 months	6.97% to 10.20%	1 to 61 instalments monthly frequency	503.86
Total			19,538.08

Nature of security

Secured by an exclusive charge by way of hypothecation of specific movable assets being fixed/current assets relating to hypothecation loans.

As at March 31, 2021

Terms of repayment

(Rs. in crores)

Tenure (from the date of the Balance Sheet)	Rate of interest	Repayment details	Amount
over 60 months	8.93% to 9.98%	1 to 88 instalments monthly frequency	3,297.86
48-60 months	8.38% to 11.15%	1 to 69 instalments monthly frequency	8,056.62
36-48 months	7.99% to 11.00%	1 to 63 instalments monthly frequency	7,347.62
24-36 months	8.31% to 10.53%	1 to 61 instalments monthly frequency	3,482.40
12-24 months	6.90% to 8.84%	1 to 60 instalments monthly frequency	1,219.10
Total			23,403.60

Nature of security

Secured by an exclusive charge by way of hypothecation of specific movable assets being fixed/current assets relating to hypothecation loans.

III DEPOSITS

A) Deposits from public - unsecured - [refer note 65]

Terms of repayment as on March 31, 2022

(Rs. in crores)

Redeemable at par (from the date of the Balance Sheet)	Rate of interest		Total
	< 10%	>= 10% < 12%	
48-60 months	2,446.18	-	2,446.18
36-48 months	2,030.40	-	2,030.40
24-36 months	5,523.97	-	5,523.97
12-24 months	4,631.55	-	4,631.55
upto 12 months	5,557.98	-	5,557.98
Total	20,190.08	-	20,190.08

Terms of repayment as on March 31, 2021

(Rs. in crores)

Redeemable at par (from the date of the Balance Sheet)	Rate of interest		Total
	< 10%	>= 10% < 12%	
48-60 months	1,906.84	-	1,906.84
36-48 months	1,122.74	-	1,122.74
24-36 months	3,967.54	-	3,967.54
12-24 months	3,595.91	-	3,595.91
upto 12 months	5,197.68	-	5,197.68
Total	15,790.71	-	15,790.71

(Rs. in crores)

Particulars	As at March 31, 2022	As at March 31, 2021
Total Deposits from public	20,190.08	15,790.71

B) Deposits from corporates - unsecured

Terms of repayment as on March 31, 2022

(Rs. in crores)

Redeemable at par (from the date of the Balance Sheet)	Rate of interest		Total
	< 10%	>= 10% < 12%	
48-60 months	30.21	-	30.21
36-48 months	13.24	-	13.24
24-36 months	367.23	-	367.23
12-24 months	150.65	-	150.65
upto 12 months	1,168.43	-	1,168.43
Total	1,729.76	-	1,729.76

Terms of repayment as on March 31, 2021

(Rs. in crores)

Redeemable at par (from the date of the Balance Sheet)	Rate of interest		Total
	< 10%	>= 10% < 12%	
48-60 months	13.33	-	13.33
36-48 months	4.73	-	4.73
24-36 months	87.95	-	87.95
12-24 months	38.44	-	38.44
upto 12 months	247.66	-	247.66
Total	392.11	-	392.11

C) Inter-corporate deposits

Terms of repayment as on March 31, 2022

(Rs. in crores)

Tenure (from the date of the Balance Sheet)	Rate of interest	Repayment details	Total
upto 12 months	4.50% to 7.00%	Bullet repayment	29.14
Total			29.14

III DEPOSITS (Contd.)

Terms of repayment as on March 31, 2021			(Rs. in crores)
Tenure (from the date of the Balance Sheet)	Rate of interest	Repayment details	Total
upto 12 months	7.50%	Bullet repayment	49.59
Total			49.59

IV SUBORDINATED LIABILITIES

A) Subordinated liabilities -unsecured - Debentures

Privately placed subordinated liabilities of Rs. 1,000,000/- each

Terms of repayment as on March 31, 2022 (Rs. in crores)

Redeemable at par (from the date of the Balance Sheet)	Rate of interest			Total
	<10%	>=10% <12%	>=12% <14%	
over 60 months	1,395.11	78.94	-	1,474.05
48-60 months	137.64	-	-	137.64
36-48 months	39.87	56.94	-	96.81
24-36 months	41.04	541.92	1,680.52	2,263.48
12-24 months	-	332.92	-	332.92
upto 12 months	-	309.35	-	309.35
Total	1,613.66	1,320.07	1,680.52	4,614.25

Terms of repayment as on March 31, 2021 (Rs. in crores)

Redeemable at par (from the date of the Balance Sheet)	Rate of interest			Total
	<10%	>=10% <12%	>=12% <14%	
over 60 months	1,531.88	78.89	-	1,610.77
48-60 months	39.82	56.79	-	96.61
36-48 months	41.00	536.25	1,642.51	2,219.76
24-36 months	-	332.62	-	332.62
12-24 months	-	309.06	-	309.06
upto 12 months	-	-	51.94	51.94
Total	1,612.70	1,313.61	1,694.45	4,620.76

(Rs. in crores)

Particulars		As at March 31, 2022	As at March 31, 2021
26	OTHER FINANCIAL LIABILITIES		
Investor education and protection fund shall be credited by the following amounts (as and when due)			
- Unclaimed dividend		9.72	9.81
- Unclaimed matured deposits and interest accrued thereon		111.07	106.74
- Unclaimed matured debentures and interest accrued thereon		13.09	15.62
- Unclaimed matured subordinated debts and interest accrued thereon		9.08	36.43
Temporary credit balance in bank accounts		30.12	57.27
Payable on account of assignment		132.00	178.07
Payable to dealers		0.86	2.63
Payable to employees		132.59	134.51
Retention money and other sundry liabilities		303.48	342.15
Interim dividend payable		-	151.84
Other liabilities *		117.63	114.75
Total		859.64	1,149.82

* Other liabilities include amount payable to Banks for credit card payments, settlement dues payable to resigned employees, etc.

		(Rs. in crores)	
Particulars	As at March 31, 2022	As at March 31, 2021	
27 CURRENT TAX LIABILITIES (NET)			
For taxation [net of advance tax Rs. 692.91 crores (March 31, 2021: Rs. 3.10 crores)]	36.82	102.02	
Total	36.82	102.02	

		(Rs. in crores)	
Particulars	As at March 31, 2022	As at March 31, 2021	
28 PROVISIONS			
For employee benefits			
- Gratuity (refer note 46)	2.24	2.07	
- Compensated absences (leave encashment and availment)	38.31	37.02	
For others			
- Expected credit loss towards undrawn loan commitment	6.70	10.70	
- Taxes- contested	90.93	92.75	
Total	138.18	142.54	

Loan commitments

Credit quality of exposure

The table below shows the credit quality and the maximum exposure to credit risk based on the Company's internal credit rating system and year-end stage classification. The amounts presented are gross of impairment allowances. Details of the Company's internal grading system are explained in Note 53.02 and policies on whether ECL allowances are calculated on an individual or collective basis are set out in Note 53.02.02.07.

		(Rs. in crores)	
Particulars	As at March 31, 2022 Stage 1 Collective	As at March 31, 2021 Stage 1 Collective	
Internal rating grade			
Performing			
High grade	92.43	148.66	
Total	92.43	148.66	

An analysis of changes in the gross carrying amount and the corresponding ECL allowances in relation to other undrawn loan commitments is, as follows:

Gross exposure reconciliation

		(Rs. in crores)	
Particulars	Year ended March 31, 2022 Stage 1	Year ended March 31, 2021 Stage 1	
Opening balance of outstanding exposure	148.66	311.87	
New exposures	69.95	88.39	
Exposures cancelled or disbursed (excluding write-offs)	(126.18)	(251.60)	
Closing balance of outstanding exposure	92.43	148.66	

28 PROVISIONS (Contd.)

Reconciliation of ECL balance in relation to other undrawn loan commitments is given below:

	(Rs. in crores)	
	Year ended March 31, 2022	Year ended March 31, 2021
	General approach	General approach
Particulars	Stage 1	Stage 1
ECL allowance - opening balance	10.70	16.15
New exposures	4.21	5.13
Exposures cancelled or disbursed (excluding write-offs)	(8.21)	(10.58)
ECL allowance - closing balance	6.70	10.70

	(Rs. in crores)	
	As at March 31, 2022	As at March 31, 2021
29 OTHER NON-FINANCIAL LIABILITIES		
Statutory dues payable	101.16	85.45
Advance from customers	23.26	13.81
Total	124.42	99.26

	(Rs. in crores)	
	As at March 31, 2022	As at March 31, 2021
30 EQUITY SHARE CAPITAL		
Authorised:		
647,000,000 (March 31, 2021: 647,000,000) equity shares of Rs.10/- each	647.00	647.00
95,000,000 (March 31, 2021: 95,000,000) preference shares of Rs.100/- each	950.00	950.00
	1,597.00	1,597.00
Issued share capital		
270,519,713 (March 31, 2021: 253,067,654) equity shares of Rs. 10/- each *	270.52	253.07
Subscribed share capital		
270,519,713 (March 31, 2021: 253,061,513) equity shares of Rs. 10/- each	270.52	253.06
Paid up (fully paid up)		
Equity shares		
270,519,713 (March 31, 2021: 253,061,513) equity shares of Rs. 10/- each fully paid up	270.52	253.06
Total Equity	270.52	253.06

* Pursuant to the ordinary resolution passed by the shareholders of the Company on March 6, 2022 through postal ballot, 6,141 equity shares of face value of Rs. 10/- each not taken/agreed to be taken by any person in the Rights Issue of the Company made in the year 1995 were cancelled from the Issued Share Capital of the Company.

30 EQUITY SHARE CAPITAL (Contd.)
a. Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the year

Particulars	Number of shares	(Rs. in crores)
As at March 31, 2020	226,882,736	226.88
Issued during the year #	26,178,777	26.18
As at March 31, 2021	253,061,513	253.06
Issued during the year ##	17,458,200	17.46
As at March 31, 2022	270,519,713	270.52

On August 06, 2020, the Company allotted fully paid-up 26,178,777 Equity Shares of face value of Rs. 10/- each to the eligible equity shareholders at an issue price of Rs. 570/- per Equity Share (including premium of Rs. 560/- per Equity Share) in the Rights Issue, which opened on July 16, 2020 and closed on July 30, 2020. The entire proceeds of the Rights Issue have been utilised as per the objects stated in the offer document for the Rights issue. The fresh allotment of equity shares through Rights Issue as stated above has resulted in an increase of equity share capital by Rs. 26.18 crores and securities premium reserve by Rs. 1,446.46 crores (net of share issue expenses of Rs. 19.55 crores).

On June 12, 2021, the Company allotted 13,986,000 Equity Shares of face value Rs.10/- each to eligible qualified institutional buyers at the issue price of Rs. 1,430/- per Equity Share (including a premium of Rs. 1,420/- per Equity Share) at a discount of Rs. 3.32 per Equity Share i.e. 0.23% of the floor price of Rs. 1,433.32 per Equity Share, aggregating to Rs. 19,999,980,000/- by way of qualified institutions placement (QIP Issue). The QIP Issue opened on June 7, 2021 and closed on June 11, 2021. The entire proceeds have been utilised for the objects of the QIP Issue. Pursuant to the allotment of Equity Shares in the QIP Issue, the paid - up equity share capital of the Company stood increased from Rs. 2,530,615,130/- to Rs. 2,670,475,130/- on June 12, 2021 comprising of 267,047,513 fully paid-up equity shares of face value of Rs. 10/- each and securities premium reserve by Rs. 1,964.78 crores (net of share issue expenses of Rs. 21.23 crores).

On July 8, 2021, the Company allotted (i) 1,736,100 Equity Shares of the Company, fully paid-up, at a price of Rs. 1,440/- per Equity Share including a premium of Rs. 1,430/- per Equity Share, aggregating up to Rs. 2,499,984,000/- and (ii) 1,736,100 Warrants convertible into 1,736,100 Equity Shares at a price (including the warrant subscription price and the warrant exercise price) of Rs. 1,440/- each, aggregating up to Rs. 2,499,984,000/- on a preferential basis to Shriram Capital Limited, Promoter of the Company (Preferential Issue). The Company received the subscription money of Rs. 624,996,000/- for allotment of 1,736,100 Warrants convertible into Equity Shares, being 25% of the Issue price of Rs. 1,440/- of the Warrants at Rs. 360/- per Warrant, towards the warrant subscription price. The entire proceeds have been utilised for the objects of the Preferential Issue. Pursuant to allotment of the Equity Shares in the Preferential Issue, the paid-up share capital of the Company stood increased on July 8, 2021 from Rs. 2,670,475,130/- to Rs. 2,687,836,130/- comprising of 268,783,613 equity shares of face value of Rs. 10/- each and securities premium reserve by Rs. 248.06 crores.

On November 25, 2021, the Company allotted 1,736,100 Equity Shares of face value of Rs. 10/- each fully paid up issued at a premium of Rs. 1,430/- per equity share to Shriram Capital Limited, Promoter of the Company upon exercise of option of conversion of 1,736,100 Warrants by Shriram Capital Limited. The Issue Price of the Warrant was Rs. 1,440/- per warrant of which 25% was paid by Shriram Capital Limited on subscription of 1,736,100 warrants on July 08, 2021 and the balance 75% i.e. Rs. 1,080/- per warrant being the Warrant Exercise Price was paid by Shriram Capital Limited. The entire proceeds have been utilised for the objects of the Preferential Issue. Pursuant to allotment of the Equity Shares in the Preferential Issue, the paid-up share capital of the Company stood increased on November 25, 2021 from Rs. 2,687,836,130/- to Rs. 2,705,197,130/- comprising of 270,519,713 equity shares of face value of Rs. 10/- each and securities premium reserve by Rs. 248.26 crores.

b. Terms/ rights attached to equity shares

The Company has only one class of equity shares having a par value of Rs. 10/- per share. Each holder of equity shares is entitled to one vote per share. The dividend is subject to the approval of the shareholders in the ensuing annual general meeting.

The Board of Directors in their meeting held on March 05, 2022 declared second interim equity dividend of 120% (Rs. 12/- per equity share of nominal face value of Rs. 10/- each fully paid up) for the financial year 2021-22, amounting to Rs. 3,246,236,556/- (gross) subject to deduction of tax at source as per the applicable rate(s) to the eligible shareholders. The record date for payment of second interim equity dividend was March 14, 2022. The second interim dividend was paid to eligible shareholders on March 24, 2022. The Board of Directors in its meeting held on April 28, 2022 have not recommended final dividend. As such the interim dividend aggregating to Rs. 20/-per share (i.e. 200 %) shall be the final dividend for the financial year 2021-22.

30 EQUITY SHARE CAPITAL (Contd.)

The Board of Directors in their meeting held on October 29, 2021 declared interim equity dividend of 80% (Rs. 8/- per equity share of nominal face value of Rs. 10/- each fully paid up) for the financial year 2021-22, amounting to Rs. 2,150,268,904 (gross) subject to deduction of tax at source as per the applicable rate(s) to the eligible shareholders. The record date for payment of interim equity dividend was November 10, 2021. The interim dividend was paid to eligible shareholders on November 24, 2021.

Pursuant to the final equity dividend for the financial year 2020-21 approved by the shareholders at the 42nd Annual General Meeting held on June 24, 2021, the Company paid the final equity dividend of 60% (Rs. 6/- per equity share of nominal face value of Rs. 10/- each fully paid up) aggregating to Rs. 1,602,285,078/- (gross) subject to deduction of tax at source as per the applicable rate(s) to the eligible shareholders. The record date for payment of final equity dividend was June 17, 2021 and the payment was made on July 07, 2021. With this the total dividend for the financial year 2020-21 was Rs. 18 /- per share (i.e. 180 %).

The Board of Directors in their meeting held on March 25, 2021 declared second interim equity dividend of 60% (Rs. 6/- per equity share of nominal face value of Rs. 10/- each fully paid up) for the financial year 2020-21, amounting to Rs. 1,518,369,078/- (gross) subject to deduction of tax at source as per the applicable rate(s) to the eligible shareholders. The record date for payment of second interim dividend was April 06, 2021 and the payment was done on April 16, 2021.

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.

c. Aggregate number of equity shares issued for consideration other than cash during the period of five years immediately preceding the reporting date:

Nil

d. Details of shareholders holding more than 5% equity shares in the Company

Details of shareholding	As at March 31, 2022		As at March 31, 2021	
	Number of shares	% holding	Number of shares	% holding
Equity shares of Rs. 10/- each				
Shriram Capital Limited	70,437,147	26.04%	66,964,947	26.46%
Life Insurance Corporation of India	18,004,597	6.66%	**	**

** holding less than 5% equity shares

e. Refer note 51- Capital management for the Company's objectives, policies and processes for managing capital

f. Proposed dividends on equity shares:

Particulars	(Rs. in crores)	
	As at March 31, 2022	As at March 31, 2021
Proposed dividend on equity shares for the year ended on March 31, 2022: Rs. Nil per share (March 31, 2021: Rs. 6.00 per share)	-	151.84
Total	-	151.84

g. Shareholding of Promoters

Year ended	Shares held by promoters at the end of the year			% Change during the year
	Promoter name	No. of Shares	% of Total Shares	
As at March 31, 2022	Shriram Capital Limited	70,437,147	26.04%	-1.59%
As at March 31, 2021	Shriram Capital Limited	66,964,947	26.46%	0.88%

30 EQUITY SHARE CAPITAL (Contd.)

h. Amount of per share dividend recognised as distribution to equity shareholders:-

Particulars	Year ended March 31,	
	2022	2021
Interim dividend for the year ended March 31, 2021 (Rs. per share)	-	12.00
Final dividend for the year ended March 31, 2021 (Rs. per share)	6.00	-
Interim dividend for the year ended March 31, 2022 (Rs. per share)	20.00	-
Final dividend for the year ended March 31, 2022 (Rs. per share)	-	-

Particulars	(Rs. in crores)	
	As at March 31, 2022	As at March 31, 2021
31 OTHER EQUITY		
Share application money pending allotment	-	-
Statutory reserve (Pursuant to Section 45-IC of The RBI Act, 1934)		
Opening balance	4,166.39	3,668.93
Add: Transfer from retained earnings	541.59	497.46
Closing balance	4,707.98	4,166.39
Securities premium		
Opening balance	3,201.27	1,754.81
Add: Premium on shares issued during the year	2,482.54	1,466.01
Less: Share issue expenses incurred during the year	(21.43)	(19.55)
Closing balance	5,662.38	3,201.27
Capital reserve	27.64	27.64
Capital redemption Reserve	53.88	53.88
Debenture redemption Reserve		
Opening balance	921.41	610.41
Add: Transfer from retained earnings	170.31	337.87
Less: Transfer to retained earnings on account of redemption	(784.44)	(26.87)
Closing balance	307.28	921.41
General reserve		
Opening balance	2,663.27	2,414.54
Add: Transfer from retained earnings	270.80	248.73
Closing balance	2,934.07	2,663.27
Convertible Warrants		
Money received during the year	250.00	-
Shares allotted during the year	(250.00)	-
Closing balance	-	-
Remeasurement gain/(loss) on defined benefit plan (net of tax)		
Opening balance	(9.12)	(9.32)
Add: Addition during the year	(2.42)	-
Add: Share of other comprehensive income from associates (net of tax)	(0.02)	0.20
Closing balance	(11.56)	(9.12)
Other comprehensive income		
Effective portion of cash flow hedges		
Opening balance	(93.02)	-
Add: Addition during the year	(120.38)	(93.02)
Closing balance	(213.40)	(93.02)

		(Rs. in crores)	
Particulars	As at March 31, 2022	As at March 31, 2021	
31 OTHER EQUITY (Contd.)			
Retained earnings			
Opening balance	10,532.51	9,394.54	
Add: Profit for the current year	2,721.10	2,498.83	
Add /(Less): Appropriations			
Transfer to statutory reserve as per Section 45-IC of The RBI Act, 1934	(541.59)	(497.46)	
Transfer to general reserve	(270.80)	(248.73)	
Transfer (to)/from debenture redemption reserve	614.13	(311.00)	
Interim dividend [March 31, 2022: Rs. 20.00 per share (March 31, 2021: Rs. 12.00 per share)]	(539.65)	(303.67)	
Final dividend (March 31, 2021: Rs. 6.00 per share)	(160.23)	-	
Total appropriations	(898.14)	(1,360.86)	
Retained earnings	12,355.47	10,532.51	
Total	25,823.74	21,464.23	

Nature and purpose of reserves

Securities premium: The amount received in excess of face value of the equity shares is recognised in Securities premium. In case of equity-settled share based payment transactions, the difference between fair value on grant date and nominal value of share is accounted as securities premium. The reserve can be utilised only for limited purposes such as issuance of bonus shares in accordance with the provisions of the Companies Act, 2013.

Capital reserve: Capital reserve is the excess of net assets taken over cost of consideration paid during amalgamation.

Capital redemption reserve: The Company has recognised Capital redemption reserve on redemption of non-convertible redeemable preference shares from its retained earnings. The amount in Capital redemption reserve is equal to nominal amount of the non-convertible redeemable preference shares redeemed. The Company may issue fully paid up bonus shares to its members out of the capital redemption reserve.

Debenture redemption reserve:

- Pursuant to Section 71 of the Companies Act, 2013 and circular 04/2013, read with notification issued date June 19, 2016 issued by Ministry of Corporate Affairs, the Company is required to transfer 25% of the value of the outstanding debentures issued through public issue as per the present SEBI (Issue and Listing of Debt Securities) Regulation, 2008 to Debenture redemption reserve (DRR) and no DRR is required in case of privately placed debenture. Also the Company is required before 30th day of April of each year to deposit or invest, as the case may be, a sum which shall not be less than 15% of the amount of its debenture issued through public issue maturing within one year from the Balance sheet date.
- As per the notification G.S.R. 574(E) dated August 16, 2019, the Ministry of Corporate Affairs has amended the Companies (Share Capital & Debentures) Rules, DRR need not be created for debentures issued by a Non-Banking Finance Company subsequent to the notification date. The Company has not created DRR on public issue of non-convertible debentures issued after the date of said notification.
- In respect of the debentures issued through public issue, the Company has created DRR of Rs. 170.31 crores (March 31, 2021: Rs. 337.87 crores). The Company subsequent to the year end has deposited a sum of Rs. 37.00 crores (March 31, 2021: Rs. 498.41 crores) in the form of fixed deposits with scheduled banks, representing 15% of the debenture issued through public issue, which are due for redemption within one year from the balance sheet date.
- On redemption of the debentures for which the DRR is created, the amounts no longer necessary to be retained in this account need to be transferred to the Retained earnings.

General reserve: Under the erstwhile Companies Act, 1956, general reserve was created through an annual transfer of net income at a specified percentage in accordance with applicable regulations. Consequent to introduction of Companies Act, 2013, the requirement to mandatorily transfer a specified percentage of the net profit to general reserve has been withdrawn. However, the amount previously transferred to the general reserve can be utilised only in accordance with the specific requirements of Companies Act, 2013.

Statutory reserve: Every year the Company transfers a sum of not less than twenty per cent of net profit of that year as disclosed in the statement of profit and loss to its Statutory Reserve pursuant to Section 45-IC of the RBI Act, 1934.

31 OTHER EQUITY (Contd.)

The conditions and restrictions for distribution attached to statutory reserves as specified in Section 45-IC(1) in The Reserve Bank of India Act, 1934:

- (1) Every non-banking financial company (NBFC) shall create a reserve fund and transfer therein a sum not less than twenty per cent of its net profit every year as disclosed in the profit and loss account and before any dividend is declared.
- (2) No appropriation of any sum from the reserve fund shall be made by the NBFC except for the purpose as may be specified by the RBI from time to time and every such appropriation shall be reported to the RBI within twenty-one days from the date of such withdrawal:

Provided that the RBI may, in any particular case and for sufficient cause being shown, extend the period of twenty-one days by such further period as it thinks fit or condone any delay in making such report.

- (3) Notwithstanding anything contained in sub-section (1), the Central Government may, on the recommendation of the RBI and having regard to the adequacy of the paid-up capital and reserves of a NBFC in relation to its deposit liabilities, declare by order in writing that the provisions of sub-section (1) shall not be applicable to the NBFC for such period as may be specified in the order:

Provided that no such order shall be made unless the amount in the reserve fund under sub-section (1) together with the amount in the share premium account is not less than the paid-up capital of the NBFC.

Retained earnings: Retained earnings are the profits that the Company has earned till date, less any transfers to statutory reserve, debenture redemption reserve, general reserve, dividends distributions paid to shareholders and transfer from debenture redemption reserve.

Remeasurement gain/(loss) on defined benefit plan: Re-measurement, comprising of actuarial gains and losses and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to the statement of profit and loss in subsequent periods.

Other comprehensive income: Other comprehensive income includes effective portion of cash flow hedges

Effective portion of cash flow hedges represents the cumulative effective portion of gains or losses arising on changes in fair value of hedging instruments entered into for cash flow hedges, which shall be reclassified to the statement of profit and loss only when the hedged transaction affects the statement of profit and loss, or included as a basis adjustment to the non-financial hedged item, consistent with the Company accounting policies.

(Rs. in crores)

Particulars	For the year ended March 31, 2022			Year ended March 31, 2021		
	On financial assets measured at amortised cost	On financial assets classified at fair value through profit or loss	Total	On financial assets measured at amortised cost	On financial assets classified at fair value through profit or loss	Total
32 INTEREST INCOME						
Interest on loans	18,028.13	-	18,028.13	16,611.31	-	16,611.31
Interest income from investments	275.11	40.85	315.96	264.82	3.75	268.57
Interest on deposits with banks						
- Margin money deposit	155.53	-	155.53	137.34	-	137.34
- Deposits with banks	88.14	-	88.14	37.22	-	37.22
Other interest income						
- Delayed payments by customers	28.79	-	28.79	42.40	-	42.40
- Unwinding of security deposit	3.17	-	3.17	3.07	-	3.07
- Direct assignment	26.54	-	26.54	28.23	-	28.23
Total	18,605.41	40.85	18,646.26	17,124.39	3.75	17,128.14

		(Rs. in crores)	
Particulars		Year ended March 31, 2022	Year ended March 31, 2021
33	FEE AND COMMISSION INCOME		
Income from commission services - life insurance		16.52	20.66
Income from commission services - general insurance		36.15	54.36
Income from loan related and other commission services		47.41	40.84
Total		100.08	115.86

Revenue from contracts with customers

Set out below is the revenue from contracts with customers and reconciliation to the statement of profit and loss

		(Rs. in crores)	
Particulars		Year ended March 31, 2022	Year ended March 31, 2021
Type of services or service			
Fee and commission income		100.08	115.86
Total revenue from contract with customers		100.08	115.86
Geographical markets			
- India		100.08	115.86
- Outside India		-	-
Total revenue from contract with customers		100.08	115.86
Timing of revenue recognition			
Services transferred at a point in time		100.08	115.86
Services transferred over time		-	-
Total revenue from contracts with customers		100.08	115.86

Contract balance

		(Rs. in crores)	
Particulars		As at March 31, 2022	As at March 31, 2021
Trade receivables		5.35	8.92
Contract assets		-	-

The Company does not have any contract assets or liability, hence disclosures related to it has not been presented.

		(Rs. in crores)	
Particulars		Year ended March 31, 2022	Year ended March 31, 2021
34	NET GAIN/ (LOSS) ON FAIR VALUE CHANGES		
(A) Net gain/(loss) on financial instruments at fair value through profit or loss			
(i) On trading portfolio			
- Investments		-	-
- Derivatives		-	-
- Others		-	-
(ii) On financial instruments designated at fair value through profit or loss		-	-
(B) Others:			
- Investment in shares, venture capital fund, mutual funds and certificate of deposits		236.83	22.87
- Direct assignment		(15.13)	(1.07)
Total Net gain/(loss) on fair value changes (C)		221.70	21.80

		(Rs. in crores)	
Particulars	Year ended March 31, 2022	Year ended March 31, 2021	
34 NET GAIN/ (LOSS) ON FAIR VALUE CHANGES (Contd.)			
Fair value changes:			
- Realised	183.34	18.95	
- Unrealised	38.36	2.85	
Total Net gain/(loss) on fair value changes (D)	221.70	21.80	

		(Rs. in crores)	
Particulars	Year ended March 31, 2022	Year ended March 31, 2021	
35 OTHER OPERATING INCOME			
Bad debt recovery	69.22	95.59	
Total	69.22	95.59	

		(Rs. in crores)	
Particulars	Year ended March 31, 2022	Year ended March 31, 2021	
36 OTHER INCOME			
Interest others	0.15	1.74	
Miscellaneous income	18.91	14.21	
Total	19.06	15.95	

		(Rs. in crores)	
Particulars	Year ended March 31, 2022	Year ended March 31, 2021	
37 FINANCE COSTS			
On Financial liabilities measured at amortised cost			
Interest on deposits	1,710.15	1,169.47	
Interest on borrowings (other than debt securities)			
- Loans from banks	1,042.07	1,239.18	
- Loans from institutions and others	377.99	153.59	
- External commercial borrowings	368.27	381.57	
- Interest paid on securitisation	1,766.19	2,161.71	
Interest on debt securities			
- Debentures	1,780.59	1,768.36	
- Senior secured notes	90.86	102.06	
- External commercial bond	2,016.66	1,517.36	
- Commercial paper	40.90	3.63	
Interest on subordinated liabilities	508.66	525.27	
Other interest expense			
- Interest on lease liability	31.97	32.06	
Total	9,734.31	9,054.26	

		(Rs. in crores)	
Particulars		Year ended March 31, 2022	Year ended March 31, 2021
38	FEES AND COMMISSION EXPENSES		
	Brokerage	44.79	31.34
	Professional charges-resource mobilisation	24.14	28.47
	Processing charges on loans	4.52	1.85
	Professional charges on securitisation	18.29	17.23
	Total	91.74	78.89

		(Rs. in crores)	
Particulars		Year ended March 31, 2022	Year ended March 31, 2021
39	IMPAIRMENT ON FINANCIAL INSTRUMENTS		
	On financial instruments measured at amortised cost		
	Loans (refer note 63)*	3,865.02	3,128.29
	Investments	(2.00)	(4.22)
	Others		
	- Undrawn commitments	(4.00)	(5.45)
	- Other assets	1.84	(0.22)
	Total	3,860.86	3,118.40

* Includes loss on disposal of repossessed vehicles Rs. 492.30 crores for the year ended March 31, 2022 (March 31, 2021: Rs. 557.30 crores).

The table below shows the ECL charges on financial instruments for the year recorded in the statement of profit and loss based on evaluation stage:

Year ended March 31, 2022		(Rs. in crores)			
		General approach			Simplified approach
Particulars		Stage 1 Collective	Stage 2 Collective	Stage 3 Collective	
	Loans and advances to customers measured at amortised cost	1,228.00	76.37	2,560.65	-
	Debt instruments measured at amortised cost	(2.00)	-	-	-
	Others				
	- Undrawn commitments	(4.00)	-	-	-
	- Others assets	-	-	-	1.84
	Total impairment loss	1,222.00	76.37	2,560.65	1.84

Year ended March 31, 2021		(Rs. in crores)			
		General approach			Simplified Approach
Particulars		Stage 1 Collective	Stage 2 Collective	Stage 3 Collective	
	Loans and advances to customers measured at amortised cost	1,290.89	538.51	1,298.89	-
	Debt instruments measured at amortised cost	14.22	(18.44)	-	-
	Others				
	- Undrawn commitments	(5.45)	-	-	-
	- Others assets	-	-	-	(0.22)
	Total impairment loss	1,299.66	520.07	1,298.89	(0.22)

		(Rs. in crores)	
Particulars		Year ended March 31, 2022	Year ended March 31, 2021
40	EMPLOYEE BENEFITS EXPENSES		
	Salaries, other allowance and bonus	907.11	829.32
	Contribution to provident and other funds	59.60	53.36
	Staff welfare expenses	23.69	16.62
	Gratuity expenses (refer note 46)	6.69	6.95
	Total	997.09	906.25

		(Rs. in crores)	
Particulars		Year ended March 31, 2022	Year ended March 31, 2021
41	DEPRECIATION, AMORTISATION AND IMPAIRMENT		
	Depreciation of property, plant and equipment	44.91	48.26
	Depreciation of investment property	0.03	0.03
	Amortisation of intangible assets	1.57	1.34
	Depreciation on Right-of-use assets (refer note 18)	88.86	87.73
	Total	135.37	137.36

		(Rs. in crores)	
Particulars		Year ended March 31, 2022	Year ended March 31, 2021
42	OTHER EXPENSES		
	Rent (refer note 18)	3.24	9.24
	Rates and taxes	5.22	5.04
	Energy costs	16.45	15.21
	Repairs and maintenance	60.61	58.81
	Communication costs	34.28	39.97
	Printing and stationery	10.30	11.57
	Advertisement and publicity	7.31	2.01
	Director's fees, allowances and expenses	1.25	0.75
	Auditor fees and expenses (refer note 55, 56 and 57)		
	- As Auditor	0.99	0.93
	- For taxation matters	0.09	0.09
	- For other services (certification)	0.09	0.10
	- For reimbursement of expenses	0.02	-
	Legal and professional charges	111.54	111.27
	Other expenditure:		
	Travelling and conveyance	69.38	95.34
	Business promotion	93.16	59.30
	Outsourcing expenses	63.82	76.47
	Royalty	204.19	188.95
	Insurance	2.03	2.07
	Bank charges	38.51	34.40
	Loss on sale of property, plant and equipment (net)	0.79	0.65
	Service charges	50.35	47.95
	CSR expenses (refer note 61)	69.72	64.96
	Miscellaneous expenses	62.27	38.15
	Total	905.61	863.23

43 INCOME TAX

The components of income tax expense for the financial years ended March 31, 2022 and March 31, 2021 are:

	(Rs. in crores)	
Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Current tax	1,112.57	1,197.77
Adjustment in respect of current income tax of prior years	(82.32)	138.34
Deferred tax relating to origination and reversal of temporary differences	(188.93)	(545.36)
Total tax charge	841.32	790.75
Current tax	1,030.25	1,336.11
Deferred tax	(188.93)	(545.36)

Reconciliation of the total tax charge:

The tax charge shown in the statement of profit and loss differs from the tax charge that would apply if all profits had been charged at Indian corporate tax rate.

A reconciliation between the tax expense and the accounting profit multiplied by India's domestic tax rate for the financial years ended March 31, 2022 and March 31, 2021 is, as follows:

	(Rs. in crores)	
Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Accounting profit before tax	3,549.25	3,278.01
At India's statutory income tax rate of 25.168% (2021: 25.168%)	893.28	825.01
Adjustment in respect of current income tax of prior years	(82.32)	138.34
Income subject to tax at special rate	-	-
Non-deductible expenses		
Corporate social responsibility expenditure not allowable for tax purpose	17.55	16.35
Adjustment in respect of prior years*	82.32	(138.34)
Others	(69.51)	(50.61)
Income tax expense reported in the statement of profit and loss	841.32	790.75

The effective income tax rate for is 23.70 % (March 31, 2021: 24.12%).

* Amount for the year ended March 31, 2021 includes adjustment on account of change in tax treatment of an item of deduction claimed in earlier assessment years under Income tax act, 1961 due to changes in facts and circumstances which had resulted in the reassessment of tax estimate as per Ind AS 12.

Deferred tax

The following table shows deferred tax recorded in the balance sheet and changes recorded in the income tax expense:

	(Rs. in crores)			
Particulars	Deferred tax assets	Deferred tax liabilities	Statement of profit and loss	OCI
	As at March 31, 2022	As at March 31, 2022	Year ended March 31, 2022	Year ended March 31, 2022
Property, plant and equipment, intangible assets and investment property - carrying amount other than on account of fair valuation	25.23	-	(2.56)	-
Provision for post retirement benefits	10.20	-	0.46	(0.81)
Expenses allowable for tax purposes when paid	36.15	-	1.47	-
EIR impact on debt instrument in the nature of borrowings measured at amortised cost	-	4.34	(3.27)	-

43 INCOME TAX (Contd.)

(Rs. in crores)

Particulars	Deferred tax assets	Deferred tax liabilities	Statement of profit and loss	OCI
	As at March 31, 2022	As at March 31, 2022	Year ended March 31, 2022	Year ended March 31, 2022
Cash flow hedge reserve	71.77	-	-	(40.49)
Impairment allowance on loans and advances	762.27	-	(229.96)	-
Impairment allowance for undrawn commitments	10.75	-	1.51	-
Fair valuation on derecognition of financial instrument	-	47.61	35.82	-
Right-of-use assets	14.04	-	(1.35)	-
Other temporary differences	-	9.08	8.94	-
Total	930.41	61.03	(188.94)	(41.30)

The following table shows deferred tax recorded in the balance sheet and changes recorded in the income tax expense:

(Rs. in crores)

Particulars	Deferred tax assets	Deferred tax liabilities	Statement of profit and loss	OCI
	As at March 31, 2021	As at March 31, 2021	Year ended March 31, 2021	Year ended March 31, 2021
Property, plant and equipment, intangible assets and investment property - carrying amount other than on account of fair valuation	22.67	-	(3.22)	-
Provision for post retirement benefits	9.84	-	(0.42)	-
Expenses allowable for tax purposes when paid	37.60	-	(0.34)	-
EIR impact on debt instrument in the nature of borrowings measured at amortised cost	-	7.61	(6.60)	-
Cash flow hedge reserve	31.29	-	-	(31.29)
Impairment allowance on loans and advances	532.32	-	(344.27)	-
Impairment allowance for undrawn commitments	12.26	-	(2.21)	-
Fair valuation of derivative financial instrument	-	11.80	11.80	-
Right-of-use assets	12.69	-	(3.88)	-
Other temporary differences	-	0.12	(196.22)	-
Total	658.67	19.53	(545.36)	(31.29)

Amounts recognised in respect of current tax / deferred tax directly in equity:

(Rs. in crores)

Particulars	As at March 31, 2022	As at March 31, 2021
Amounts recognised in respect of current tax/deferred tax directly in equity	-	-

Tax losses

(Rs. in crores)

Particulars	As at March 31, 2022	As at March 31, 2021
Unused tax losses for which no deferred tax asset has been recognised	-	-

44 EARNINGS PER SHARE

Basic earnings per share (EPS) is calculated by dividing the net profit for the year attributable to equity holders of Company by the weighted average number of equity shares outstanding during the year.

Diluted EPS is calculated by dividing the net profit attributable to equity holders of Company (after adjusting for interest on the convertible preference shares and interest on the convertible bond, in each case, net of tax) by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on the conversion of all the dilutive potential ordinary shares into ordinary shares.

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Net Profit after tax as per Statement of Profit and Loss (Rs. in crores) (A)	2,721.10	2,498.83
Weighted average number of equity shares for calculating basic EPS (in crores) (B)	26.62	24.63
Weighted average number of equity shares for calculating diluted EPS (in crores) (C)	26.62	24.63
Basic earnings per equity share (in Rupees) (face value of Rs. 10/- per share) (A) / (B)	102.23	101.44
Diluted earnings per equity share (in Rupees) (face value of Rs. 10/- per share) (A) / (C)	102.23	101.44

45 INVESTMENT IN ASSOCIATES AND STRUCTURED ENTITIES

Associate of the Company is:

Name of the associate	Country of incorporation	Principal place of business	Principal activities	% equity interest March 31, 2022	% equity interest March 31, 2021
Shriram Automall India Limited (SAMIL)	India	New Delhi	Market leader in physical bidding for acquisition and disposal of pre-owned vehicles and equipment.	44.56%	44.56%

The Company has recognised its investment in associate under equity method and not adjusted to fair value at the end of each reporting period.

The Company's share in the associate is as follows:

Particulars	Year ended March 31, 2022	Year ended March 31, 2021*
(a) share in profit or loss from continuing operations.	13.17	11.57
(b) share in post-tax profit or loss from discontinued operations.	-	-
(c) share in other comprehensive income.	(0.02)	0.20
(d) share in total comprehensive income.	13.15	11.77

*The financial statements of the associate for the financial year ended March 31, 2021 are as per unaudited financial statements provided by the management.

46 RETIREMENT BENEFIT PLAN

a) Defined contribution plan

A defined contribution plan is a pension plan under which the Company pays fixed contributions; there is no legal or constructive obligation to pay further contributions. The assets of the plan are held separately from those of the Company in a fund under the control of trustees.

The Company makes Provident fund and Employee State Insurance Scheme contributions which are defined contribution plans for qualifying employees. Under the schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The Company recognised Rs. 50.66 crores (March 31, 2021: Rs. 42.95 crores) for Provident fund contributions and Rs. 8.80 crores (March 31, 2021: Rs. 10.30 crores) for Employee State Insurance Scheme contributions in the Statement of Profit and Loss. The contributions payable to these plans by the Company are at rates specified in the rules of the schemes.

46 RETIREMENT BENEFIT PLAN (Contd.)

b) Defined benefit plan

Gratuity

The Company has a defined benefit gratuity plan (funded). The gratuity plan is governed by the Payment of Gratuity Act, 1972. Under the act, employee who has completed five years of service is entitled to specific benefit. The level of benefits provided depends on the member's length of service and last drawn salary. The fund is managed by third party fund managers.

Each year, the Board of Trustees reviews the level of funding in the gratuity plan. Such a review includes the asset-liability matching strategy and investment risk management policy. This includes employing the use of annuities and longevity swaps to manage the risks. The Board of Trustees decides contribution to be made by the Company based on the results of this annual review. The trust is in process of investing entire funds in government securities through third party fund managers and as on March 31, 2022, 94 % funds are invested in government securities and balance 6 % funds are invested in money market and corporate debt instruments. The Board of Trustees aim to keep annual contributions of the Company relatively stable at a level such that no plan deficits (based on valuation performed) will arise.

The following tables summarises the components of net benefit expense recognised in the statement of profit and loss and the funded status and amounts recognised in the balance sheet for the gratuity plan.

Amount recognised in the statement of profit and loss in respect of the defined benefit plan are as follows:

Particulars	(Rs. in crores)	
	Year ended March 31, 2022	Year ended March 31, 2021
Amounts recognised in statement of profit and loss in respect of defined benefit plans are as follows :		
Current service cost	6.56	6.73
Interest expense	4.61	4.15
Interest Income	(4.48)	(3.93)
Past Service Cost	-	-
Components of defined benefit costs recognised in statement of profit and loss (A)	6.69	6.95
Remeasurement of gains/(losses) in other comprehensive income:		
Return on plan assets (excluding amounts included in net interest expense)	(0.01)	(0.66)
Actuarial changes arising from changes in demographic assumptions	0.55	(1.40)
Actuarial changes arising from changes in financial assumptions	(3.57)	1.34
Experience adjustments	6.27	0.72
Components of defined benefit costs recognised in other comprehensive income (B)	3.24	-
Total (A+B)	9.93	6.95

Movement in the present value of the defined benefit obligation are as follows :

Particulars	(Rs. in crores)	
	As at March 31, 2022	As at March 31, 2021
Change in the obligation during the year ended		
Present value of defined obligation at the beginning of the year	72.88	63.25
Expenses recognised in statement of profit and loss :		
Current service cost	6.56	6.73
Interest expense/(income)	4.61	4.15
Recognised in other comprehensive income remeasurement gains/(losses)	3.25	0.66
Past service cost	-	-
Liability transferred in/acquisitions	-	0.01
Benefits paid from the fund	(5.10)	(1.92)
Present value of defined obligation at the end of the year	82.20	72.88

46 RETIREMENT BENEFIT PLAN (Contd.)

Change in the Fair value of plan assets :

(Rs. in crores)

Particulars	As at March 31, 2022	As at March 31, 2021
Fair value of plan assets at the beginning of the year	70.80	59.88
Interest income	4.48	3.93
Contributions by the employer	9.77	8.25
Benefits paid from the fund	(5.10)	(1.92)
Return on plan assets excluding interest income	0.01	0.66
Fair value of plan assets at the end of the year	79.96	70.80

Calculation of benefit liability/(asset) :

(Rs. in crores)

Particulars	As at March 31, 2022	As at March 31, 2021
Defined benefit obligation/ liability	82.20	72.88
Fair value of plan assets	79.96	70.80
Benefit liability	2.24	2.08

The principal assumptions used in determining gratuity obligations for the Company's plans are shown below:

Particulars	As at March 31, 2022	As at March 31, 2021
Expected return on plan assets	6.90%	6.33%
Rate of discounting	6.90%	6.33%
Expected rate of salary increase	5.00%	5.00%
Rate of employee turnover	For service 4 years and below 25.00% p.a. and for service 5 years and above 7.25% p.a.	For service 4 years and below 25.00% p.a. and for service 5 years and above 6.50% p.a.
Mortality rate during employment	Indian Assured Lives mortality (2012-14)	Indian Assured Lives mortality (2006-08)
Mortality rate after employment	N.A.	N.A.

Investments quoted in active markets:

(Rs. in crores)

Particulars	As at March 31, 2022	As at March 31, 2021
Government securities	75.16	60.76
Debt and other instruments	4.80	10.04
Total	79.96	70.80

46 RETIREMENT BENEFIT PLAN (Contd.)

(Rs. in crores)

Assumptions	Sensitivity level	Impact on defined benefit obligation March 31, 2022	Impact on defined benefit obligation March 31, 2021
Discount rate	1% increase	(5.63)	(5.50)
	1% decrease	6.46	6.37
Future salary increases	1% increase	6.44	6.32
	1% decrease	(5.70)	(5.55)
Attrition rate	1% increase	0.84	0.56
	1% decrease	(0.95)	(0.64)

(Rs. in crores)

Expected payment for future years	As at March 31, 2022	As at March 31, 2021
Within the next 12 months (next annual reporting period)	8.31	7.30
Between 2 and 5 years	29.15	22.48
Between 5 and 10 years	34.24	28.17
Beyond 10 years	83.99	80.13
Total expected payments	155.69	138.08

The Company expects to contribute Rs. 9.58 crores to the fund in the next financial year.

The weighted average duration of the defined benefit obligation as at March 31, 2022 is 9 years (March 31, 2021: 10 years).

Asset liability matching strategies

The plan faces the ALM risk as to the matching cash flow. Since the plan is invested in lines of Rule 101 of Income Tax Rules, 1962, this generally reduces ALM risk.

c) Compensated Absences

The principal assumptions used in determining obligations for the Company are shown below:

Particulars	As at March 31, 2022	As at March 31, 2021
Rate of discounting	6.90%	6.33%
Expected rate of salary increase	5.00%	5.00%
Rate of employee turnover		
Service 4 years and below	25.00%	25.00%
Service 5 years and above	7.25%	6.50%
Mortality	Indian Assured Lives mortality (2012-14)	Indian Assured Lives mortality (2006-08)

(Rs. in crores)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Expenses recognised in statement of profit and loss	17.32	15.33

46 RETIREMENT BENEFIT PLAN (Contd.)

The Company has not funded its compensated absences liability and the same continues to remain as unfunded as at March 31, 2022.

The estimate of future salary increase takes into account inflation, seniority, promotion and other relevant factors.

Discount rate is based on the prevailing market yields of Indian Government Bonds as at the Balance Sheet date for the estimated term of the obligation.

47 MATURITY ANALYSIS OF ASSETS AND LIABILITIES

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

Particulars	As at March 31, 2022			As at March 31, 2021		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
Assets						
Financial assets						
Cash and cash equivalents	10,662.44	-	10,662.44	11,050.93	-	11,050.93
Bank balance other than above	5,133.24	559.48	5,692.72	4,886.78	504.11	5,390.89
Derivative financial instruments	-	201.40	201.40	100.51	68.74	169.25
Receivables						
(I) Trade receivables	5.35	-	5.35	8.92	-	8.92
(II) Other receivables	103.24	89.43	192.67	49.90	-	49.90
Loans	41,448.37	75,216.78	116,665.15	37,930.19	70,372.85	108,303.04
Investments	2,943.69	4,027.54	6,971.23	523.21	2,823.56	3,346.77
Other financial assets	-	51.45	51.45	2.07	46.96	49.03
Non-financial Assets						
Current tax asset	-	228.24	228.24	-	171.73	171.73
Deferred tax assets (net)	-	869.38	869.38	-	639.14	639.14
Investment property	-	1.97	1.97	-	2.00	2.00
Property, plant and equipment	-	110.56	110.56	-	124.44	124.44
Right-of-use assets	-	302.52	302.52	-	308.51	308.51
Other intangible assets	-	3.04	3.04	-	2.39	2.39
Other non-financial assets	41.50	268.54	310.04	124.16	169.16	293.32
Total assets	60,337.83	81,930.33	142,268.16	54,676.67	75,233.59	129,910.26
Liabilities						
Financial Liabilities						
Payables						
(I) Trade payables						
(i) total outstanding dues of micro enterprises and small enterprises	0.02	-	0.02	-	-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	165.70	0.31	166.01	152.52	-	152.52
(II) Other payables						
(i) total outstanding dues of micro enterprises and small enterprises	1.46	-	1.46	0.37	-	0.37
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	1.21	-	1.21	0.54	-	0.54
Debt securities	11,901.72	29,354.83	41,256.55	12,471.61	27,590.26	40,061.87
Borrowings (other than debt securities)	19,869.86	26,807.07	46,676.93	20,285.69	24,995.68	45,281.37
Deposits	6,755.55	15,193.43	21,948.98	5,494.92	10,737.49	16,232.41
Subordinated liabilities	308.71	4,305.54	4,614.25	69.31	4,551.45	4,620.76
Lease liabilities	74.93	274.50	349.43	74.29	275.20	349.49
Other financial liabilities	755.06	104.58	859.64	1,014.97	134.85	1,149.82

47 MATURITY ANALYSIS OF ASSETS AND LIABILITIES (Contd.)

Particulars	As at March 31, 2022			As at March 31, 2021		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
Non-financial Liabilities						
Current tax liabilities (net)	36.82	-	36.82	102.02	-	102.02
Provisions	99.87	38.31	138.18	105.52	37.02	142.54
Other non-financial liabilities	124.42	-	124.42	99.26	-	99.26
Total Liabilities	40,095.33	76,078.57	116,173.90	39,871.02	68,321.95	108,192.97
Net	20,242.50	5,851.76	26,094.26	14,805.65	6,911.64	21,717.29

48 CHANGE IN LIABILITIES ARISING FROM FINANCING ACTIVITIES

Particulars	As at March 31, 2021	Cash flows	Changes in fair value	Exchange difference	Other	As at March 31, 2022
Debt securities	40,061.87	655.45	-	-	539.23	41,256.55
Borrowings (other than debt securities)	45,281.37	1,282.92	-	-	112.64	46,676.93
Deposits	16,232.41	5,753.63	-	-	(37.06)	21,948.98
Subordinated liabilities	4,620.76	(51.96)	-	-	45.45	4,614.25
Lease liabilities	349.49	(109.13)	-	-	109.07	349.43
Total liabilities from financing activities	106,545.90	7,530.91	-	-	769.33	114,846.14

Particulars	As at March 31, 2020	Cash flows	Changes in fair value	Exchange difference	Other	As at March 31, 2021
Debt securities	34,266.96	4,838.70	-	-	956.21	40,061.87
Borrowings (other than debt securities)	42,474.60	2,447.10	-	-	359.67	45,281.37
Deposits	11,960.12	4,206.86	-	-	65.43	16,232.41
Subordinated liabilities	5,670.07	(1,069.27)	-	-	19.96	4,620.76
Lease liabilities	362.81	(96.16)	-	-	82.84	349.49
Total liabilities from financing activities	94,734.56	10,327.23	-	-	1,484.11	106,545.90

49 CONTINGENT LIABILITIES AND COMMITMENTS

(A) Contingent liabilities

Particulars	As at March 31, 2022	As at March 31, 2021
a. In respect of Income tax demands where the Company and its associate have filed appeal before various authorities	175.46	133.64
b. VAT demand where the Company and its associate have filed appeal before various appellates	117.54	117.54
c. Service tax demands where the Company and its associate have filed appeal before various authorities	1,976.63	1,976.63
d. Penalty levied for Contravention of provisions of Section 6(3) (b) of FEMA, 1999 read with Regulation 4 of Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000	5.00	5.00
Total	2,274.63	2,232.81

49 CONTINGENT LIABILITIES AND COMMITMENTS (Contd.)

Future cash outflows in respect of above are determinable only on receipt of judgements /decisions pending with various forums/authorities. It is not practicable for the Company and its associate to estimate the timings of the cash flows, if any, in respect of the above pending resolution of the respective proceedings. The Company and its associate do not expect any reimbursement in respect of the above contingent liabilities. The Company and its associate are of the opinion that above demands are not sustainable and expects to succeed in its appeals. The management believes that the ultimate outcome of these proceedings will not have a material adverse effect on the financial position and results of operations of the Company and its associate.

(B) Commitments not provided for

Particulars	(Rs. in crores)	
	As at March 31, 2022	As at March 31, 2021
a. Estimated amount of contracts remaining to be executed on capital account, net of advances	11.72	3.82
b. Commitments related to loans sanctioned but undrawn	92.43	148.66

50 RELATED PARTY DISCLOSURES

Relationship	Name of the party
I Promoter	: Shriram Capital Limited
II Promoter Group	: Shriram Financial Ventures (Chennai) Private Limited Shriram Value Services Limited Novac Technology Solutions (P) Limited Shriram Fortune Solutions Limited Shriram General Insurance Company Limited Shriram Insight Share Brokers Limited Shriram Life Insurance Company Limited Shriram Asset Management Company Limited Shriram Financial Products Solutions (Chennai) Private Limited Insight Commodities and Futures Private Limited Shriram Credit Company Limited Shriram Overseas Investments Private Limited Shriram Wealth Limited (formerly known as Shriram Wealth Advisors Limited) Bharath Investments Pte. Ltd., Singapore SGI Philippines General Insurance Co. Inc. Novac Digital Service Private Limited Shriram LI Holdings Private Limited (formerly Snotter Technology Services Private Limited) SEA Funds Management India Private Limited Way2wealth Insurance Brokers Private Limited Way2wealth Securities Private Limited Way2wealth Brokers Private Limited Way2wealth Commodities Private Limited Shriram GI Holdings Private Limited (formerly Oner Infotech Services Private Limited) Shriram Investment Holdings Limited (w.e.f. October 11, 2021)

50 RELATED PARTY DISCLOSURES (Contd.)

III Associates	: Shriram Automall India Limited (SAMIL) Cartradeexchange Solutions Private Limited Adroit Inspection Service Private Limited Augeo Asset Management Private Limited
IV Key Management Personnel (KMP)	: Mr. Umesh Revankar, Vice Chairman & Managing Director (MD) Mr. S. Lakshminarayanan, Chairman Mr. Y. S. Chakravarti (w.e.f. December 13, 2021) Mr. Parag Sharma (w.e.f. December 13, 2021) Mrs. Kishori Udeshi Mr. S. Sridhar Mr. Pradeep Kumar Panja Mr. D. V. Ravi Mr. Ignatius Michael Viljoen Mr. S. Sunder (w.e.f. November 01, 2021) Mr. P. Sridharan (w.e.f. November 01, 2021) Mr. Sudarshan Holla (w.e.f. November 01, 2021) Mr. Nilesh Odedara (w.e.f. November 01, 2021) Mr. U. Balasundara Rao (w.e.f. November 01, 2021) Mr. Hardeep Singh Tur (w.e.f. November 01, 2021)
V Relatives of Key Management Personnel*	: Mrs. Suchita U. Revankar (spouse of Vice Chairman & MD) Mrs. Geeta G. Revankar (mother of Vice Chairman & MD) Mr. Anil G. Revankar (brother of Vice Chairman & MD) Mr. Shreyas U. Revankar (son of Vice Chairman & MD) Mr. Shirish U. Revankar (son of Vice Chairman & MD) Mr. Jayendra Purshottamdas Udeshi (spouse of Director Mrs. Kishori Udeshi) Mrs. P Suchitra (sister of Director Mr. Pradeep Kumar Panja) Mrs. P Surekha (sister of Director Mr. Pradeep Kumar Panja) Mrs. Rama Sharma (mother of Director Mr. Parag Sharma) Ms. Atibhi Sharma (daughter of Director Mr. Parag Sharma) Mr. Amit Sharma (brother of Director Mr. Parag Sharma) Mrs. Sujatha Sunder (spouse of Joint Managing Director Mr. S. Sunder) Mrs. S. Arulmozhi (spouse of Joint Managing Director Mr. P Sridharan)
VI Employees' Benefit Plan	: Shriram Transport Finance Co. Ltd. Employees Group Gratuity Assurance Scheme

*Names of relatives of Key Management Personnel with whom the Company has transactions

50 RELATED PARTY DISCLOSURES (Contd.)

Summary of related party transactions

Particulars	Promoter		Promoter group		Associates		Employees' benefit plan		Key management personnel		Relative of key management personnel		Total	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
Payments/Expenses														
Payment to key management personnel	-	-	-	-	-	-	-	-	4.80	1.68	-	-	4.80	1.68
Royalty	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Service charges	46.19	43.99	187.67	173.35	-	-	-	-	-	-	-	-	187.67	173.35
I.T & BPO charges	-	-	55.86	68.03	-	-	-	-	-	-	-	-	46.19	43.99
Rent	-	0.26	0.02	0.02	11.36	7.94	-	-	-	-	-	-	55.86	68.03
Business mobilisation expenses	-	-	-	-	0.07	0.02	-	-	-	-	-	-	11.38	8.22
Other administrative expenses	-	0.03	-	-	11.09	10.28	-	-	-	-	-	-	0.07	0.02
Insurance premium	-	-	9.62	9.46	-	-	-	-	-	-	-	-	11.09	10.31
Commission	-	-	100.94	67.55	1.10	-	-	-	-	-	-	-	9.62	9.46
Sales promotion	-	-	31.84	21.20	-	-	-	-	-	-	-	-	102.04	67.55
Unsecured loan and advances repaid	-	-	-	-	21.01	-	-	-	-	-	-	-	31.84	21.20
Valuation charges	-	-	-	-	0.72	0.44	-	-	-	-	-	-	21.01	-
Interest	0.91	0.01	60.60	47.17	3.52	5.46	-	-	0.83	0.20	0.09	0.01	0.72	0.44
Equity dividend	219.84	37.17	0.11	0.03	-	-	-	-	0.10	-	0.00	0.00	65.95	52.85
Non-convertible debenture (secured) matured	10.00	-	38.36	0.19	5.00	-	-	-	2.21	-	0.10	-	220.05	37.20
Fixed deposit matured	-	-	1.50	-	-	-	-	-	0.50	0.75	0.26	0.03	55.67	0.19
Subordinated debt matured	-	0.37	-	31.50	-	1.39	-	-	-	-	-	-	2.26	0.78
Employer contribution to employees group gratuity assurance scheme	-	-	-	-	-	-	9.77	8.25	-	-	-	-	-	33.26
Inter-corporate deposits repaid	-	-	-	-	84.60	90.85	-	-	-	-	-	-	9.77	8.25
Receipts/Income														
Recovery of common sharing expenses	0.02	0.01	0.95	1.12	0.59	0.47	-	-	-	-	-	-	1.56	1.60
Reimbursement of expenses	0.01	-	-	-	-	-	-	-	-	-	-	-	0.01	-
Sale of Property, Plant & Equipment	-	-	0.00	-	-	-	-	-	-	-	-	-	0.00	-
Rent & electricity	0.17	0.16	-	-	4.18	4.67	-	-	-	-	-	-	4.35	4.83
Commission	-	-	49.60	71.46	-	-	-	-	-	-	-	-	49.60	71.46
Non-convertible debenture (secured)	-	-	-	35.00	-	-	-	-	-	-	-	-	-	35.00
Fixed deposit	-	-	15.63	12.30	65.50	20.00	-	-	0.26	1.08	0.97	0.08	82.36	33.46
Unsecured loan and advances repaid	-	-	-	-	-	15.06	-	-	-	-	-	-	-	15.06
Received towards right issue	-	425.22	-	0.39	-	-	-	-	-	-	-	0.00	-	425.61
Received towards preferential issue	250.00	-	-	-	-	-	-	-	-	-	-	-	250.00	-
Received towards convertible warrants	250.00	-	-	-	-	-	-	-	-	-	-	-	250.00	-
Inter-corporate deposits received	-	-	-	-	62.75	102.30	-	-	-	-	-	-	62.75	102.30
Balance outstanding at the year end														
Share capital	70.44	66.96	1.06	0.06	-	-	-	-	0.05	-	0.00	0.00	71.55	67.02
Investment in equity shares	-	-	-	-	175.44	162.29	-	-	-	-	-	-	175.44	162.29

50 RELATED PARTY DISCLOSURES (Contd.)

Particulars	Promoter		Promoter group		Associates		Employees' benefit plan		Key management personnel		Relative of key management personnel		Total	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
Unsecured loan and advances payable	-	-	-	-	0.91	1.23	-	-	-	-	-	-	0.91	1.23
Commission receivable	-	-	4.67	8.16	-	-	-	-	-	-	-	-	4.67	8.16
Prepaid for insurance premium	-	-	-	2.73	-	-	-	-	-	-	-	-	-	2.73
Outstanding expenses	11.41	11.16	88.84	72.96	-	0.03	-	-	-	-	-	-	100.25	84.15
Fixed deposit *	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Public deposit	-	-	-	-	-	-	-	-	1.47	1.70	1.55	0.19	3.02	1.89
Deposit from corporates	-	-	29.57	14.34	89.37	20.00	-	-	-	-	-	-	118.94	34.34
Subordinated debt *	-	-	516.07	495.36	-	-	-	-	-	-	-	-	516.07	495.36
Non-convertible debenture (secured) *	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Public issue	-	-	29.28	43.18	17.86	23.17	-	-	0.13	2.86	0.09	-	47.36	69.21
Privately placed	-	-	10.01	10.01	-	-	-	-	-	-	-	-	10.01	10.01
Inter-corporate deposits *	-	-	-	-	27.45	49.59	-	-	-	-	-	-	27.45	49.59

Income /expenses are presented excluding GST

Amounts less than Rs. 1.00 lac are presented as Rs. 0.00 crores in the above statement.

There were no guarantees given on behalf of related parties during the year.

The Company has not granted loans or advances to promoters, directors, KMPs and the related parties (as defined under the Companies Act, 2013), either severally or jointly with any other person, that is repayable on demand or without specifying any terms or period of repayment for the financial years ended March 31, 2022 and March 31, 2021.

* Refer note 22 Debt securities, note 24 Deposits and note 25 Subordinated liabilities, for terms and conditions of non-convertible debentures, fixed deposit, inter-corporate deposits and subordinated debt respectively.

Breakup of related party transactions

Particulars	Promoter		Promoter group		Associates		Employees' benefit plan		Key management personnel		Relative of key management personnel		Total	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
Payments/Expenses														
Employee benefits for key management personnel														
- Short term benefits	-	-	-	-	-	-	-	-	3.22	0.83	-	-	3.22	0.83
- Post employment benefits	-	-	-	-	-	-	-	-	0.43	0.16	-	-	0.43	0.16
Commission & sitting fee paid to directors														
- Mr. S. Lakshminarayanan	-	-	-	-	-	-	-	-	0.31	0.16	-	-	0.31	0.16
- Mrs. Kishori Udeshi	-	-	-	-	-	-	-	-	0.26	0.18	-	-	0.26	0.18
- Mr. S. Sridhar	-	-	-	-	-	-	-	-	0.30	0.17	-	-	0.30	0.17
- Mr. Pradeep Kumar Panja	-	-	-	-	-	-	-	-	0.28	0.18	-	-	0.28	0.18
License fees														
- Shriram Value Services Limited	-	-	187.67	173.35	-	-	-	-	-	-	-	-	187.67	173.35
Service charges														
- Shriram Capital Limited	46.19	43.99	-	-	-	-	-	-	-	-	-	-	46.19	43.99
Voice call services														
- Novac Technology Solutions (P) Limited	-	-	8.91	24.37	-	-	-	-	-	-	-	-	8.91	24.37

50 RELATED PARTY DISCLOSURES (Contd.)

Particulars	Promoter		Promoter group		Associates		Employees' benefit plan		Key management personnel		Relative of key management personnel		Total	
	(Rs. in crores)													
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
IT & BPO charges	-	-	46.96	43.66	-	-	-	-	-	-	-	-	46.96	43.66
- Novac Technology Solutions (P) Limited														
Rent	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- Shriram Automall India Limited					11.36	7.94	-	-	-	-	-	-	11.36	7.94
- Shriram Capital Limited		0.26	-	-	-	-	-	-	-	-	-	-	-	0.26
- Shriram Asset Management Company Limited	-	-	0.02	0.02	-	-	-	-	-	-	-	-	0.02	0.02
Business mobilisation expenses	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- Shriram Automall India Limited	-	-	-	-	0.07	0.02	-	-	-	-	-	-	0.07	0.02
Other administrative expenses	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- Shriram Capital Limited	-	0.03	-	-	-	-	-	-	-	-	-	-	-	0.03
- Shriram Automall India Limited	-	-	-	-	11.09	10.28	-	-	-	-	-	-	11.09	10.28
Insurance premium	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- Shriram Life Insurance Company Limited	-	-	5.99	5.40	-	-	-	-	-	-	-	-	5.99	5.40
- Shriram General Insurance Company Limited	-	-	3.63	4.06	-	-	-	-	-	-	-	-	3.63	4.06
Commission	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- Shriram Fortune Solutions Limited	-	-	82.04	51.21	-	-	-	-	-	-	-	-	82.04	51.21
- Adroit Inspection Service Private Limited	-	-	-	-	1.10	-	-	-	-	-	-	-	1.10	-
- Shriram Financial Products Solutions (Chennai) Private Limited	-	-	7.92	9.10	-	-	-	-	-	-	-	-	7.92	9.10
- Shriram Insight Share Brokers Limited	-	-	8.23	6.56	-	-	-	-	-	-	-	-	8.23	6.56
- Shriram Wealth Limited	-	-	2.56	0.68	-	-	-	-	-	-	-	-	2.56	0.68
- Way2wealth Securities Private Limited	-	-	0.19	-	-	-	-	-	-	-	-	-	0.19	-
Sales promotion	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- Shriram Fortune Solutions Limited	-	-	23.99	15.91	-	-	-	-	-	-	-	-	23.99	15.91
- Shriram Financial Products Solutions (Chennai) Private Limited	-	-	5.16	3.48	-	-	-	-	-	-	-	-	5.16	3.48
- Shriram Insight Share Brokers Limited	-	-	2.04	1.68	-	-	-	-	-	-	-	-	2.04	1.68
- Shriram Wealth Limited	-	-	0.59	0.13	-	-	-	-	-	-	-	-	0.59	0.13
- Way2wealth Securities Private Limited	-	-	0.05	-	-	-	-	-	-	-	-	-	0.05	-
Unsecured loan and advances repaid	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- Shriram Automall India Limited	-	-	-	-	21.01	-	-	-	-	-	-	-	21.01	-

50 RELATED PARTY DISCLOSURES (Contd.)

Particulars	Promoter		Promoter group		Associates		Employees' benefit plan		Key management personnel		Relative of key management personnel		Total	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
	(Rs. in crores)													
Interest on Inter-corporate deposits														
- Shriram Automall India Limited	-	-	-	-	1.28	3.63	-	-	-	-	-	-	1.28	3.63
Valuation charges paid														
- Adroit Inspection Service Private Limited	-	-	-	-	0.72	0.44	-	-	-	-	-	-	0.72	0.44
Interest on fixed deposit														
- Key management personnel														
- Mrs. Kishori Udeshi	-	-	-	-	-	-	-	-	0.15	0.20	-	-	0.15	0.20
- Relative of key management personnel	-	-	-	-	-	-	-	-	-	-	0.06	0.01	0.06	0.01
- Shriram Asset management Company Limited	-	-	0.26	-	-	-	-	-	-	-	-	-	0.26	-
Interest on subordinated debt														
- Shriram Automall India Limited	-	-	-	-	-	0.17	-	-	-	-	-	-	-	0.17
- Shriram Capital Limited	-	0.01	-	-	-	-	-	-	-	-	-	-	-	0.01
- Shriram Life Insurance Company Limited	-	-	12.38	10.36	-	-	-	-	-	-	-	-	12.38	10.36
- Shriram General Insurance Company Limited	-	-	34.41	32.27	-	-	-	-	-	-	-	-	34.41	32.27
Interest on non-convertible debenture - (secured)														
- Shriram Life Insurance Company Limited	-	-	3.22	3.22	-	-	-	-	-	-	-	-	3.22	3.22
- Shriram Asset Management Company Limited	-	-	1.42	1.27	-	-	-	-	-	-	-	-	1.42	1.27
- Shriram Insight Share Brokers Limited	-	-	0.05	0.05	-	-	-	-	-	-	-	-	0.05	0.05
- Shriram Automall India Limited	-	-	-	-	2.24	1.66	-	-	-	-	-	-	2.24	1.66
- Shriram Capital Limited	0.91	-	-	-	-	-	-	-	-	-	-	-	0.91	-
- Shriram Value Services Limited	-	-	8.86	-	-	-	-	-	-	-	-	-	8.86	-
- Key management personnel														
- Mr. Umesh Revankar	-	-	-	-	-	-	-	-	0.62	-	-	-	0.62	-
- Mr. Pradeep Kumar Panja	-	-	-	-	-	-	-	-	0.03	-	-	-	0.03	-
- Mr. S. Sridhar	-	-	-	-	-	-	-	-	0.03	-	-	-	0.03	-
- Relative of key management personnel	-	-	-	-	-	-	-	-	-	-	0.03	-	0.03	-
Equity dividend														
- Relative of key management personnel	-	-	-	-	-	-	-	-	-	-	0.00	0.00	0.00	0.00
- Key management personnel														
- Mr. Parag Sharma	-	-	-	-	-	-	-	-	0.09	-	-	-	0.09	-
- Mr. S. Sunder	-	-	-	-	-	-	-	-	0.00	-	-	-	0.00	-
- Mr. P. Sridharan	-	-	-	-	-	-	-	-	0.00	-	-	-	0.00	-
- Mr. Sudarshan Holla	-	-	-	-	-	-	-	-	0.00	-	-	-	0.00	-
- Mr. U. Balasundara Rao	-	-	-	-	-	-	-	-	0.00	-	-	-	0.00	-
- Shriram Capital Limited	219.84	37.17	-	-	-	-	-	-	-	-	-	-	219.84	37.17

50 RELATED PARTY DISCLOSURES (Contd.)															(Rs. in crores)	
Particulars	Promoter		Promoter group		Associates		Employees' benefit plan		Key management personnel		Relative of key management personnel		Total			
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021		
- Shriram Financial Ventures (Chennai) Private Limited	-	-	0.11	0.03	-	-	-	-	-	-	-	-	0.11	0.03		
Non-convertible debenture (secured) matured																
- Shriram Insight Share Brokers Limited	-	-	0.52	0.19	-	-	-	-	-	-	-	-	0.52	0.19		
- Shriram Capital Limited	10.00	-	-	-	-	-	-	-	-	-	-	-	10.00	-		
- Shriram Asset management Company Limited	-	-	12.84	-	-	-	-	-	-	-	-	-	12.84	-		
- Shriram Automall India Limited	-	-	-	-	5.00	-	-	-	-	-	-	-	5.00	-		
- Shriram Value Services Limited	-	-	25.00	-	-	-	-	-	-	-	-	-	25.00	-		
- Key management personnel																
- Mr. Umesh Revankar	-	-	-	-	-	-	2.00	-	-	-	-	-	2.00	-		
- Mr. Pradeep Kumar Panja	-	-	-	-	-	-	0.10	-	-	-	-	-	0.10	-		
- Mr. S. Sridhar	-	-	-	-	-	-	0.11	-	-	-	-	-	0.11	-		
- Relative of key management personnel	-	-	-	-	-	-	-	-	-	-	0.10	-	0.10	-		
Fixed deposit matured																
- Key management personnel																
- Mrs. Kishori Udeshi	-	-	-	-	-	-	0.50	0.75	-	-	0.26	0.03	0.50	0.75		
- Relative of key management personnel	-	-	-	-	-	-	-	-	-	-	-	-	0.26	0.03		
- Shriram Asset management Company Limited	-	-	1.50	-	-	-	-	-	-	-	-	-	1.50	-		
Subordinated debt matured																
- Shriram Capital Limited	-	0.37	-	-	-	-	-	-	-	-	-	-	-	0.37		
- Shriram Automall India Limited	-	-	-	-	-	1.39	-	-	-	-	-	-	-	1.39		
- Shriram General Insurance Company Limited	-	-	-	25.00	-	-	-	-	-	-	-	-	-	25.00		
- Shriram Life Insurance Company Limited	-	-	-	6.50	-	-	-	-	-	-	-	-	-	6.50		
Employer contribution to employees group gratuity assurance scheme	-	-	-	-	-	-	9.77	8.25	-	-	-	-	9.77	8.25		
Inter-corporate deposits repaid																
- Shriram Automall India Limited	-	-	-	-	84.60	90.85	-	-	-	-	-	-	84.60	90.85		
TOTAL	276.94	81.83	486.52	418.50	138.46	116.38	9.77	8.25	8.44	2.63	0.45	0.04	920.58	627.63		
Receipts/Income																
Recovery of common sharing expenses																
- Shriram Automall India Limited	-	-	-	-	0.59	0.47	-	-	-	-	-	-	0.59	0.47		
- Shriram Capital Limited	0.02	0.01	-	-	-	-	-	-	-	-	-	-	0.02	0.01		
- Shriram Asset Management Company Limited	-	-	-	0.06	-	-	-	-	-	-	-	-	-	0.06		

50 RELATED PARTY DISCLOSURES (Contd.)

Particulars	Promoter		Promoter group		Associates		Employees' benefit plan		Key management personnel		Relative of key management personnel		Total	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
- Shriram Insight Share Brokers Limited	-	-	0.03	0.02	-	-	-	-	-	-	-	-	0.03	0.02
- Shriram Fortune Solutions Limited	-	-	0.92	1.04	-	-	-	-	-	-	-	-	0.92	1.04
Reimbursement of expenses														
- Shriram Capital Limited	0.01	-	-	-	-	-	-	-	-	-	-	-	0.01	-
Sale of Property, Plant & Equipment														
- Novac Technology Solutions (P) Limited	-	-	0.00	-	-	-	-	-	-	-	-	-	0.00	-
Rent & electricity														
- Shriram Capital Limited	0.17	0.16	-	-	-	-	-	-	-	-	-	-	0.17	0.16
- Shriram Automall India Limited	-	-	-	-	4.18	4.67	-	-	-	-	-	-	4.18	4.67
Commission														
- Shriram General Insurance Company Limited	-	-	33.08	50.80	-	-	-	-	-	-	-	-	33.08	50.80
- Shriram Life Insurance Company Limited	-	-	16.52	20.66	-	-	-	-	-	-	-	-	16.52	20.66
Non-convertible debenture - (secured)														
- Shriram Life Insurance Company Limited	-	-	-	35.00	-	-	-	-	-	-	-	-	-	35.00
Fixed deposit														
- Key management personnel	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- Mrs. Kishori Udeshi	-	-	-	-	-	-	-	-	0.25	0.93	-	-	0.25	0.93
- Mr. Pradeep Kumar Panja	-	-	-	-	-	-	-	-	-	0.05	-	-	-	0.05
- Mr. S. Sridhar	-	-	-	-	-	-	-	-	-	0.10	-	-	-	0.10
- Mr. Hardeep Singh Tur	-	-	-	-	-	-	-	-	0.01	-	-	-	0.01	-
- Relative of key management personnel	-	-	-	-	-	-	-	-	-	-	0.97	0.08	0.97	0.08
- Shriram Asset Management Company Limited	-	-	15.63	12.30	-	-	-	-	-	-	-	-	15.63	12.30
- Shriram Automall India Limited	-	-	-	-	54.00	20.00	-	-	-	-	-	-	54.00	20.00
- Cartradeexchange Solutions Private Limited	-	-	-	-	11.50	-	-	-	-	-	-	-	11.50	-
Unsecured loan and advances repaid														
- Shriram Automall India Limited	-	-	-	-	-	15.06	-	-	-	-	-	-	-	15.06
Received towards right issue														
- Shriram Capital Limited	-	425.22	-	-	-	-	-	-	-	-	-	-	-	425.22
- Shriram Financial Ventures (Chennai) Private Limited	-	-	-	0.39	-	-	-	-	-	-	-	-	-	0.39
- Relative of key management personnel	-	-	-	-	-	-	-	-	-	-	-	0.00	-	0.00
Received towards preferential issue														
- Shriram Capital Limited	250.00	-	-	-	-	-	-	-	-	-	-	-	250.00	-

50 RELATED PARTY DISCLOSURES (Contd.)

Particulars	Promoter		Promoter group		Associates		Employees' benefit plan		Key management personnel		Relative of key management personnel		Total	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
Received towards convertible warrants														
- Shriram Capital Limited	250.00	-	-	-	-	-	-	-	-	-	-	-	250.00	-
Inter-corporate deposits														
- Shriram Automall India Limited	-	-	-	-	62.75	102.30	-	-	-	-	-	-	62.75	102.30
TOTAL	500.19	425.39	66.18	120.27	133.02	142.50	-	-	0.26	1.08	0.97	0.08	700.63	689.32

Income / expenses are presented excluding GST

Amounts less than Rs. 1.00 lac are presented as Rs. 0.00 crores in the above statement.

The Company has not granted loans or advances to promoters, directors, KMPs and the related parties (as defined under the Companies Act, 2013), either severally or jointly with any other person, that is repayable on demand or without specifying any terms or period of repayment for the financial years ended March 31, 2022 and March 31, 2021.

Breakup of related party transactions

Particulars	Promoter		Promoter group		Associates		Employees' benefit plan		Key management personnel		Relative of key management personnel		Total	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
Balance outstanding at the year end														
Share capital														
- Relative of key management personnel	-	-	-	-	-	-	-	-	-	-	0.00	0.00	0.00	0.00
- Key management personnel	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- Mr. Parag Sharma	-	-	-	-	-	-	-	-	0.05	-	-	-	0.05	-
- Mr. S.Sunder	-	-	-	-	-	-	-	-	0.00	-	-	-	0.00	-
- Mr. P.Sridharan	-	-	-	-	-	-	-	-	0.00	-	-	-	0.00	-
- Mr. Sudarshan Holla	-	-	-	-	-	-	-	-	0.00	-	-	-	0.00	-
- Mr. U.Balasundara Rao	-	-	-	-	-	-	-	-	0.00	-	-	-	0.00	-
- Shriram Capital Limited	70.44	66.96	-	-	-	-	-	-	-	-	-	-	-	-
- Shriram Financial Ventures (Chennai) Private Limited	-	-	-	0.06	-	-	-	-	-	-	-	-	70.44	66.96
- Shriram Value Services Limited	-	-	1.06	-	-	-	-	-	-	-	-	-	-	0.06
Investment in equity shares														
- Shriram Automall India Limited	-	-	-	-	175.44	162.29	-	-	-	-	-	-	175.44	162.29
Unsecured loan and advances payable														
- Shriram Automall India Limited	-	-	-	-	0.91	1.23	-	-	-	-	-	-	0.91	1.23
Commission receivable														
- Shriram General Insurance Company Limited	-	-	3.21	6.10	-	-	-	-	-	-	-	-	3.21	6.10
- Shriram Life Insurance Company Limited	-	-	1.46	2.06	-	-	-	-	-	-	-	-	1.46	2.06

50 RELATED PARTY DISCLOSURES (Contd.)													(Rs. in crores)	
Particulars	Promoter		Promoter group		Associates		Employees' benefit plan		Key management personnel		Relative of key management personnel		Total	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
Prepaid for insurance premium														
- Shriram General Insurance Company Limited	-	-	-	1.71	-	-	-	-	-	-	-	-	-	1.71
- Shriram Life Insurance Company Limited	-	-	-	1.02	-	-	-	-	-	-	-	-	-	1.02
Outstanding expenses														
- Shriram Capital Limited	11.41	11.16	-	-	-	-	-	-	-	-	-	-	11.41	11.16
- Shriram Value Services Limited	-	-	77.85	50.35	-	-	-	-	-	-	-	-	77.85	50.35
- Novac Technology Solutions (P) Limited	-	-	1.96	8.19	-	-	-	-	-	-	-	-	1.96	8.19
- Shriram Fortune Solutions Limited	-	-	6.37	11.05	-	-	-	-	-	-	-	-	6.37	11.05
- Shriram Financial Products Solutions (Chennai) Private Limited	-	-	1.85	2.17	-	-	-	-	-	-	-	-	1.85	2.17
- Shriram Insight Share Brokers Limited	-	-	0.65	1.03	-	-	-	-	-	-	-	-	0.65	1.03
- Adroit Inspection Service Private Limited	-	-	-	-	-	0.03	-	-	-	-	-	-	-	0.03
- Shriram Wealth Limited	-	-	0.08	0.17	-	-	-	-	-	-	-	-	0.08	0.17
- Way2wealth Securities Private Limited	-	-	0.08	-	-	-	-	-	-	-	-	-	0.08	-
Fixed deposit														
- Key management personnel	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- Mrs. Kishori Udeshi	-	-	-	-	-	-	1.27	1.55	-	-	-	-	1.27	1.55
- Mr. Pradeep Kumar Panja	-	-	-	-	-	-	0.06	0.05	-	-	-	-	0.06	0.05
- Mr. S. Sridhar	-	-	-	-	-	-	0.11	0.10	-	-	-	-	0.11	0.10
- Mr. Parag Sharma	-	-	-	-	-	-	0.00	-	-	-	-	-	0.00	-
- Mr. Hardeep Singh Tur	-	-	-	-	-	-	0.03	-	-	-	-	-	0.03	-
- Relative of key management personnel	-	-	-	-	-	-	-	-	-	1.55	0.19	-	1.55	0.19
- Shriram Asset Management Company Limited	-	-	29.57	14.34	-	-	-	-	-	-	-	-	29.57	14.34
- Shriram Automall India Limited	-	-	-	-	77.45	20.00	-	-	-	-	-	-	77.45	20.00
- Cartradeexchange Solutions Private Limited	-	-	-	-	11.92	-	-	-	-	-	-	-	11.92	-
Non-convertible debenture (secured)														
- Key management personnel	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- Mr. Umesh Revankar	-	-	-	-	-	-	-	-	-	-	-	-	-	2.49
- Mr. S. Sridhar	-	-	-	-	-	-	-	-	-	-	-	-	-	0.13
- Mr. Pradeep Kumar Panja	-	-	-	-	-	-	-	-	-	0.13	0.24	-	0.13	0.24

50 RELATED PARTY DISCLOSURES (Contd.)

Particulars	Promoter		Promoter group		Associates		Employees' benefit plan		Key management personnel		Relative of key management personnel		Total	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
	(Rs. in crores)													
- Relative of key management personnel	-	-	-	-	-	-	-	-	-	-	0.09	-	0.09	-
- Shriram Life Insurance Company Limited	-	-	36.71	36.71	-	-	-	-	-	-	-	-	36.71	36.71
- Shriram Asset Management Company Limited	-	-	2.50	15.85	-	-	-	-	-	-	-	-	2.50	15.85
- Shriram Insight Share Brokers Limited	-	-	0.08	0.63	-	-	-	-	-	-	-	-	0.08	0.63
- Shriram Automall India Limited	-	-	-	-	17.86	23.17	-	-	-	-	-	-	17.86	23.17
Subordinated debt														
- Shriram Life Insurance Company Limited	-	-	149.04	126.63	-	-	-	-	-	-	-	-	149.04	126.63
- Shriram General Insurance Company Limited	-	-	367.03	368.73	-	-	-	-	-	-	-	-	367.03	368.73
Inter-corporate deposits														
- Shriram Automall India Limited	-	-	-	-	27.45	49.59	-	-	-	-	-	-	27.45	49.59

Income /expenses are presented excluding GST

Amounts less than Rs. 1.00 lac are presented as Rs. 0.00 crores in the above statement.

The Company has not granted loans or advances to promoters, directors, KMPs and the related parties (as defined under the Companies Act, 2013), either severally or jointly with any other person, that is repayable on demand or without specifying any terms or period of repayment for the financial years ended March 31, 2022 and March 31, 2021.

50 RELATED PARTY DISCLOSURES (Contd.)

Disclosure pursuant to Schedule V of Clause A.2 of Regulation 34 (3) and Regulation 53(f) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

I. Disclosures relating Loans and Advances /Investments

(Rs. in crores)

Sl No.	Loans and Advances in the nature of Loans	Maximum Amount Outstanding during the year March 2022	Maximum Amount Outstanding during the year March 2021
A)	To Associate		
	- Shriram Automall India Limited	-	0.38

II. Shriram Transport Finance Company Limited (STFC) holds 44.56 % of equity shares of the company. Disclosure relating to transactions with STFC is given above.

51 CAPITAL MANAGEMENT

The Company maintains an actively managed capital base to cover risks inherent in the business which includes issued equity capital, share premium and all other equity reserves attributable to equity holders of the Company.

The primary objectives of the Company's capital management policy are to ensure that the Company complies with externally imposed capital requirements and maintains strong credit ratings and healthy capital ratios in order to support its business and to maximise shareholder value.

The Company manages its capital structure and makes adjustments to it according to changes in economic conditions and the risk characteristics of its activities. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividend payment to shareholders, return capital to shareholders or issue capital securities. No changes have been made to the objectives, policies and processes from the previous years except those incorporated on account of regulatory amendments. However, they are under constant review by the Board.

52 FAIR VALUE MEASUREMENT
52.01: Valuation principle

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e., an exit price), regardless of whether that price is directly observable or estimated using a valuation technique. In order to show how fair values have been derived, financial instruments are classified based on a hierarchy of valuation techniques, as explained in Note 6.1 (xiii).

52.02: Fair value hierarchy of assets and liabilities

The following table shows an analysis of financial instruments recorded at fair value by level of the fair value hierarchy:

As at March 31, 2022

(Rs. in crores)

Assets measured at fair value on a recurring basis	Level-1	Level-2	Level-3	Total
<i>Derivative financial instruments</i>				
Forward contracts	-	97.84	-	97.84
Currency swaps	-	(276.95)	-	(276.95)
Interest rate swaps	-	3.18	-	3.18
Cross currency interest rate swaps	-	364.13	-	364.13
Interest rate caps	-	13.20	-	13.20
Total derivative financial instruments	-	201.40	-	201.40

52 FAIR VALUE MEASUREMENT (Contd.)

(Rs. in crores)

Assets measured at fair value on a recurring basis	Level-1	Level-2	Level-3	Total
<i>Financial assets held for trading</i>				
Mutual funds	1,523.02	-	-	1,523.02
Equity instruments	-	-	23.89	23.89
Certificate of deposits	-	822.29	-	822.29
Venture capital fund	-	1.53	-	1.53
Total financial assets held for trading	1,523.02	823.82	23.89	2,370.73
Total assets measured at fair value on a recurring basis	1,523.02	1,025.22	23.89	2,572.13
Assets measured at fair value on a non-recurring basis				
Non-current assets and disposals held for sale	-	-	-	-
Total assets measured at fair value on a non-recurring basis	-	-	-	-
Total assets measured at fair value	1,523.02	1,025.22	23.89	2,572.13

(Rs. in crores)

Liabilities measured at fair value on a recurring basis	Level-1	Level-2	Level-3	Total
Total financial liabilities measured at fair value on a recurring basis	-	-	-	-
Liabilities measured at fair value on a non-recurring basis				
Non-current liabilities and disposals held for sale	-	-	-	-
Total financial liabilities measured at fair value on a non-recurring basis	-	-	-	-
Total liabilities measured at fair value	-	-	-	-

As at March 31, 2021

(Rs. in crores)

Assets measured at fair value on a recurring basis	Level-1	Level-2	Level-3	Total
<i>Derivative financial instruments</i>				
Forward contracts	-	79.37	-	79.37
Currency swaps	-	(103.23)	-	(103.23)
Interest rate swaps	-	9.72	-	9.72
Cross currency interest rate swaps	-	181.54	-	181.54
Interest rate caps	-	1.85	-	1.85
Total derivative financial instruments	-	169.25	-	169.25
<i>Financial assets held for trading</i>				
Mutual funds	-	-	-	-
Equity instruments	-	-	6.74	6.74
Venture capital fund	-	1.54	-	1.54
Total financial assets held for trading	-	1.54	6.74	8.28
Total assets measured at fair value on a recurring basis	-	170.79	6.74	177.53
Assets measured at fair value on a non-recurring basis				
Non-current assets and disposals held for sale	-	-	-	-
Total assets measured at fair value on a non-recurring basis	-	-	-	-
Total assets measured at fair value	-	170.79	6.74	177.53

52 FAIR VALUE MEASUREMENT (Contd.)

	(Rs. in crores)			
	Level-1	Level-2	Level-3	Total
Liabilities measured at fair value on a recurring basis				
Total financial liabilities measured at fair value on a recurring basis	-	-	-	-
Liabilities measured at fair value on a non-recurring basis				
Non-current liabilities and disposals held for sale	-	-	-	-
Total financial liabilities measured at fair value on a non-recurring basis	-	-	-	-
Total liabilities measured at fair value	-	-	-	-

52.03: Valuation techniques

Fair values of financial assets, other than those which are subsequently measured at amortised cost, have been arrived at as under:

Investment in Mutual funds/ Equity instruments

Investment in units of mutual funds are measured based on their published net asset value (NAV), taking into account redemption and/or other restrictions. Such instruments are generally Level 1. Equity instruments in non-listed entities are initially recognised at transaction price and re-measured (to the extent information is available) and valued on a case-by-case and classified as Level 3.

Derivative Financial Instruments

Foreign exchange contracts include foreign exchange forward and swap contracts, interest rate swaps and over-the-counter foreign exchange options. These instruments are valued by either observable foreign exchange rates, observable or calculated forward points and option valuation models. With the exception of contracts where a directly observable rate is available which are disclosed as Level 1, the Company classifies derivative financial instruments as Level 2 financial instruments when no unobservable inputs are used for their valuation or the unobservable inputs used are not significant to the measurement (as a whole).

Certificate of deposits (CDs)

Certificate of deposits are short-term financial instruments issued by Banks. Financial Benchmark India Private Ltd (FBIL) has developed the FBIL-CD, a new benchmark for the money market based on traded CDs reported on the FIMMDA Trade Reporting and Confirmation System (FTRAC) platform of The Clearing Corporation of India Ltd (CCIL). FBIL-CD is announced for seven tenors of 14 days, 1 month, 2 months, 3 months, 6 months, 9 months and 12 months. For valuation, the Company uses FBIL-CD benchmark and based on that benchmark the Company interpolates and calculates CD prices corresponding to their residual maturities and such instruments are classified as Level 2.

52.04: Transfer between fair value hierarchy levels

During the year there were no transfers between level 1 and level 2. Similarly, there were no transfers from or transfer to level 3.

52.05: Movements in Level 3 financial instruments measured at fair value

The following tables show a reconciliation of the opening and closing amounts of Level 3 financial assets and liabilities which are recorded at fair value. Transfers from Level 3 to Level 2 occur when the market for some securities became more liquid, which eliminates the need for the previously required significant unobservable valuation inputs. Since the transfer, these instruments have been valued using valuation models incorporating observable market inputs. Transfers into Level 3 reflect changes in market conditions as a result of which instruments become less liquid. Therefore, the Company requires significant unobservable inputs to calculate their fair value.

52 FAIR VALUE MEASUREMENT (Contd.)

The following tables show the reconciliation of the opening and closing amounts of Level 3 financial assets and liabilities measured at fair value:

Particulars	(Rs. in crores)	
	Equity instruments	
	As at March 31, 2022	As at March 31, 2021
Opening balance	6.74	3.36
Purchase	-	-
Sales	-	-
Issuances	-	-
Settlements	-	-
Transfers into level 3	-	-
Transfers from level 3	-	-
Net interest income, net trading income and other income	-	-
Other comprehensive income	-	-
Unrealised gains and losses related to balances held at the end of the year	17.15	3.38
Closing balance	23.89	6.74

52.06: Impact of changes to key assumptions on fair value of level 3 financial instruments measured at fair value

The table summarises the valuation techniques together with the significant unobservable inputs used to calculate the fair value of the Company's level 3 assets and liabilities. The range of values indicates the highest and lowest level input used in the valuation technique and, as such, only reflects the characteristics of the instruments as opposed to the level of uncertainty to their valuation. Relationships between unobservable inputs have not been incorporated in this summary.

(Rs. in crores)

Particulars	Fair value		Valuation technique	Significant unobservable inputs
	Level 3 assets	Level 3 assets		
	As at March 31, 2022	As at March 31, 2021		
Equity instruments	23.89	6.74	Based on the discounted cashflow	Based on the discounted cashflow

52.07: Sensitivity of fair value measurements to changes in unobservable market data

The table below describes the effect of changing the significant unobservable inputs to reasonable possible alternatives. All changes would be reflected in the Statement of profit and loss. Sensitivity data are calculated using a number of techniques, including analysing price dispersion of different price sources, adjusting model inputs to reasonable changes within the fair value methodology.

The ranges are not comparable or symmetrical as the model inputs are usually not in the middle of the favourable/unfavourable range.

The table below shows data in relation to level 3 inputs that are already aggregated on the underlying product levels without assuming any potential diversification effect, but including potential off-sets from economic or accounting hedge relationships in place. The Company is of the opinion that, whilst there may be some diversification benefits, incorporating these would not be significant to the analysis.

(Rs. in crores)

Particulars	As at March 31, 2022		As at March 31, 2021	
	Favourable changes 5% increase	Unfavourable changes 5% decrease	Favourable changes 5% increase	Unfavourable changes 5% decrease
Equity instruments based on the discounted cashflow	25.03	22.64	7.11	6.39

52 FAIR VALUE MEASUREMENT (Contd.)

52.08: Fair value of financial instruments not measured at fair value

Set out below is a comparison, by class, of the carrying amounts and fair values of the Company's financial instruments that are not carried at fair value in the financial statements. This table does not include the fair values of non-financial assets and non-financial liabilities.

(Rs. in crores)

As at March 31, 2022	Carrying amount	Fair value			
		Level-1	Level-2	Level-3	Total
Financial assets:					
Cash and cash equivalents	10,662.44	5,953.99	4,701.32	-	10,655.31
Bank balance other than cash and cash equivalents	5,692.72	9.72	5,126.81	-	5,136.53
Trade receivables	5.35	-	-	5.35	5.35
Other receivables	192.67	-	-	192.67	192.67
Loans (excluding impairment loss allowance)	125,699.03	-	-	124,404.71	124,404.71
Investments at amortised cost (excluding impairment loss allowance)	4,461.06	3,155.70	-	1,082.12	4,237.82
Other investments	175.44	-	-	175.44	175.44
Other financial assets	51.45	-	-	42.70	42.70
Total financial assets	146,940.16	9,119.41	9,828.13	125,902.99	144,850.53
Financial liabilities:					
Trade payables	166.03	-	-	166.03	166.03
Other payables	2.67	-	-	2.67	2.67
Debt securities	41,256.55	-	40,467.60	-	40,467.60
Borrowings (other than debt securities)	46,676.93	-	47,147.82	-	47,147.82
Deposits	21,948.98	-	-	23,963.34	23,963.34
Subordinated liabilities	4,614.25	-	4,962.46	-	4,962.46
Lease liabilities	349.43	-	-	349.43	349.43
Other financial liabilities	859.64	-	-	859.64	859.64
Total financial liabilities	115,874.48	-	92,577.88	25,341.11	117,918.99
Off-balance sheet items					
Other commitments	92.43	-	-	92.43	92.43
Total off-balance sheet items	92.43	-	-	92.43	92.43

(Rs. in crores)

As at March 31, 2021	Carrying amount	Fair value			
		Level-1	Level-2	Level-3	Total
Financial assets:					
Cash and cash equivalents	11,050.93	7,599.40	3,449.44	-	11,048.84
Bank balance other than cash and cash equivalents	5,390.89	161.65	5,126.81	-	5,288.46
Trade receivables	8.92	-	-	8.92	8.92
Other receivables	49.90	-	-	49.90	49.90
Loans (excluding impairment loss allowance)	116,191.59	-	-	114,238.50	114,238.50
Investments at amortised cost (excluding impairment loss allowance)	3,214.21	2,159.91	-	903.27	3,063.18
Other investments	162.29	-	-	162.29	162.29
Other financial assets	49.03	-	-	39.68	39.68
Total financial assets	136,117.76	9,920.96	8,576.25	115,402.56	133,899.77
Financial liabilities:					
Trade payables	152.52	-	-	152.52	152.52

52 FAIR VALUE MEASUREMENT (Contd.)

(Rs. in crores)

As at March 31, 2021	Carrying amount	Fair value			
		Level-1	Level-2	Level-3	Total
Other payables	0.91	-	-	0.91	0.91
Debt securities	40,061.87	-	47,326.64	-	47,326.64
Borrowings (other than debt securities)	45,281.37	-	51,089.94	-	51,089.94
Deposits	16,232.41	-	-	16,559.97	16,559.97
Subordinated liabilities	4,620.76	-	6,265.88	-	6,265.88
Lease liabilities	349.49	-	-	349.49	349.49
Other financial liabilities	1,149.82	-	-	1,149.82	1,149.82
Total financial liabilities	107,849.15	-	104,682.46	18,212.71	122,895.17
Off-balance sheet items					
Other commitments	148.66	-	-	148.66	148.66
Total off-balance sheet items	148.66	-	-	148.66	148.66

Note:

The management assessed that cash and cash equivalents, trade receivables, trade payables, other receivables, other payables, bank overdrafts and other financial liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

52.09: Valuation methodologies of financial instruments not measured at fair value

Below are the methodologies and assumptions used to determine fair values for the above financial instruments which are not recorded and measured at fair value in the Company's financial statements. These fair values were calculated for disclosure purposes only. The below methodologies and assumptions relate only to the instruments in the above tables.

Short-term financial assets and liabilities

For financial assets and financial liabilities that have a short-term maturity (less than twelve months), the carrying amounts, which are net of impairment, are a reasonable approximation of their fair value. Such instruments include: trade receivables, other receivables, balances other than cash and cash equivalents and trade payables without a specific maturity.

Loans and advances to customers

The fair values of loans and receivables are estimated by discounted cash flow models based on contractual cash flows using actual yields.

Pass through certificates

These instruments include asset backed securities. The market for these securities is not active. Therefore, the Company uses a variety of valuation techniques to measure their fair values. Expected cash flow levels are estimated by using quantitative and qualitative measures regarding the characteristics of the underlying assets including prepayment rates, default rates and other economic drivers such as loan-to-value ratios, emergence period estimation, indebtedness and rental income levels. Instruments with no comparable instruments or valuation inputs are classified as Level 3.

Investment in associate at cost

Investment in associate: As per Ind AS 28 Interest in associate are recognised at cost and not adjusted to fair value at the end of each reporting period. Cost represents amount paid for acquisition of the said investments. Loan and other similar arrangements with subsidiaries which are probable to be settled for a fixed number of equity share of the borrower for a fixed price are classified as equity investment. The Company assesses at the end of each reporting period, if there are any indications that the said investments may be impaired. If so, the Company estimates the recoverable value/amount of the investment and provides for impairment, if any i.e. the deficit in the recoverable value over cost.

Investment in government securities at amortised cost

The fair values financial assets held-to-maturity investments are estimated using a discounted cash flow model based on contractual cash flows using actual or estimated yields and discounting by yields incorporating the counterparties' credit risk.

52 FAIR VALUE MEASUREMENT (Contd.)

Issued debt and borrowings

The fair value of issued debt is estimated by a discounted cash flow model incorporating interest rate from market-observable data such as secondary prices for its traded debt.

Deposits

The fair value of public deposits and deposit from corporates is estimated by discounting the future cash flows considering the interest rate applicable on the reporting date for deposits of similar tenure and scheme (cumulative/non-cumulative). Inter-corporate deposits are estimated at their carrying amounts due to the short-term maturities of these deposits.

Off-balance sheet positions

Estimated fair values of off-balance sheet positions are based on the carrying amounts due to the short-term maturities of these positions.

53 RISK MANAGEMENT

Whilst risk is inherent in the Company's activities, it is managed through an integrated risk management framework including ongoing identification, measurement and monitoring, subject to risk limits and other controls. This process of risk management is critical to the Company's continuing profitability and each individual within the Company is accountable for the risk exposures relating to his or her responsibilities. The Company is exposed to credit risk, liquidity risk and market risk. It is also subject to various operating and business risks.

53.01: Introduction and risk profile

53.01.01: Risk management structure

The Board of Directors are responsible for the overall risk management approach and for approving the risk management strategies and principles.

The Board has constituted the Risk Management Committee which is responsible for monitoring the overall risk process within the Company.

The Risk Management Committee has the overall responsibility for the development of the risk strategy and implementing principles, frameworks, policies and limits. The Risk Management Committee is responsible for managing risk decisions and monitoring risk levels.

The Chief Risk officer is responsible for implementing and maintaining risk related procedures to ensure an independent control process is maintained. The Risk owners within each department will report to the Risk Committee.

The Risk owners are responsible for monitoring compliance with risk principles, policies and limits across the Company. Each department has its Risk owner who is responsible for the control of risks, including monitoring the actual risk of exposures against authorised limits and the assessment of risks.

The Company's Treasury is responsible for managing its assets and liabilities and the overall financial structure. It is also primarily responsible for the funding and liquidity risks of the Company.

The Company's policy is that risk management processes throughout the Company are audited annually by the Internal Audit function, which examines both the adequacy of the procedures and the Company's compliance with the procedures. Internal Audit discusses the results of all assessments with management, and reports its findings and recommendations to Risk Management Committee.

53.01.02: Risk mitigation and risk culture

As part of its overall risk management, the Company can use derivatives and other instruments to manage exposures resulting from changes in interest rates and foreign currencies associated with foreign currency transactions.

53.01.03: Risk measurement and reporting systems

The Company's risks are measured using a method that reflects both the expected loss likely to arise in normal circumstances and unexpected losses, which are an estimate of the ultimate actual loss. The models make use of probabilities derived from historical experience, adjusted to reflect the economic environment, as necessary.

The Company's policy is to measure and monitor the overall risk-bearing capacity in relation to the aggregate risk exposure across all risk types and activities.

Information compiled from all the departments is examined and processed in order to analyse, control and identify risks on a timely basis. This information is presented and explained to the Risk Management Committee and the head of each department.

53 RISK MANAGEMENT (Contd.)

The Risk Management Committee receives a comprehensive risk report once a quarter which is designed to provide all the necessary information to assess and conclude on the risks of the Company.

It is the Company's policy to ensure that a robust risk awareness is embedded in its organisational risk culture. Employees are expected to take ownership and be accountable for the risks the Company is exposed to that they decide to take on. The Company's continuous training and development emphasises that employees are made aware of the Company's risk appetite and they are supported in their roles and responsibilities to monitor and keep their exposure to risk within the Company's risk appetite limits. Compliance breaches and internal audit findings are important elements of employees' annual ratings and remuneration reviews.

53.01.04: Excessive risk concentration

Concentrations arise when a number of counterparties are engaged in similar business activities, or activities in the same geographical region, or have similar economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions.

In order to avoid excessive concentrations of risk, the Company's policies and procedures include specific guidelines to focus on spreading its lending portfolio across all the states with a cap on maximum limit of exposure for a state and also for an individual/Group.

53.02: Credit risk

Credit risk is the risk that the Company will incur a loss because its customers or counterparties fail to discharge their contractual obligations. The Company manages and controls credit risk by setting limits on the amount of risk it is willing to accept for individual counterparties and for geographical concentrations, and by monitoring exposures in relation to such limits.

Credit risk is monitored by the credit department of the Company. It is their responsibility to review and manage credit risk, including environmental and social risk for all types of counterparties. Credit risk consists of line credit managers who are responsible for their business lines and manage specific portfolios and experts who support both the line credit manager, as well as the business with tools like credit risk systems, policies, models and reporting.

The Company has established a credit quality review process to provide early identification of possible changes in the creditworthiness of counterparties.

The credit quality review process aims to allow the Company to assess the potential loss as a result of the risks to which it is exposed and take corrective actions.

The Company's internal credit rating grades on days past due(dpd) basis:

Internal rating grade	Internal rating description
Performing	
High grade	0 dpd
Standard grade	1 to 30 dpd
Sub-standard grade	31 to 60 dpd
Past due but not impaired	61 to 90 dpd
Non-performing	90+ dpd

53.02.01: Derivative financial instruments

Credit risk arising from derivative financial instruments is, at any time, limited to those with positive fair values, as recorded on the balance sheet.

With gross-settled derivatives, the Company is also exposed to a settlement risk, being the risk that the Company honours its obligation, but the counterparty fails to deliver the counter value.

53.02.02: Impairment assessment

The references below show where the Company's impairment assessment and measurement approach is set out in this report. It should be read in conjunction with the Summary of significant accounting policies.

The Company's definition and assessment of default (Note 53.02.02.01).

-How the Company defines, calculates and monitors the probability of default, exposure at default and loss given default (Notes 53.02.02.02 to 53.02.02.04)

-When the Company considers there has been a significant increase in credit risk of an exposure (Note 53.02.02.05)

-The Company's policy of segmenting financial assets where ECL is assessed on a collective basis (Note 53.02.02.07)

-The details of the ECL calculations and categorisation of loans for stage 1, stage 2 and stage 3 assets (Note 6.1(xi))

53 RISK MANAGEMENT (Contd.)

53.02.02.01: Definition of default

The Company considers a financial instrument defaulted and therefore stage 3 (credit-impaired) for ECL calculations in all cases when the borrower becomes 90 days past due on its contractual payments.

As a part of a qualitative assessment of whether a customer is in default, the Company also considers a variety of instances that may indicate unlikelihood to pay. When such events occur, the Company carefully considers whether the event should result in treating the customer as defaulted and therefore assessed as stage 3 for ECL calculations or whether stage 2 is appropriate. Such events include:

- The borrower requesting emergency funding from the Company.
- A material decrease in the underlying collateral value where the recovery of the loan is expected from the sale of the collateral.
- A covenant breach not waived by the Company.
- The debtor (or any legal entity within the debtor's Company) filing for bankruptcy application/protection.
- All the facilities of a borrower are treated as stage 3 when one of his facility becomes 90 days past due i.e. credit impaired.
- The restructuring of a loan or advance by the Company on terms that the Company would not consider otherwise.

53.02.02.02: PD estimation process

It is an estimate of the likelihood of default over a given time horizon. PD estimation process is done based on historical internal data available with the Company. While arriving at the PD, the Company also ensures that the factors that affects the macro economic trends are considered to a reasonable extent, wherever necessary. Company calculates the 12 month PD by taking into account the past historical trends of the portfolio and its credit performance. In case of assets where there is a significant increase in credit risk, lifetime PD has been applied which is computed based on survival analysis. For credit impaired assets, a PD of 100% has been applied.

53.02.02.03: Exposure at Default (EAD)

The exposure at default (EAD) represents the gross carrying amount of the financial instruments subject to the impairment calculation, addressing both the ability to increase its exposure while approaching default and potential early repayments too.

To calculate the EAD for a Stage 1 loan, the Company assesses the possible default events within 12 months for the calculation of the 12 months ECL.

For stage 2 and stage 3 financial assets, the exposure at default is considered for events over the lifetime of the instruments.

In case of undrawn loan commitments, a credit conversion factor of 100% is applied for expected drawdown.

53.02.02.04: Loss Given Default (LGD)

LGD is an estimate of the loss arising in case where a default occurs. It is based on the difference between the contractual cash flows due and those that the Company would expect to receive, including from the realisation of any security.

53.02.02.05: Significant increase in credit risk(SICR)

The Company continuously monitors all assets subject to ECLs in order to determine whether an instrument or a portfolio of instruments is subject to 12 month ECL or lifetime ECL. The Company assesses whether there has been an event which could cause a significant increase in the credit risk of the underlying asset or the customers' ability to pay and accordingly change the 12 month ECL to a lifetime ECL.

In certain cases, the Company may also consider that events explained in Note 53.02.02.01 are a significant increase in credit risk as opposed to a default. Regardless of the above, if contractual payments are more than 30 days past due, the credit risk is deemed to have increased significantly since initial recognition.

When estimating ECLs on a collective basis for a Company of similar assets (as set out in Note 53.02.02.07), the Company applies the same principles for assessing whether there has been a significant increase in credit risk since initial recognition.

53 RISK MANAGEMENT (Contd.)

53.02.02.06: Forward looking information

The Company has incorporated forward looking information and macro-economic factors while calculating PD and LGD rate. Refer note 63 for impact of COVID-19 on estimate of PD, LGD and SICR.

53.02.02.07: Grouping financial assets measured on a collective basis

As explained in Note 6.1.(xi) dependent on the factors below, the Company calculates ECLs only on a collective basis.

The Company segments the exposure into smaller homogeneous portfolios, based on a combination of internal and external characteristics of the loans as described below.

1. New vehicle finance
2. Pre owned vehicle finance
3. Business Loans

53.02.03: Analysis of risk concentration

The maximum credit exposure to any individual client or counterparty as of March 31, 2022 was Rs. 61.13 crores (March 31, 2021: Rs. 52.22 crores).

Credit risk exposure analysis

(Rs. in crores)

Particulars	As at March 31, 2022			
	Stage 1 collective	Stage 2 collective	Stage 3 collective	Total
Credit risk exposure	103,492.98	13,318.50	8,887.55	125,699.03

53.03: Liquidity risk and funding management

In assessing the company's liquidity position, consideration shall be given to: (1) present and anticipated asset quality (2) present and future earnings capacity (3) historical funding requirements (4) current liquidity position (5) anticipated future funding needs, and (6) sources of funds. The Company maintains a portfolio of marketable assets that are assumed to be easily liquidated and undrawn cash credit limits which can be used in the event of an unforeseen interruption in cash flow. The Company also enters into securitisation deals (direct assignment as well as pass through certificates) of their loan portfolio, the funding from which can be accessed to meet liquidity needs. In accordance with the Company's policy, the liquidity position is assessed under a variety of scenarios, giving due consideration to stress factors relating to both the market in general and specifically to the Company. Net liquid assets consist of cash, short-term bank deposits and investments in mutual fund available for immediate sale, less issued securities and borrowings due to mature within the next month. Borrowings from banks and financial institutions, issue of debentures and bonds and acceptance of public deposits are considered as important sources of funds to finance lending to customers. They are monitored using the advances to borrowings ratio, which compares loans and advances to customers as a percentage of secured and unsecured borrowings.

The Board of Directors also approves constitution of Asset Liability Committee (ALCO), Asset Liability Management Committee(ALCO) reviews or monitors Asset Liability Management (ALM) mismatch. ALCO conducts periodic reviews relating to the liquidity position and stress test assuming various what if scenarios. The ALCO is responsible for ensuring adherence to the limits set by the Board as well as for deciding the business strategy of the Company in line with the Company's budget and decided risk management objectives. The ALCO is a decision-making unit responsible for balance sheet planning from risk-return perspective including strategic management of interest rate and liquidity risks. The ALCO also evaluates the Borrowing Plan of subsequent quarters on the basis of previous borrowings of the company. The ALCO will be responsible for ensuring the adherence to the target set by the Board of Directors. The meetings of ALCO are held at quarterly intervals. The ALM Support Groups consisting of operating staff are responsible for analysing, monitoring and reporting the risk profiles to the ALCO. ALCO support group meets every fortnight. The minutes of ALCO meetings are placed before the RMC and the Board of Directors in its next meeting for its ratification.

53 RISK MANAGEMENT (Contd.)

53.03.01: Analysis of financial assets and liabilities by remaining maturities

The table below summarises the maturity profile of the Company's financial assets and liabilities as at March 31. All derivatives used for hedging and natural hedges are shown by maturity. Repayments which are subject to notice are treated as if notice were to be given immediately. However, the Company expects that many customers will not request repayment on the earliest date it could be required to pay and the table does not reflect the expected cash flows indicated by its deposit retention history.

Maturity pattern of assets and liabilities as on March 31, 2022:

(Rs. in crores)

Particulars	Less than 3 months	Over 3 months & upto 6 months	Over 6 months & upto 1 year	Over 1 year & upto 3 years	Over 3 years & upto 5 years	Over 5 years	Total
Financial assets							
Cash and cash equivalents	10,662.44	-	-	-	-	-	10,662.44
Bank balance other than above	2,784.30	1,031.15	1,317.79	559.48	-	-	5,692.72
Derivative assets	-	-	-	63.56	137.84	-	201.40
Financial assets at fair value through profit and loss	2,345.31	-	-	-	-	25.42	2,370.73
Loans *	15,723.90	14,546.00	26,984.78	71,816.77	17,558.94	1,792.34	148,422.73
Financial investments at amortised cost	326.03	113.89	158.46	641.28	565.38	2,656.02	4,461.06
Trade receivables	5.35	-	-	-	-	-	5.35
Other receivables	29.03	27.62	46.59	81.92	7.51	-	192.67
Other financial assets	-	-	-	-	-	51.45	51.45
Total undiscounted financial assets	31,876.36	15,718.66	28,507.62	73,163.01	18,269.67	4,525.23	172,060.55
Financial liabilities							
Deposits *	1,940.42	2,127.66	3,645.55	12,642.21	5,526.91	-	25,882.75
Debt securities *	2,556.00	808.00	10,135.48	21,192.82	5,692.14	8,960.67	49,345.11
Borrowings (other than debt securities) *	8,178.50	4,948.26	9,511.65	24,057.35	5,307.19	50.61	52,053.56
Subordinated liabilities *	137.00	152.00	466.40	3,323.50	521.20	1,606.00	6,206.10
Trade payables	165.72	-	-	0.31	-	-	166.03
Other payables	2.67	-	-	-	-	-	2.67
Lease liabilities	26.48	25.72	48.42	155.57	89.58	99.69	445.46
Other financial liabilities	643.75	53.30	58.01	99.19	5.39	-	859.64
Total undiscounted financial liabilities	13,650.54	8,114.94	23,865.51	61,470.95	17,142.41	10,716.97	134,961.32
Net undiscounted financial assets/ (liabilities)	18,225.82	7,603.72	4,642.11	11,692.06	1,127.26	(6,191.74)	37,099.23

* includes future interest

53 RISK MANAGEMENT (Contd.)

Maturity pattern of assets and liabilities as on March 31, 2021:

Particulars	Less than 3 months	Over 3 months & upto 6 months	Over 6 months & upto 1 year	Over 1 year & upto 3 years	Over 3 years & upto 5 years	Over 5 years	Total
(Rs. in crores)							
Financial assets							
Cash and cash equivalents	11,050.93	-	-	-	-	-	11,050.93
Bank balance other than above	2,250.28	1,543.15	1,093.35	450.85	53.26	-	5,390.89
Derivative assets	-	-	100.51	38.26	-	30.48	169.25
Financial assets at fair value through profit and loss	-	-	-	-	-	8.28	8.28
Loans *	13,358.17	15,198.43	24,695.47	66,062.15	18,404.12	3,131.92	140,850.26
Financial investments at amortised cost	153.19	134.26	235.76	832.05	169.15	1,689.80	3,214.21
Trade receivables	8.92	-	-	-	-	-	8.92
Other receivables	49.90	-	-	-	-	-	49.90
Other financial assets	2.07	-	-	-	-	46.96	49.03
Total undiscounted financial assets	26,873.46	16,875.84	26,125.09	67,383.31	18,626.53	4,907.44	160,791.67
Financial liabilities							
Deposits *	920.83	1,541.32	3,817.22	9,090.96	3,814.50	-	19,184.83
Debt securities *	3,433.09	4,954.30	5,893.54	24,240.95	3,320.04	5,428.64	47,270.56
Borrowings (other than debt securities) *	6,348.78	5,469.99	11,980.12	23,455.05	4,790.82	365.83	52,410.59
Subordinated liabilities *	86.83	86.23	341.79	1,493.08	2,828.52	1,880.28	6,716.73
Trade payables	152.22	-	0.30	-	-	-	152.52
Other payables	0.54	-	-	-	-	-	0.54
Lease liabilities	25.98	25.26	49.72	161.50	92.89	91.87	447.23
Other financial liabilities	925.01	8.02	81.94	99.85	30.91	4.09	1,149.82
Total undiscounted financial liabilities	11,803.95	12,078.19	22,152.11	58,505.60	14,859.35	7,753.77	127,332.82
Net undiscounted financial assets/ (liabilities)	15,069.51	4,797.65	3,972.98	8,877.71	3,767.18	(2,846.33)	33,458.85

* includes future interest

53 RISK MANAGEMENT (Contd.)

The table below shows the expiry by maturity of the contingent liabilities and commitments of the Company and its associate: Each undrawn loan commitment is included in the time band containing the earliest date it can be drawn down.

(Rs. in crores)

Particulars	Less than 3 months	Over 3 months & upto 6 months	Over 6 months & upto 1 year	Over 1 year & upto 3 years	Over 3 years & upto 5 years	Over 5 years	Total
As at March 31, 2022							
In respect of Income tax demands where the Company and its associate have filed appeal before various authorities	-	-	-	-	-	175.46	175.46
VAT demand where the Company and its associate have filed appeal before various appellates	-	-	-	-	-	117.54	117.54
Service tax demands where the Company and its associate have filed appeal before various authorities	-	-	-	-	-	1,976.63	1,976.63
Penalty levied for Contravention of provisions of Section 6(3)(b) of FEMA, 1999 read with Regulation 4 of Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000	-	-	-	-	-	5.00	5.00
Estimated amount of contracts remaining to be executed on capital account, net of advances	11.72	-	-	-	-	-	11.72
Commitments related to loans sanctioned but undrawn	92.43	-	-	-	-	-	92.43
Total commitments	104.15	-	-	-	-	2,274.63	2,378.78
As at March 31, 2021							
In respect of Income tax demands where the Company and its associate have filed appeal before various authorities	-	-	-	-	-	133.64	133.64
VAT demand where the Company and its associate have filed appeal before various appellates	-	-	-	-	-	117.54	117.54
Service tax demands where the Company and its associate have filed appeal before various authorities	-	-	-	-	-	1,976.63	1,976.63
Penalty levied for Contravention of provisions of Section 6(3)(b) of FEMA, 1999 read with Regulation 4 of Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000	-	-	-	-	-	5.00	5.00
Estimated amount of contracts remaining to be executed on capital account, net of advances	3.82	-	-	-	-	-	3.82
Commitments related to loans sanctioned but undrawn	148.66	-	-	-	-	-	148.66
Total commitments	152.48	-	-	-	-	2,232.81	2,385.29

53 RISK MANAGEMENT (Contd.)

53.04: Market Risk

Market risk that the fair value or future cash flows of financial instruments will fluctuate due to changes in market variables such as interest rates, foreign exchange rates and equity prices. The Company classifies exposures to market risk into either trading or non-trading portfolios and manages each of those portfolios separately.

Interest rate risk

The Company's exposure to changes in interest rates relates to the Company's outstanding floating rate liabilities. Most of the Company's outstanding liability is on fixed rate basis and hence not subject to interest rate risk. Some of the borrowings of the Company are linked to rate benchmarks such as Bank Marginal Cost of Funds based Lending Rate (MCLR) or London Inter-bank Offered Rate (LIBOR) and Mumbai Inter-Bank Offer Rate (MIBOR) and hence subject to interest rate risk. The Company hedges interest rate risks of foreign currency borrowings through derivative transactions. The sensitivity of the Company's floating rate borrowings to change in interest rate (assuming all other variables constant) is given below:

As at March 31, 2022

(Rs. in crores)

Particulars	Carrying amount	Favourable change 1% increase	Unfavourable change 1% decrease
Debt instrument	2,446.80	237.64	(294.97)
Term loans	11,198.93	1,356.11	(1,801.15)
Total floating rate borrowings	13,645.73	1,593.75	(2,096.12)

As at March 31, 2021

(Rs. in crores)

Particulars	Carrying amount	Favourable change 1% increase	Unfavourable change 1% decrease
Debt instrument	5,776.24	572.78	(644.49)
Term loans	9,723.08	707.21	(665.36)
Total floating rate borrowings	15,499.32	1,279.99	(1,309.85)

Fair value sensitivity analysis for fixed rate instruments

The Company's fixed rate instruments are carried at amortised cost and are not measured for interest rate risk, as neither the carrying amount nor the future cash flows will fluctuate because of changes in market interest rates.

Inter-bank Offered Rate (IBOR) reform

The table below shows the Company's exposure at the year end to significant IBORs subject to reform that have yet to transition to alternative Risk Free Rates (RFRs). These exposures will remain outstanding until the IBOR ceases and will therefore transition in future and the table excludes exposures to IBOR that will expire before transition is required. The derivative hedging instruments provide a close approximation to the extent of the risk exposure the Company manages through hedging relationships.

(Rs. in crores)

Particulars	As at March 31, 2022			As at March 31, 2021		
	Rate of interest	Notional Amounts	Maturity date	Rate of interest	Notional Amounts	Maturity date
Currency derivatives:						
- Spots and forwards	3 months LIBOR + 1.95%	22.19	June 10, 2022 to August 10, 2023	3 months LIBOR + 1.95%	37.05	June 10, 2022 to August 10, 2023
- Cross currency interest rate swaps	3 months LIBOR + 1.95%	2,402.33	August 10, 2023	3 months LIBOR + 1.95%	2,402.33	August 10, 2023
- Cross currency interest rate swaps	6 months LIBOR + 2.50%	133.64	June 13, 2022 to December 11, 2026	6 months LIBOR + 2.50%	147.00	December 13, 2021 to December 11, 2026
TOTAL		2,558.16			2,586.38	

53 RISK MANAGEMENT (Contd.)

Foreign Currency risk

Foreign Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. The Company is exposed to foreign currency fluctuation risk for its foreign currency borrowing. The Company's borrowings in foreign currency are governed by RBI Master Direction External Commercial Borrowings, Trade Credits and Structured Obligations dated March 26, 2019 (as and when updated) which requires entities raising External Commercial Borrowings (ECB) for an average maturity of less than 5 years to hedge minimum 70% of the its ECB exposure. The Company hedges its entire ECB and external commercial bond exposure as per Board approved hedging policy and resource mobilisation policy. The Company manages foreign currency risk by entering in to cross currency swaps and forward contract. When a derivative is entered in to for the purpose of being a hedge, the Company negotiates the terms of those derivatives to match with the terms of the hedge exposure. The Company holds derivative financial instruments such as Cross currency interest rate swap to mitigate risk of changes in exchange rate in foreign currency and floating interest rate. The Counterparty for these contracts is generally a bank. These derivative financial instruments are valued based on quoted prices for similar assets and liabilities in active markets or inputs that are directly or indirectly observable in market place. Refer Note 22 B - External commercial bond (ED) Secured and 23 C-External commercial borrowing, respectively for terms and conditions of external commercial bonds and external commercial borrowings.

Exposure to currency risk

The summary quantitative data about exposure to Currency risk (based on Notional amounts) as reported :

(Amount in crores)

Particulars	As at March 31, 2022				As at March 31, 2021			
	Contracts in EURO		Contracts in USD		Contracts in EURO		Contracts in USD	
	EURO	INR	USD	INR	EURO	INR	USD	INR
Total foreign currency exposure in respect of recognised assets and liabilities	8.65	685.38	536.60	36,134.01	10.58	837.69	479.50	35,593.99
Cross currency Interest rate swap / Forward exchange contracts	8.65	685.38	536.60	36,134.01	10.58	837.69	479.50	35,593.99
Net Exposure	-	-	-	-	-	-	-	-

Movement in Cash flow hedge reserve

(Rs. in crores)

Cash flow hedge reserve	As at March 31, 2022			As at March 31, 2021		
	Realised	Unrealised	Total	Realised	Unrealised	Total
Balance at the beginning of the year	-	(93.02)	(93.02)	-	-	-
Add: Changes in the fair value during the year	-	(160.87)	(160.87)	-	(124.31)	(124.31)
Less: Income tax relating to items that will be reclassified to profit or loss	-	40.49	40.49	-	31.29	31.29
Less: Amounts reclassified to Statement of profit and loss	-	-	-	-	-	-
Balance at the end of the year	-	(213.40)	(213.40)	-	(93.02)	(93.02)

Nature and terms and conditions of outstanding derivative contracts

(Rs. in crores)

Particulars	As at March 31, 2022				As at March 31, 2021			
	Rate of interest	Maturity date	Notional Amounts	Fair Value - Assets	Rate of interest	Maturity date	Notional Amounts	Fair Value - Assets
(i) Currency derivatives:								
- Spots and forwards	3 months LIBOR + 1.95%	June 10, 2022 to August 10, 2023	22.19	(0.56)	3 months LIBOR + 1.95%	June 10, 2021 to August 10, 2023	37.05	(0.30)
- Spots and forwards	4.15% to 5.95%	June 15, 2022 to June 15, 2027	17,018.41	98.39	4.15% to 5.95%	June 15, 2021 to June 15, 2027	13,789.85	79.67
- Currency swaps	4.15% to 5.10%	July 14, 2023 to July 18, 2025	2,320.47	(276.95)	4.40% to 5.10%	July 14, 2023 to March 13, 2024	2,320.38	(103.23)
- Cross currency interest rate swaps	3 months LIBOR + 1.95%	August 10, 2023	2,402.33	197.16	3 months LIBOR + 1.95%	August 10, 2023	2,402.33	32.81

53 RISK MANAGEMENT (Contd.)

(Rs. in crores)

Particulars	As at March 31, 2022				As at March 31, 2021			
	Rate of interest	Maturity date	Notional Amounts	Fair Value - Assets	Rate of interest	Maturity date	Notional Amounts	Fair Value - Assets
- Cross currency interest rate swaps	6 months EURIBOR + 1.15%	April 26, 2022 to April 25, 2026	685.38	155.82	6 months EURIBOR + 1.15%	April 25, 2026	837.69	49.24
- Cross currency interest rate swaps	6 months LIBOR + 2.50%	June 13, 2022 to December 11, 2026	133.64	5.50	6 months LIBOR + 2.50%	December 13, 2021 to December 11, 2026	147.00	(1.76)
- Cross currency interest rate swaps	-	-	-	-	5.70%	February 28, 2022	2,849.90	101.25
- Cross currency interest rate swaps	SOFR + 2.10%	December 03, 2024	187.35	5.66	-	-	-	-
(ii) Interest rate derivatives:								
- Interest rate swaps	4.15% to 5.95%	October 24, 2022 to July 18, 2025	14,049.63	3.18	4.40% to 5.95%	October 24, 2022 to March 13, 2024	14,047.48	9.72
- Interest rate caps	6 months EURIBOR + 1.15%	April 26, 2022 to April 25, 2026	-	13.20	6 months EURIBOR + 1.15%	April 26, 2021 to April 25, 2026	-	1.85
TOTAL			36,819.40	201.40			36,431.68	169.25

Price-risk

The Company's hedging policy only allows for effective hedge relationships to be established. Hedge effectiveness is determined at the inception of the hedge relationship, and through periodic prospective effectiveness assessments to ensure that an economic relationship exists between the hedged item and hedging instrument. The Company enters into hedge relationships where the critical terms of the hedging instrument match exactly with the terms of the hedged item, and so a qualitative assessment of effectiveness is performed. If changes in circumstances affect the terms of the hedged item such that the critical terms no longer match exactly with the critical terms of the hedging instrument, the Company uses the hypothetical derivative method to assess effectiveness.

Ineffectiveness is recognised on a cash flow hedge where the cumulative change in the designated component value of the hedging instrument exceeds on an absolute basis the change in value of the hedged item attributable to the hedged risk. In such cases, ineffectiveness may arise if:

- The critical terms of the hedging instrument and the hedged item differ (i.e. nominal amounts, timing of the forecast transaction, interest resets changes from what was originally estimated), or
- differences arise between the credit risk inherent within the hedged item and the hedging instrument.

There were no ineffectiveness recognised in the statement of profit and loss.

There were no other sources of ineffectiveness in these hedge relationships.

54 DISCLOSURE UNDER THE MSME ACT 2006, (AS PER THE INTIMATION RECEIVED FROM THE VENDOR)

Based on the intimation received by the Company, some of the suppliers have confirmed to be registered under "The Micro, Small and Medium Enterprises Development ('MSMED') Act, 2006". Accordingly, the disclosures relating to amounts unpaid as at the year ended together with interest paid /payable are furnished below:

(Rs. in crores)

Particulars	As at March 31, 2022	As at March 31, 2021
The principal amount remaining unpaid to supplier as at the end of the year	1.48	0.37
The interest due thereon remaining unpaid to supplier as at the end of the year	-	-

54 DISCLOSURE UNDER THE MSME ACT 2006, (AS PER THE INTIMATION RECEIVED FROM THE VENDOR) (Contd.)

Particulars	(Rs. in crores)	
	As at March 31, 2022	As at March 31, 2021
The amount of interest paid in terms of Section 16, along with the amount of payment made to the supplier beyond the appointed day during the year	-	-
The amount of interest due and payable for the year of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this Act	-	-
The amount of interest accrued during the year and remaining unpaid at the end of the year	-	-
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	-	-

55 DISCLOSURE REGARDING AUDITORS REMUNERATION DISCLOSED UNDER LEGAL AND PROFESSIONAL FEES

In addition to the auditors remuneration shown in note 42 Other expenses, the Company has also incurred auditors remuneration in connection with audit and related statutory services to be performed by auditors in connection with issue of senior secured notes of Rs. 0.54 crores (March 31, 2021: Rs. 0.34 crores) shown under Legal and professional fees in note 42 Other expenses.

56 DISCLOSURE REGARDING AUDITORS REMUNERATION DISCLOSED UNDER SHARE ISSUE EXPENSES

In addition to the auditors remuneration shown in note 42 Other expenses, the Company has also incurred auditors remuneration in connection with audit and related statutory services to be performed by auditors in connection with issue of Qualified institutional placement and preferential issue of equity shares of Rs. 0.33 crores (March 31, 2021: Rs. Nil) netted off against Securities premium under Other equity in note 31 Other equity.

57 DISCLOSURE REGARDING AUDITORS REMUNERATION DISCLOSED UNDER RIGHT ISSUE EXPENSES

In addition to the auditors remuneration shown in note 42 Other expenses, the Company has also incurred auditors remuneration in connection with audit and related statutory services to be performed by auditors in connection with issue of Right Shares of Rs. Nil crores (March 31, 2021: Rs. 0.27 crores) netted off against Securities premium under Other equity in note 31 Other equity.

58 SEGMENT REPORTING

The Company operates in a single reporting segment i.e. financing. Its associate is primarily engaged in the business of facilitation service. Since, it does not meet the quantitative thresholds laid down under the Ind AS 108 – Operating Segments for reportable segments, it has not been considered for segment reporting.

59 TRANSFER OF FINANCIAL ASSETS

Note 59.01: Transferred financial assets that are not derecognised in their entirety

The following table provides a summary of financial assets that have been transferred in such a way that part or all of the transferred financial assets do not qualify for derecognition, together with the associated liabilities.

Particulars	(Rs. in crores)	
	As at March 31, 2022	As at March 31, 2021
Securitisation		
Carrying amount of transferred assets measured at amortised cost (held as collateral)	21,120.76	25,890.69
Carrying amount of associated liabilities (Borrowings (other than debt securities)- measured at amortised cost)	19,538.08	23,403.60
Fair value of assets	21,105.47	25,756.51
Fair value of associated liabilities	19,765.43	23,960.23
Net position at fair value	1,340.04	1,796.28

59 TRANSFER OF FINANCIAL ASSETS (Contd.)

Note 59.02: Transferred financial assets that are derecognised in their entirety

The Company has assigned loans (earlier measured at amortised cost) by way of direct assignment. As per the terms of these deals, since substantial risk and rewards related to these assets were transferred to the extent of 90% of the assets transferred to the buyer, the assets have been de-recognised from the Company's Balance Sheet. The table below summarises the carrying amount of the derecognised financial assets :

		(Rs. in crores)
Particulars	As at March 31, 2022	As at March 31, 2021
Direct assignment		
Carrying amount of transferred assets measured at amortised cost	1,599.67	1,300.31
Carrying amount of exposures retained by the Company at amortised cost	159.97	130.03

Note 59.03: Transferred financial assets that are derecognised in their entirety but where the Company has continuing involvement

The Company has not transferred any assets that are derecognised in their entirety where the Company continues to have continuing involvement.

60 EXPENDITURE IN FOREIGN CURRENCY (ACCRUAL BASIS)

		(Rs. in crores)
Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Resource mobilisation	36.63	23.03
Total	36.63	23.03

Remittances in foreign currencies

		(Rs. in crores)
Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Right issue expenses	-	0.26
Total	-	0.26

61 DETAILS OF CSR EXPENSES

		(Rs. in crores)
Particulars	Year ended March 31, 2022	Year ended March 31, 2021
a) Gross amount required to be spent by the Company during the year	69.12	62.91
b) Amount spent during the year		
- On purposes other than construction/acquisition of any asset		
Paid in cash	69.72	64.96
Yet to be paid in cash	-	-
Total	69.72	64.96

There is no shortfall in the CSR amount required to be spent by the Company as per section 135(5) of the Act for the financial years ended March 31, 2022 and March 31, 2021.

CSR activities include Education, Preservation of Art, Culture and Heritage, Preventive Healthcare, Scholarship Scheme, Training and Skill Development, Road Safety Awareness Program, Contribution towards Primary, Secondary and Higher Education and other activities which are specified under Schedule VII of Companies Act, 2013.

The Company has neither made any CSR Contributions towards its related parties nor recorded any provision for CSR expenditure during the financial years ended March 31, 2022 and March 31, 2021.

62 MOVEMENT IN PROVISIONS

(Rs. in crores)

Particulars	As at March 31, 2021	Additional provision made during the year	Utilisation/reversal during the year	As at March 31, 2022
Provision for taxes- contested	92.75	-	1.82	90.93

(Rs. in crores)

Particulars	As at April 01, 2020	Additional provision made during the year	Utilisation/reversal during the year	As at March 31, 2021
Provision for taxes- contested	92.75	-	-	92.75

The above provisions relate to disputed tax demands in relation to VAT and Service tax. Due to the very nature of such provisions and the litigations involved, it is not possible to estimate the timing/ uncertainties relating to their outflows.

63 NOTE ON COVID

The significant increase in economic activities post easing of lockdown by the state governments due to COVID-19 had resulted in improvement in business operations of the Company. As a matter of prudence, during the financial year ended March 31, 2022, the Company has written off Rs. 799.92 crores by utilising the ECL provision created as management overlay on account of COVID-19. The ECL provision of Rs. 2,052.58 crores is retained by the company as at March 31, 2022 towards management overlay on account of COVID-19.

The additional ECL provision retained on account of COVID-19 is based on the Company's historical experience, collection efficiencies post lockdown, internal assessment and other emerging forward looking factors on account of the pandemic. However, the actual impact may vary due to prevailing uncertainty caused by the pandemic. The Company's management is continuously monitoring the situation and the economic factors affecting the operations of the Company.

64 EVENTS AFTER REPORTING DATE

There have been no events after the reporting date.

65 FLOATING CHARGE ON INVESTMENT IN GOVERNMENT SECURITIES

In accordance with the Master Direction - Non-Banking Financial Companies Acceptance of Public Deposits (Reserve Bank) Directions, 2016 dated August 25, 2016, the Company has created a floating charge on the statutory liquid assets comprising of investment in government securities (face value) to the extent of Rs. 3,354.44 crores (March 31, 2021: Rs. 2,003.76 crores) in favour of trustees representing the public deposit holders of the Company.

66 The Company invoked resolution plans to relieve COVID-19 pandemic related stress to eligible borrowers. The resolution plans are based on the parameters laid down in the resolution policy approved by the Board of Directors of the Company and in accordance with the guidelines issued by the RBI on August 6, 2020 and May 5, 2021. The staging of accounts and provisioning for the eligible accounts where the resolution plans are invoked and implemented is in accordance with the Board Approved Policy in this regard.

66.01 Disclosure on Resolution Framework 2.0 implemented in terms of RBI notification no. RBI/2020-21/16 DOR. NO.BP.BC/3/21.04.048/2020-21 dated August 6, 2020 and RBI/2021-22/31/DOR.STR.REC.11 /21.04.048/2021-22 dated May 05, 2021

(Rs. in crores)

Type of borrower	(A)	(B)	(C)	(D)	(E)
	Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at the end of the previous half-year (A)	Of (A), aggregate debt that slipped into NPA during the half-year	Of (A) amount written off during the half-year	Of (A) amount paid by the borrowers during the half-year	Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at the end of this half-year
Personal Loans #	974.96	40.01	1.98	162.95	770.01
Corporate persons*	-	-	-	-	-
Of which, MSMEs	-	-	-	-	-
Others	-	-	-	-	-
Total	974.96	40.01	1.98	162.95	770.01

*As defined in Section 3(7) of the Insolvency and Bankruptcy Code, 2016

pertains to automobile loans

66.02 Disclosure as per the format prescribed as per the notification no. RBI/2020-21/17 DOR.NO.BPBC/4/21.04.048/2020-21 on "Micro, Small and Medium Enterprises (MSME) sector – Restructuring of Advances" having exposure less than or equal to Rs. 25 crores:

		(Rs. in crores)
	No. of accounts restructured	Amount
	2,131	64.32

67 Hon'ble Supreme Court, in a public interest litigation (Gajendra Sharma vs. Union of India & Anr.) vide an interim order dated September 3, 2020, has directed that accounts which were not declared NPA till August 31, 2020 shall not be declared as NPA till further orders. However, such accounts had been classified as stage 3 in accordance with Note No.63 and provision had been made accordingly. The interim order stood vacated on March 23, 2021 vide the judgement of the Hon'ble Supreme Court in the matter of Small Scale Industrial manufacturers Association v/s UOI & Ors. and other connected matters. In accordance with the instructions in paragraph 5 of the RBI circular no. RBI/2021-22/17 DOR. STR. REC. 4/ 21.04.048/ 2021-22, dated April 07, 2021 issued in this connection, the Company was already classifying the NPA accounts as Stage 3 and provision was made accordingly, without considering the above mentioned asset classification benefit for accounting purpose, there is no change in asset classification on account of the interim order dated March 23, 2021.

68 The Company had credited an ex-gratia amount of Rs. 231.28 crores for the payment of difference between the compound interest and simple interest to the accounts of borrowers in specified loan accounts between March 1, 2020 and August 31, 2020 as per the eligibility criteria and other features as mentioned in the notification dated October 23, 2020 issued by Government of India, Ministry of Finance, Department of Financial Services. The Company had filed a claim with the State Bank of India for reimbursement of the said ex-gratia amount as specified in the notification and same was received on March 31, 2021.

69 In accordance with the instructions in aforementioned RBI circular dated April 07, 2021, and the Indian Banks' Association ('IBA') advisory letter dated April 19, 2021, the Company had put in place a Board approved policy to refund/ adjust the interest on interest charged during the moratorium period of March 01, 2020 to August 31, 2020 to the eligible borrowers under the abovementioned circular and advisory during the financial year ended March 31, 2021. The Company had estimated the benefit to be extended to the eligible borrowers at Rs. 36.54 crores and created a liability / credited the Borrower's account towards the estimated interest relief and reduced the same from the interest income of the financial year March 31, 2021.

70 The Code on Social Security, 2020 (the Code) has been enacted, which would impact contribution by the Company towards Provident Fund and Gratuity. The effective date from which changes are applicable is yet to be notified and the rules thereunder are yet to be announced. The actual impact on account of this change will be evaluated and accounted for when notification becomes effective.

71 REGISTRATION OF CHARGES OR SATISFACTION WITH REGISTRAR OF COMPANIES (ROC)

All charges or satisfaction are registered with ROC within the statutory period for the financial years ended March 31, 2022 and March 31, 2021. No charges or satisfactions are yet to be registered with ROC beyond the statutory period.

72 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 for the financial years ended March 31, 2022 and March 31, 2021.

73 COMPLIANCE WITH APPROVED SCHEME(S) OF ARRANGEMENTS

The Board of Directors of the Company in its meeting held on December 13, 2021 had approved a Composite Scheme of Arrangement and Amalgamation ("Scheme"), inter alia, involving amalgamation of Shriram Capital Limited (after de-merger of few undertakings from the said Shriram Capital Limited) and Shriram City Union Finance Limited with the Company under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013. The said Scheme is effective upon approval of shareholders, creditors, Hon'ble National Company Law Tribunal, Reserve Bank of India and other regulatory and statutory approvals as applicable with an appointed date as of April 01, 2022. The Company has already initiated process for the approval of the Scheme by various statutory authorities. The Company has already received Observation letters dated March 15, 2022 and March 16, 2022 from BSE Limited (designated Stock Exchange) and National Stock Exchange of India Ltd. respectively. The financial statements are for the year ended March 31, 2022, which is prior to the appointed date i.e. April 01, 2022 and as such the approval/implementation of Scheme has no implications on these financial statements.

74 UTILISATION OF BORROWED FUNDS AND SHARE PREMIUM

The Company, as part of its normal business, grants loans and advances, makes investment, provides guarantees to and accept deposits and borrowings from its customers, other entities and persons. These transactions are part of Company's normal non-banking finance business, which is conducted ensuring adherence to all regulatory requirements.

Other than the transactions described above, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in party identified by or on behalf of the Company (Ultimate Beneficiaries). The Company has also not received any fund from any parties (Funding Party) with the understanding that the Company shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

75 UNDISCLOSED INCOME

There are no transactions not recorded in the books of accounts.

76 CHANGE IN POLICY FOR IMPAIRMENT OF FINANCIAL INSTRUMENTS

The Company had been fully providing for the underlying loans net of its estimated realisable value in respect of which collaterals had been repossessed and not sold for more than 12 months till June 30, 2021. During the quarter ended September 30, 2021, the Company had revised its policy to fully provide for the underlying loans net of its estimated realisable value in respect of which collaterals had been repossessed and not sold for more than 6 months. Had it continued to follow the earlier policy, impairment of financial instruments for the year ended March 31, 2022 would have been lower by Rs. 30.49 crores and profit before tax for the same period would have been higher by Rs. 30.49 crores.

77 CHANGE IN THE PROCESS OF NPA CLASSIFICATION

Pursuant to RBI circular RBI/2021-22/125 DOR/STR/REC.68/21.04.048/2021-22 dated November 12, 2021, on Prudential norms on Income Recognition, Asset Classification and Provisioning pertaining to Advances – Clarifications, the Company has revised its process of NPA classification to flagging of the borrower accounts as overdue as part of the day-end processes for the due date. Had the Company followed the earlier method, the profit before tax for the year ended on March 31, 2022 would have been higher by Rs. 407.65 crores.

78 TITLE DEEDS OF IMMOVABLE PROPERTIES NOT HELD IN NAME OF THE COMPANY

The Company does not possess any immovable property (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) whose title deeds are not held in the name of the Company during the financial year ended March 31, 2022 and March 31, 2021.

79 DETAILS OF CRYPTO CURRENCY OR VIRTUAL CURRENCY

The Company has not traded or invested in Crypto currency or Virtual currency during the financial years ended March 31, 2022 and March 31, 2021.

80 DETAILS OF BENAMI PROPERTY HELD

No proceedings have been initiated or pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder in the financial years ended March 31, 2022 and March 31, 2021.

81 WILFUL DEFAULTER

The Company has not been declared as a wilful defaulter by any bank or financial institution or other lender in the financial years ended March 31, 2022 and March 31, 2021.

82 RELATIONSHIP WITH STRUCK OFF COMPANIES

Transactions with companies whose names have been struck off under section 248 of Companies Act, 2013 or section 560 of Companies Act, 1956 in the financial years ended March 31, 2022 and March 31, 2021 are given below:

Name of the struck off company	(Rs. in crores)		Relationship with the Struck off company
	Balance outstanding as at March 31, 2022*	March 31, 2021*	
Receivables (Loans outstanding)			
ARRR Constructions Chennai Private Limited	0.02	0.04	Borrower
Kanta Tours and Travels Private Limited	-	0.14	Borrower
Pulse Electrical Solutions India Private Limited	-	0.01	Borrower
Rentacomfort Tours N Travels Private Limited	-	0.23	Borrower
Swift Equipments Private Limited	0.95	1.00	Borrower
Skilltech Services Private Limited	0.02	0.08	Borrower
VMK Infrastructure Projects India Private Limited	-	0.12	Borrower
Payables (Borrowings outstanding)			
Intercon Overseas Pvt Ltd	-	0.15	Deposit holder
Shares held by struck off company**			
Nasik Capital And Financial Services Private Limited	0.00	0.00	Equity shareholder
Rasi Leasing Company Private Limited	0.00	0.00	Equity shareholder

*0.00 denotes amounts less than Rs. 1.00 lacs

**In the financial years ended March 31, 2022 and March 31, 2021, the Company did not have any transaction with above equity shareholders, being the companies whose names have been struck off under section 248 of Companies Act, 2013 or section 560 of Companies Act, 1956. Our Company has not allotted any Equity share to the said companies. The shareholding data is as per the record of beneficiary position downloaded by the Registrar and Transfer Agent of the Company from the database maintained by the depositories and reported to us for the purpose of this disclosure.

83 PREVIOUS YEAR COMPARATIVES

Previous year's figures have been regrouped/reclassified wherever necessary, to conform to current year's classification.

As per our report of even date

For **Khimji Kunverji & Co LLP**

Chartered Accountants

ICAI Firm Registration No. 105146W/W-100621

For **Sundaram & Srinivasan**

Chartered Accountants

ICAI Firm Registration No. 004207S

For and on behalf of the Board of Directors of
Shriram Transport Finance Company Limited

Gautam Shah
Partner

Membership No. 117348
Mumbai
April 28, 2022

P Menakshi Sundaram
Partner

Membership No. 217914
Mumbai
April 28, 2022

S. Lakshminarayanan
Chairman

DIN: 02808698
Mumbai
April 28, 2022

Umesh Revankar
Vice Chairman &
Managing Director
DIN: 00141189
Mumbai
April 28, 2022

Parag Sharma
Joint Managing Director & CFO
DIN: 02916744
Mumbai
April 28, 2022

Vivek M. Achwal
Company Secretary
Mumbai
April 28, 2022

Additional information as required by paragraph 2 of the general instructions for preparation of Consolidated Financial statements to schedule III to the Companies Act, 2013.

Name of the entity in the Group	Net Asset, i.e., total assets minus total liabilities		Shares in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of Consolidated net assets	Amount (Rs. in crore)	As % of Consolidated profit or loss	Amount (Rs. in crore)	As % of consolidated other comprehensive income	Amount (Rs. in crore)	As % of total comprehensive income	Amount (Rs. in crore)
1	2	3	4	5	6	7	8	9
Parent								
Shriram Transport Finance Company Limited	99.38%	25,932.19	99.52%	2,707.93	99.98%	(122.80)	99.49%	2,585.13
Subsidiaries								
Indian	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable
Foreign	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable
Minority interests in all subsidiaries	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable
Associates (Investment as per the equity method)								
Indian								
Shriram Automall India Limited	0.57%	148.92	0.48%	13.17	0.02%	(0.02)	0.51%	13.15
Foreign	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable
Inter-company eliminations and consolidation adjustments	0.05%	13.15	0.00%	-	0.00%	-	0.00%	-
Joint Ventures (as per proportionate consolidation / investment as per the equity method)								
Indian	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable
Foreign	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable
TOTAL	100.00%	26,094.26	100.00%	2,721.10	100.00%	(122.82)	100.00%	2,598.28

For and on behalf of the Board of Directors of
Shriram Transport Finance Company Limited

S. Lakshminarayanan
Chairman

DIN: 02808698
Mumbai
April 28, 2022

Umesh Revankar
Vice Chairman & Managing Director

DIN: 00141189
Mumbai
April 28, 2022

Parag Sharma
Joint Managing Director & CFO

DIN: 02916744
Mumbai
April 28, 2022

Vivek M. Achwal
Company Secretary

Mumbai
April 28, 2022

ISSUER

Shriram Finance Limited (formerly known as Shriram Transport Finance Company Limited)
Sri Tower, 14A, South Phase, Industrial Estate, Guindy, Chennai
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**REGISTRAR,
CALCULATION AGENT AND TRANSFER AGENT (IN RESPECT OF NOTES CLEARED
THROUGH EUROCLEAR AND CLEARSTREAM)**

The Hongkong and Shanghai Banking Corporation Limited
Level 26, HSBC Main Building
1 Queen's Road Central
Hong Kong

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