VIVRITI CAPITAL PRIVATE LIMITED

5th ANNUAL REPORT FOR 2021-2022

VIVRITI CAPITAL PRIVATE LIMITED

CIN: U65929TN2017PTC117196
REGD OFFICE: PRESTIGE ZACKRIA METROPOLITAN NO. 200/1-8, 2ND FLOOR, BLOCK -1, ANNASALAI, CHENNAI – 600002, INDIA

NOTICE is hereby given that the **5th Annual General Meeting** of the shareholders of Vivriti Capital Private Limited **('VCPL' or the 'Company')** will be held on Thursday, 22nd September 2022 at 12:30 P.M. (IST) through Video Conferencing (''VC")/ Other Audio-Visual Means ("OAVM") at Prestige Zackria Metropolitan No. 200/1-8, 2nd Floor, Block -1, Annasalai, Chennai – 600002, India, to transact the following business:

ORDINARY BUSINESS:

1. **To receive, consider and adopt the Audited Standalone Financial Statements of the Company for the Financial Year ended 2021-22, along with Auditors Report and the Report of Board of Directors & its annexures thereon:**

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

   "**RESOLVED THAT** pursuant to section 129, 134, 137 and such other applicable provision of the Companies Act, 2013 read with rules framed thereunder and SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 (including any statutory modifications or re-enactments, notified from time to time), the audited Standalone Financial Statements of the Company for the Financial Year ended 31st March 2022 along with Auditors report and the Report of the Board of Directors & its annexures thereon, be and are hereby received, considered and adopted."

2. **To receive, consider and adopt the Audited Consolidated Financial Statements of the Company for the Financial Year ended 2021-22, and the Auditors Report thereon:**

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

   "**RESOLVED THAT** pursuant to section 129, 134, 137 and such other applicable provision of the Companies Act, 2013 read with rules framed thereunder and SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 (including any statutory modifications or re-enactments, notified from time to time), the audited Consolidated Financial Statements of the Company for the Financial Year ended 31st March 2022 and the Reports of the Auditors thereon, be and are hereby received, considered and adopted."

3. To ratify the appointment of Statutory Auditor and fix their remuneration for Financial Year 2022-23:

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

"RESOLVED THAT pursuant to the provisions of Section 139, 141, 142, read with Companies (Audit and Auditors) Rules, 2014, and any other applicable provisions, if any, of the Companies Act, 2013, RBI Circular dated 27th April 2021 issued for appointment of Statutory Central Auditors (SCAs)/Statutory Auditors (SAs) of Commercial Banks (excluding RRBs), UCBs and NBFCs (including HFCs) (including any statutory modification or re-enactment thereof for the time being in force) and Articles of Association of the Company, the appointment of M/s BSR & Co. LLP, Chartered Accountants (Firm's Registration No: 101248W/W-100022) be and is hereby ratified for the Financial Year 2022-23 and the Board of Directors of the Company, be and are hereby authorised to fix their remuneration and other terms and conditions from time to time in consultation with the Audit Committee and Statutory Auditors of the Company."

SPECIAL BUSINESS:

4. To approve and adopt the restated Articles of Association of the Company:

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

"**RESOLVED THAT** pursuant to provisions of Section 5 and Section 14 and the Companies (Incorporation) Rules, 2014, and any other applicable provisions, if any, of the Companies Act, 2013, read with applicable rules made thereunder (including any statutory modification or re-enactment thereof for the time being in force) and subject to such other requisite approvals, if any, in this regard from appropriate authorities and terms(s), condition(s), amendment(s), modification(s), as may be required or suggested by any such appropriate authorities, and agreed to by the Board of Directors of the Company (hereinafter referred to as "Board" which term shall include any Committee) and read with Board resolution dated 27th May 2022, the consent of the members of the Company, be and is hereby accorded to approve and adopt the restated Articles of Association ("AOA") of the Company, as placed before the Members.

RESOLVED FURTHER THAT any of the Directors or the Company Secretary of the Company be and are hereby authorized severally to take all such steps and actions for the purpose of making relevant filings and registration, if any required, including e-filing to be made with the Registrar of Companies and any other authority in relation to the aforesaid amendment to the AOA.

RESOLVED FURTHER THAT the copies of the foregoing resolutions, certified to be true by any one of the Directors or the Company Secretary of the Company, may be furnished to any relevant person(s)/ authority(ies) as and when required."

5. To approve the appointment of Mr. Gopal Srinivasan (DIN 00177699) as Nominee Director (Non-Executive) on the Board of Directors of the Company:

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

"**RESOLVED THAT** pursuant to the provisions of Section 152, 161 and such other provisions of Companies Act, 2013 read with rules made thereunder (including any statutory modifications & re-enactments thereon) and as per the provisions of Amended and Restated Shareholders' Agreement dated 27th April, 2022 executed by and amongst Mr. Gaurav Kumar, Mr. Vineet Sukumar, Creation Investments India III, LLC, Lightrock Growth Fund I S.A., SICAV-RAIF, Financial Investments SPC, LR India Holdings Ltd, TVS Shriram Growth Fund 3 and the Company (**"SHA"**), and as per the Articles of Association of the Company, Mr. Gopal Srinivasan **(DIN 00177699)**, Additional Director in capacity of being Non-Executive Nominee Director of the Company, who holds the office up to the date of this Annual General Meeting, be and is hereby appointed as Nominee Director (Non-Executive) on behalf of TVS Shriram Growth Fund 3 on the Board of the Company.

RESOLVED FURTHER THAT the following declarations/ documents submitted by the aforesaid Director and copies of which are tabled at the meeting, be and are hereby taken on record:

1. Consent to act as Director in form DIR-2;
2. Declaration in form DIR-8 in terms of Section 164(2) of Companies Act, 2013 read with Companies (Appointment and qualification of Directors) Rules, 2014;
3. Disclosure on the committee positions of the Directors as per Regulation 26 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015;
4. Information about the proposed Directors in Annexure XII of Master Direction - Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016 (RBI Master Direction);
5. Declaration & Undertaking by Director in Annexure XIV of RBI Master Direction;
6. Draft of Deed of Covenants in Annexure XV of RBI Master Direction;
7. List of Relatives;
8. Disclosure of interest in form MBP – 1 in pursuant to section 184(1) of the Companies Act, 2013

RESOLVED FURTHER THAT any one of the Directors or Company Secretary of the Company be and are hereby authorized severally to file relevant e-form with the Registrar of Companies, Chennai, submit all the intimations/ documents with any of the regulators/ authorities and to do all such acts, deeds or things which are necessary to give effect to the above said resolution including making necessary entries in the Register of Directors of the Company.

RESOLVED FURTHER THAT a certified true copy of the resolution be provided to such authorities or any other parties as and when necessary, under the signature of any of the Directors or the Company Secretary of the Company."

6. **To consider and approve the remuneration of Mr. Vineet Sukumar, Managing Director of the Company for Financial Year 2021-22:**

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

"RESOLVED THAT pursuant to Regulation 17(6)(e) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with any other applicable regulations/ schedules made thereunder (including any statutory modifications or re-enactments, notified from time to time), the consent of the Members be and is hereby accorded for remuneration paid to Mr. Vineet Sukumar, Managing Director of the Company, in excess of limits specified in the aforesaid regulation, computed in accordance with provisions of Section 198 of the Companies Act, 2013, for the Financial Year ended 2021-22.

RESOLVED FURTHER THAT any Director or the Company Secretary of the Company be and is hereby severally authorized to do all such acts, deeds, matters, and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

7. **To consider and approve remuneration of Mr. Gaurav Kumar for Financial Year 2021-22:**

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

"RESOLVED THAT pursuant to Regulation 17(6)(e) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with any other applicable regulations / schedules made thereunder (including any statutory modifications or re-enactments, notified from time to time), the consent of the Members be and is hereby accorded for remuneration paid to Mr. Gaurav Kumar, in his capacity of being Managing Director of the Company till 29th September, 2021, in excess of limits specified in the aforesaid regulation, computed in accordance with provisions of Section 198 of the Act, for the Financial Year ended 2021-22.

RESOLVED FURTHER THAT any Director or the Company Secretary of the Company be and is hereby severally authorized to do all such acts, deeds, matters, and take all such steps as may be necessary, proper, or expedient to give effect to this resolution."

8. **To consider and approve reclassification of authorized share capital and amendment of the Memorandum of Association of the Company:**

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

"**RESOLVED THAT** pursuant to Sections 13, 61(1) (b) and 64 of the Companies Act, 2013 and other applicable provisions, if any, of the Companies Act, 2013, (including any statutory modification or re-enactment thereof for the time being in force) and in accordance with the provisions of the Memorandum and Articles of Association of the Company, consent of the Members of the Company, be and is hereby accorded for reclassification of the Authorized Share Capital of the Company from INR 116,63,70,630 (Indian Rupees One Hundred and Sixteen Crores Sixty Three Lakhs Seventy Thousand Six Hundred and Thirty Only) divided into 2,09,00,000 (Two Crores and Nine Lakhs) Equity Shares of INR 10/- (Rupees Ten Only) each, 9,06,37,063 (Nine Crores Six Lakhs Thirty Seven Thousand and Sixty Three) Compulsorily Convertible Preference Shares of INR 10/- (Rupees Ten Only) each and 8,50,000 (Eight Lakhs Fifty Thousand) Optionally Convertible Redeemable Preference Shares of INR 60/- (Rupees Sixty Only) each to INR 116,63,70,630 (Indian Rupees One Hundred and Sixteen Crores Sixty Three Lakhs Seventy Thousand Six Hundred and Thirty Only) divided into 2,60,00,000 (Two Crores Sixty Lakhs Only) Equity Shares of INR 10/- (Rupees Ten Only) each and 9,06,37,063 (Nine Crores Six Lakhs Thirty Seven Thousand and Sixty Three) Compulsorily Convertible Preference Shares of INR 10/- (Rupees Ten Only) each, with power to reclassify, reduce, divide and/or sub-divide the share capital of the Company or reclassify them into several classes and attach thereto respectively such preferential, priority, deferred, qualified or special rights, privileges, conditions or restrictions, whether in regard to dividend, voting, return of capital, distribution of assets or otherwise, as may be determined in accordance with the laws, rules and regulations from time to time and to vary, modify or abrogate such rights, privileges, conditions or restrictions in such manner as may from time to time be provided by the regulations/resolutions of the Company or are provided for in the Articles of Association of the Company and to consolidate or sub-divide or reorganize shares or issue shares of higher or lower denominations ranking *pari passu* with the existing Equity shares.

RESOLVED FURTHER THAT the Memorandum of Association of the Company be and is hereby altered by substituting the following existing Clause V thereof:

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

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

by the following Clause V:

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

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

RESOLVED FURTHER THAT any of the Directors or the Company Secretary of the Company be and is hereby authorized to file necessary e-forms in this regard with the Registrar of Companies and also do such other acts and deeds as may be necessary for giving effect to this resolution.

RESOLVED FURTHER THAT for the purpose of giving effect to the aforesaid resolution, the Board of Directors or the Company Secretary of the Company be and is hereby authorized to take such steps and to do all such other acts, deeds, matters and things and accept any alteration(s) or amendment(s) or correction(s) or modification(s) as it may deem fit and appropriate and give such directions/ instructions as may be necessary to settle any question, difficulty or doubt that may arise in regard to offer, issue, allotment of the said shares.

RESOLVED FURTHER THAT all actions taken by the Board or Committee(s) duly constituted for this purpose in connection with any matter(s) referred or contemplated in any of the foregoing resolutions be and are hereby approved, ratified, and confirmed in all respects."

9. To consider and approve material related party transactions with CredAvenue Private Limited:

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

"RESOLVED that pursuant to the provisions of Section 188 of the Companies Act, 2013 ("Act") and other applicable provisions, if any, read with Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014 and Regulation 23(4) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), including any statutory modifications or re-enactments thereof, and the Company's policy on Materiality of Related Party Transaction(s), consent of the Members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the 'Board', which term shall be deemed to include the Audit Committee or any other Committee constituted / empowered / to be constituted by the Board from time to time to exercise its powers conferred by this Resolution) to the Material Related Party Transaction(s) / Contract(s) / Arrangement(s) / Agreement(s) entered into / proposed to be entered into (whether by way of an individual transaction or transactions taken together or a series of transactions or otherwise), as mentioned in detail in the Explanatory Statement annexed herewith, between the Company and CredAvenue Private Limited **('CAPL')**, a related party within the meaning of Section 2(76) of the Act and Regulation 2(1)(zb) of the Listing Regulations, on such terms and conditions as may be mutually agreed between the Company and CAPL, provided that the said contract(s)/ arrangement(s)/ transaction(s) so carried out shall be at arm's length basis and in the ordinary course of business of the Company.

RESOLVED FURTHER THAT the Board be and is hereby authorized to do and perform all such acts, deeds, matters and things, as may be necessary, including but not limited to, finalizing the terms and conditions, methods and modes in respect of executing necessary documents, including contract(s) / arrangement(s) / agreement(s) and other ancillary documents; seeking necessary approvals from the authorities; settling all such issues, questions, difficulties or doubts whatsoever that may arise and to take all such decisions from powers herein conferred; and delegate all or any of the powers herein conferred to any Committee of Directors, Director, Chief Financial Officer, Company Secretary or any other Officer / Authorised Representative of the Company, without being required to seek further consent from the Members and that the Members shall be deemed to have accorded their consent thereto expressly by the authority of this resolution and to do all acts and take such steps as may be considered necessary or expedient to give effect to the aforesaid resolution."

10. To consider and approve material related party transactions with Vivriti Asset Management Private Limited:

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

"RESOLVED that pursuant to the provisions of Section 188 of the Companies Act, 2013 ("Act") and other applicable provisions, if any, read with Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014 and Regulation 23(4) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), including any statutory modifications or re-enactments thereof, and the Company's policy on Materiality of Related Party Transaction(s), consent of the Members of the Company be and is hereby accorded to the Board of Directors of the

Company (hereinafter referred to as the 'Board', which term shall be deemed to include the Audit Committee or any other Committee constituted / empowered / to be constituted by the Board from time to time to exercise its powers conferred by this Resolution) to the Material Related Party Transaction(s) / Contract(s) / Arrangement(s) / Agreement(s) entered into / proposed to be entered into (whether by way of an individual transaction or transactions taken together or a series of transactions or otherwise), as mentioned in detail in the Explanatory Statement annexed herewith, between the Company and Vivriti Asset Management Private Limited **('VAM')**, a related party within the meaning of Section 2(76) of the Act and Regulation 2(1)(zb) of the Listing Regulations, on such terms and conditions as may be mutually agreed between the Company and VAM, provided that the said contract(s)/ arrangement(s)/ transaction(s) so carried out shall be at arm's length basis and in the ordinary course of business of the Company.

RESOLVED FURTHER THAT the Board be and is hereby authorized to do and perform all such acts, deeds, matters and things, as may be necessary, including but not limited to, finalizing the terms and conditions, methods and modes in respect of executing necessary documents, including contract(s) / arrangement(s) / agreement(s) and other ancillary documents; seeking necessary approvals from the authorities; settling all such issues, questions, difficulties or doubts whatsoever that may arise and to take all such decisions from powers herein conferred; and delegate all or any of the powers herein conferred to any Committee of Directors, Director, Chief Financial Officer, Company Secretary or any other Officer / Authorised Representative of the Company, without being required to seek further consent from the Members and that the Members shall be deemed to have accorded their consent thereto expressly by the authority of this resolution and to do all acts and take such steps as may be considered necessary or expedient to give effect to the aforesaid resolution."

11. To consider and approve material related party transactions with CredAvenue Securities Private Limited:

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

"RESOLVED that pursuant to the provisions of Section 188 of the Companies Act, 2013 ("Act") and other applicable provisions, if any, read with Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014 and Regulation 23(4) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), including any statutory modifications or re-enactments thereof, and the Company's policy on Materiality of Related Party Transaction(s), consent of the Members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the 'Board', which term shall be deemed to include the Audit Committee or any other Committee constituted / empowered / to be constituted by the Board from time to time to exercise its powers conferred by this Resolution) to the

Material Related Party Transaction(s) / Contract(s) / Arrangement(s) / Agreement(s) entered into / proposed to be entered into (whether by way of an individual transaction or transactions taken together or a series of transactions or otherwise), as mentioned in detail in the Explanatory Statement annexed herewith, between the Company and CredAvenue Securities Private Limited **('CSPL')**, a related party within the meaning of Section 2(76) of the Act and Regulation 2(1)(zb) of the Listing Regulations, on such terms and conditions as may be mutually agreed between the Company and CSPL, provided that the said contract(s)/ arrangement(s)/ transaction(s) so carried out shall be at arm's length basis and in the ordinary course of business of the Company.

RESOLVED FURTHER THAT the Board be and is hereby authorized to do and perform all such acts, deeds, matters and things, as may be necessary, including but not limited to, finalizing the terms and conditions, methods and modes in respect of executing necessary documents, including contract(s) / arrangement(s) / agreement(s) and other ancillary documents; seeking necessary approvals from the authorities; settling all such issues, questions, difficulties or doubts whatsoever that may arise and to take all such decisions from powers herein conferred; and delegate all or any of the powers herein conferred to any Committee of Directors, Director, Chief Financial Officer, Company Secretary or any other Officer / Authorised Representative of the Company, without being required to seek further consent from the Members and that the Members shall be deemed to have accorded their consent thereto expressly by the authority of this resolution and to do all acts and take such steps as may be considered necessary or expedient to give effect to the aforesaid resolution."

12. To approve and ratify all material related party transactions entered into by the Company for FY 2021-22:

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

"RESOLVED THAT pursuant to Section 188 of the Companies Act, 2013 ("Act") and other applicable provisions, if any, read with Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014 and Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), including any statutory modifications or re-enactments thereof, and the Company's policy on Materiality of Related Party Transaction(s), consent of the Members of the Company be and is hereby accorded to approve and ratify all Related Party Transaction(s) / Contract(s) / Arrangement(s) / Agreement(s) entered into (whether by way of an individual transaction or transactions taken together or a series of transactions or otherwise) by the Company in Financial Year 2021-22.

RESOLVED FURTHER THAT any of the Director or the Company Secretary be and are hereby severally authorized to do all such acts, deeds and things and execute all such deeds, documents and instruments and writings as may be necessary and incidental for giving effect to the above resolution.

RESOLVED FURTHER THAT the Managing Director or the Company Secretary of the Company, be and are hereby severally authorized to issue certified true copies of the foregoing resolution, as and when required."

13. To approve adoption and implementation of revised Vivriti Employee Stock Option Plan 2018:

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

"RESOLVED THAT that pursuant to section 62(1)(b) and other applicable provisions, if any, of Companies Act, 2013 and rules and regulations framed thereunder and subject Articles of Association of the Company (as amended from to time) and subject to such other approvals, consents, permissions and/or sanctions as may be required from any appropriate regulatory or statutory authority/institution or body and subject to such terms and conditions as may be prescribed/imposed by any of them, the consent of the Members of the Company be and is hereby accorded to approve and adopt revised Vivriti Employee Stock Option Plan 2018 ("Vivriti ESOP Plan 2018"), as placed before the Members and with the changes as set out in the Explanatory Statement annexed to the Notice convening this meeting.

RESOLVED FURTHER THAT the consent of the Members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the "Board" which term shall be deemed to include the ESOP Committee or any other Committee of the Board of Directors constituted to exercise its powers including powers conferred by this resolution), to grant under the Vivriti ESOP Plan 2018, the options unvested and unallocated under the plan, as the Board may decide in its sole and absolute discretion.

RESOLVED FURTHER THAT without prejudice to the generality of the above but subject to the conformity of the applicable provisions of law, if any and subject to the terms mentioned in the Explanatory Statement to this resolution, which are hereby approved by the Members, the Board be and is hereby authorised to make modifications, changes, variations, alterations or revisions in the terms and conditions of Vivriti ESOP Plan 2018, from time to time, as it may in its sole and absolute discretion decide.

RESOLVED FURTHER THAT the Board be and are hereby authorized to settle all questions, difficulties or doubts that may arise in relation to the implementation of the modified Plans, to the end and intent that the Members shall be deemed to have given their approval thereto expressly by the authority of this Resolution.

RESOLVED FURTHER THAT it is hereby noted that the amendments to the plans are not prejudicial to the interests of the option holders.

RESOLVED FURTHER THAT any of the Director or the Company Secretary be and are hereby severally authorized to do all such acts, deeds and things and execute all such deeds, documents and instruments and writings as may be necessary and incidental for giving effect to the above resolution.

RESOLVED FURTHER THAT the Managing Director or the Company Secretary of the Company, be and are hereby severally authorized to issue certified true copies of the foregoing resolution, as and when required."

14. To approve adoption and implementation of revised Vivriti Employee Stock Option Plan 2019:

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

"RESOLVED THAT that pursuant to section 62(1)(b) and other applicable provisions, if any, of Companies Act, 2013 and rules and regulations framed thereunder and subject Articles of Association of the Company (as amended from to time) and subject to such other approvals, consents, permissions and/or sanctions as may be required from any appropriate regulatory or statutory authority/institution or body and subject to such terms and conditions as may be prescribed/imposed by any of them, the consent of the Members of the Company be and is hereby accorded to approve and adopt revised Vivriti Employee Stock Option Plan 2019 ("Vivriti ESOP Plan 2019"), as placed before the Members and with the changes as set out in the Explanatory Statement annexed to the Notice convening this meeting.

RESOLVED FURTHER THAT the consent of the Members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the "Board" which term shall be deemed to include the ESOP Committee or any other Committee of the Board of Directors constituted to exercise its powers including powers conferred by this resolution), to grant under the Vivriti ESOP Plan 2019, the options unvested and unallocated under the plan, as the Board may decide in its sole and absolute discretion.

RESOLVED FURTHER THAT without prejudice to the generality of the above but subject to the conformity of the applicable provisions of law, if any and subject to the terms mentioned in the Explanatory Statement to this resolution, which are hereby approved by the Members, the Board be and is hereby authorised to make modifications, changes, variations, alterations or revisions in the terms and conditions of Vivriti ESOP Plan 2019, from time to time, as it may in its sole and absolute discretion decide.

RESOLVED FURTHER THAT the Board be and are hereby authorized to settle all questions, difficulties or doubts that may arise in relation to the implementation of the modified Plans, to the end and intent that the Members shall be deemed to have given their approval thereto expressly by the authority of this Resolution.

RESOLVED FURTHER THAT it is hereby noted that the amendments to the plans are not prejudicial to the interests of the option holders.

RESOLVED FURTHER THAT any of the Director or the Company Secretary be and are hereby severally authorized to do all such acts, deeds and things and execute all such deeds, documents and instruments and writings as may be necessary and incidental for giving effect to the above resolution.

RESOLVED FURTHER THAT the Managing Director or the Company Secretary of the Company, be and are hereby severally authorized to issue certified true copies of the foregoing resolution, as and when required."

15. To approve adoption and implementation of revised Vivriti Employee Stock Option Plan 2019 - II:

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

"RESOLVED THAT that pursuant to section 62(1)(b) and other applicable provisions, if any, of Companies Act, 2013 and rules and regulations framed thereunder and subject Articles of Association of the Company (as amended from to time) and subject to such other approvals, consents, permissions and/or sanctions as may be required from any appropriate regulatory or statutory authority/institution or body and subject to such terms and conditions as may be prescribed/imposed by any of them, the consent of the Members of the Company be and is hereby accorded to approve and adopt revised Vivriti Employee Stock Option Plan 2019 - II ("Vivriti ESOP Plan 2019 - II"), as placed before the Members and with the changes as set out in the Explanatory Statement annexed to the Notice convening this meeting.

RESOLVED FURTHER THAT the consent of the Members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the "Board" which term shall be deemed to include the ESOP Committee or any other Committee of the Board of Directors constituted to exercise its powers including powers conferred by this resolution), to grant under the Vivriti ESOP Plan 2019 - II, the options unvested and unallocated under the plan, as the Board may decide in its sole and absolute discretion.

RESOLVED FURTHER THAT without prejudice to the generality of the above but subject to the conformity of the applicable provisions of law, if any and subject to the terms mentioned in the Explanatory Statement to this resolution, which are hereby approved by the Members, the Board be and is hereby authorised to make modifications, changes, variations, alterations or revisions in the terms and conditions of Vivriti ESOP Plan 2019 - II, from time to time, as it may in its sole and absolute discretion decide.

RESOLVED FURTHER THAT the Board be and are hereby authorized to settle all questions, difficulties or doubts that may arise in relation to the implementation of the modified Plans, to the end and intent that the Members shall be deemed to have given their approval thereto expressly by the authority of this Resolution.

RESOLVED FURTHER THAT it is hereby noted that the amendments to the plans are not prejudicial to the interests of the option holders.

RESOLVED FURTHER THAT any of the Director or the Company Secretary be and are hereby severally authorized to do all such acts, deeds and things and execute all such deeds, documents and instruments and writings as may be necessary and incidental for giving effect to the above resolution.

RESOLVED FURTHER THAT the Managing Director or the Company Secretary of the Company, be and are hereby severally authorized to issue certified true copies of the foregoing resolution, as and when required.”

16. To approve adoption and implementation of revised Vivriti Employee Stock Option Plan 2020:

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

“RESOLVED THAT that pursuant to section 62(1)(b) and other applicable provisions, if any, of Companies Act, 2013 and rules and regulations framed thereunder and subject Articles of Association of the Company (as amended from to time) and subject to such other approvals, consents, permissions and/or sanctions as may be required from any appropriate regulatory or statutory authority/institution or body and subject to such terms and conditions as may be prescribed/imposed by any of them, the consent of the Members of the Company be and is hereby accorded to approve and adopt revised Vivriti Employee Stock Option Plan 2020 (“Vivriti ESOP Plan 2020”), as placed before the Members and with the changes as set out in the Explanatory Statement annexed to the Notice convening this meeting.

RESOLVED FURTHER THAT the consent of the Members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the "Board" which term shall be deemed to include the ESOP Committee or any other Committee of the Board of Directors constituted to exercise its powers including powers conferred by this resolution), to grant under the Vivriti ESOP Plan 2020, the options unvested and unallocated under the plan, as the Board may decide in its sole and absolute discretion.

RESOLVED FURTHER THAT without prejudice to the generality of the above but subject to the conformity of the applicable provisions of law, if any and subject to the terms mentioned in the Explanatory Statement to this resolution, which are hereby approved by the Members, the Board be and is hereby authorised to make modifications, changes, variations, alterations or revisions in the terms and conditions of Vivriti ESOP Plan 2020, from time to time, as it may in its sole and absolute discretion decide.

RESOLVED FURTHER THAT the Board be and are hereby authorized to settle all questions, difficulties or doubts that may arise in relation to the implementation of the modified Plans, to the end and intent that the Members shall be deemed to have given their approval thereto expressly by the authority of this Resolution.

RESOLVED FURTHER THAT it is hereby noted that the amendments to the plans are not prejudicial to the interests of the option holders.

RESOLVED FURTHER THAT any of the Director or the Company Secretary be and are hereby severally authorized to do all such acts, deeds and things and execute all such deeds, documents and instruments and writings as may be necessary and incidental for giving effect to the above resolution.

RESOLVED FURTHER THAT the Managing Director or the Company Secretary of the Company, be and are hereby severally authorized to issue certified true copies of the foregoing resolution, as and when required."

17. To approve adoption and implementation of Vivriti Employee Stock Option Plan 2022 and issuance of shares to to Vivriti ESOP Trust:

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

"RESOLVED THAT, pursuant to the provisions of section 62(1)(b) and other applicable provisions of Companies Act, 2013 read with rules made thereunder (including any statutory modifications & re-enactments thereof), consent of Members of the Company be and is hereby given to approve and adopt the **Vivriti Employee Stock Option Plan 2022**, as approved by the Board of Directors ("the Board") in their meeting held on 10th August, 2022, and the Board or any committee as may be constituted/ to be constituted by the

Board be and is hereby authorized to create, offer, issue and grant from time to time up to 10,00,000 (Ten Lakhs Only) Employee Stock Options ("ESOPs") to eligible employees (hereinafter referred to as "Employees"), exercisable into not more than 10,00,000 (Ten Lakhs Only) fully paid-up equity shares in the Company in aggregate of face value of INR 10 /- (Rupees Ten Only) each share and Premium of INR. 805/- (Rupees Eight Hundred and Five Only) each share, through Vivriti ESOP Trust.

RESOLVED FURTHER THAT, Managing Director of the Company be and is hereby authorised to grant ESOPs to employees of the Company, on such terms as he deems fit in his discretion, in accordance with the provisions of the Plan and is further empowered to undertake all such decisions and do all such acts, deeds, matters and things to give full effect to the Plan.

RESOLVED FURTHER THAT, any one of the Directors or the Company Secretary of the Company, be and is hereby severally authorized to do all such acts, deeds, matters and things to give full effect to the above resolution(s), including, without limitation, signing, executing and delivering for and on behalf of the Company, all of agreements and documents in connection with the Plan, trust deed and completing all other necessary formalities in connection, including registration of the trust deed therewith."

18. To approve the grant of option to identified employees during any one year, equal to or exceeding 1 percent of the issued capital of the Company at the time of grant of option:

To consider and if thought fit, to give assent/dissent to the following **Special Resolution**:

"RESOLVED THAT that pursuant to the provisions of Section 62(1)(b) and other applicable provisions, if any, of Companies Act, 2013, read with rules made thereunder the Memorandum and Articles of Association of the Company and such other approvals, permissions and sanctions as may be necessary from time to time and subject to such conditions and modifications as may be prescribed or imposed while granting such approvals, permissions and sanctions, approval and consent of Members of the Company be and is hereby accorded for the number of options that may be granted to any employee including any Director of the Company (other than Promoters of the Company, Independent Directors and Directors holding directly or indirectly more than 10% (10 Percent Only) of the outstanding Equity Shares of the Company), in any financial year shall be lesser than 20% (Twenty Percent Only) and in aggregate under the Vivriti Employee Stock Option Plan 2022 shall be lesser than 20% (Twenty Percent Only) of the issued Equity Share Capital (excluding outstanding warrants and conversions) of the Company.

RESOLVED FURTHER THAT, anyone of the Directors or the Company Secretary of the Company, be and is hereby severally authorized to do all such acts, deeds, matters and things to give full effect to the above resolution."

19. To approve granting of loan to Vivriti ESOP Trust:

To consider and if thought fit, to give assent/dissent to the following **Special Resolution**:

"RESOLVED THAT pursuant to applicable provisions of the Companies Act, 2013 read with Articles of Association of the Company and other applicable provisions, approval be and is hereby accorded for granting of an unsecured interest free loan of INR 131,50,00,000/- (One Hundred and Thirty-One Crore and Fifty Lakhs Only) to Vivriti ESOP Trust, for the purpose of issuance as well as buy back of shares from the current/ former employees of the Company in line with the respective ESOP schemes of the Company, on the terms and conditions specified in the loan agreement placed on record.

RESOLVED FURTHER THAT any one of the Directors or any person(s) authorised by them or the Company Secretary of the Company, be and are hereby authorised to do all such acts, matters, deeds, and things necessary or desirable in connection with or incidental to giving effect to the above resolution.

RESOLVED FURTHER THAT, any one of the Directors or the Company Secretary of the Company, be and is hereby severally authorized to do all such acts, deeds, matters and things to give full effect to the above resolution."

By order of the Board
For and on behalf of **Vivriti Capital Private Limited**

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

Place: Chennai
Date: 16th September 2022

Notes:

1. Explanatory statements as required under Section 102 of the Companies Act, 2013 with respect to Item Nos. 4 to 19 specified above are annexed hereto.

2. In view of the global outbreak of the Covid-19 pandemic, social distancing is a norm to be followed. Accordingly, the Ministry of Corporate Affairs ("MCA") vide its General Circular Nos. 14/ 2020 dated April 8, 2020 and 17/ 2020 dated April 13, 2020, in relation to "Clarification on passing of ordinary and special resolutions by Companies under the Companies Act, 2013 and the rules made thereunder on account of the threat posed by Covid-19", General Circular No. 20/2020 dated May 5, 2020, General Circular No.02/2021 and 21/2021 dated January 13, 2021 and December 14, 2021, respectively in relation to "Clarification on holding of annual general meeting (AGM) through video conferencing (VC) or other audio visual means (OAVM)" read with General Circular No. 3/2022 dated May 05, 2022 (collectively referred to as "MCA Circulars") has permitted holding of the annual general meeting whereby it is permissible to convene the Annual General Meeting of the Company through Video Conferencing/ Other Audio Visual Means (OAVM).

3. Pursuant to the aforementioned MCA Circulars, since the AGM is being held through VC, the physical presence of the Members has been dispensed with. Accordingly, the facility for appointment of proxy(ies) by the Members will not be available for the AGM and hence the proxy form, attendance slip, and route map are not annexed to this notice. However, in pursuance of Section 113 of the Companies Act, 2013, representatives of the Corporate Members may be appointed for the purpose of voting or for participation and voting in the meeting. The Corporate Members proposing to participate at the meeting through their representative, shall forward a scanned copy of the necessary authorization under Section 113 of the Companies Act, 2013 for such representation to the Company through e-mail to amritha.paitenkar@vivriticapital.com before the commencement of the meeting. The deemed venue for the AGM shall be the Registered Office of the Company.

4. The Company shall conduct the AGM through VC by using Zoom cloud meetings ("Zoom") and the Members are requested to follow instructions as stated in this notice for participating in this AGM through Zoom. An invite of the AGM shall be sent to the registered email addresses of the persons entitled to attend the Meeting, for joining the Meeting through Zoom.

5. The attendance of the Members attending the AGM through VC will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.

6. For voting by way of poll – in accordance with provisions of Section 109 of the Companies Act, 2013 read with Articles of Association of the Company, Members can cast their vote during the Meeting by way of poll. For voting Members can send an email to amritha.paitenkar@vivriticapital.com from their email addresses registered with the Company.

7. On the date of the meeting i.e., on 22nd September 2022, the Members, Directors, Key Managerial Personnel, Auditors, and all other persons authorized to attend the meeting,

may join, using the link provided from 12:00 P.M. to 12:15 P.M. and post that no person shall be able to join the meeting except the Company's directors and KMP.

8. The Members desiring to inspect the documents referred and relied upon by the Company in this Notice and statutory registers/other documents as prescribed under the provisions of the Companies Act, 2013 and rules made thereunder are required to send request through an email at amritha.paitenkar@vivriticapital.com. An access of such documents would be given to such Member at the meeting. Further, the same shall also be available for inspection by the Members at the Registered Office/Corporate Office of the Company on any working day between 2 P.M. to 4 P.M. up to and including the date of AGM. As the AGM is being conducted through VC, for the smooth conduct of proceedings of the AGM, Members are encouraged to express their views/send their queries in advance with regard to the financial statements or any other matter to be placed at the AGM, from their registered e-mail ID, mentioning their full name, folio number/ DPID-Client ID, address and contact number, to amritha.paitenkar@vivriticapital.com, by 6:00 PM (IST) on or before 20th September, 2022 so that the requisite information/ explanations can be kept ready to be provided in time. Members may raise questions during the meeting as well. The Company reserves the right to restrict the number of questions and number of speakers, as appropriate, for smooth conduct of the AGM.

Process for attending the Meeting:

1. To attend the meeting through VC mode, a link will be forwarded to your registered e-mail ID, 24 hours prior to the start of the meeting. The shareholders can use a laptop or an android mobile phone with good internet connectivity to access the link.

2. Facility to join the meeting shall be opened at least 15 minutes before the scheduled time and shall not be closed till the expiry of 15 minutes after such scheduled time

3. On accessing the link, you will be prompted to enter the Meeting ID and the Password. The meeting ID and the Password will be mailed to you along with the meeting link. Upon entering the Meeting ID and Password, you will be connected to the virtual meeting room.

4. In case any member requires assistance for using the link before or during the meeting, you may contact Ms. Amritha P.S, Company Secretary at +91 9500126166.

5. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/ Video loss due to fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN connection to mitigate any kind of technical issue.

Explanatory statement as per Section 102 of the Companies Act, 2013

Item No: 4

To approve and adopt the restated Articles of Association of the Company:

The Members are requested to take note of the restated Articles of Association ("AOA") proposed to be amended in line with Amended and Restated Shareholders' Agreement ("SHA") dated 27th April 2022 executed by and amongst Mr. Gaurav Kumar, Mr. Vineet Sukumar, Creation Investments India III, LLC, Lightrock Growth Fund I S.A., SICAV-RAIF, Financial Investments SPC, LR India Holdings Ltd, TVS Shriram Growth Fund 3 and the Company, pursuant to Series C issuance and allotment. The Board adopted and recommended the amendments to the AOA vide their resolution dated 27th May 2022.

A copy of the **draft AOA** will be placed before the Members for their perusal at the meeting. Further, the same shall also be available for inspection by the Members at the Registered Office/Corporate Office of the Company on any working day between 2 P.M. to 4 P.M. up to and including the date of AGM.

None of the Directors (other than Mr. Gaurav Kumar & Mr. Vineet Sukumar to the extent of their rights specified in SHA) and Key Managerial Personnel of the Company, or their relatives, are interested, whether financial of otherwise, in this Special Resolution proposed at Item No. 4 of this Notice.

The Board of Directors recommend the resolution as set out at item no. 4 in the Notice for the approval of the Members of the Company.

Item No: 5

To approve the appointment of Mr. Gopal Srinivasan (DIN 00177699) as Nominee Director (Non-Executive) on the Board of Directors of the Company:

The Board of Directors at their meeting held on 27th May 2022, accorded approval for the appointment of Mr. Gopal Srinivasan (DIN 00177699) as Additional Director in capacity of being Non-Executive Nominee Director on the Board of Directors of the Company, on behalf of TVS Shriram Growth Fund 3, a shareholder of the Company and who is eligible to hold the office up to the date of this Annual General Meeting. Further, pursuant to section 152, 161 of the Companies Act, 2013, the Board and Nominations & Remuneration Committee have recommended the aforesaid appointment for the consideration of Members in the Annual General Meeting.

PURSUANT TO SECRETARIAL STANDARD-2 ISSUED BY THE INSTITUTE OF COMPANY SECRETARIES OF INDIA, INFORMATION ABOUT THE DIRECTORS PROPOSED TO BE APPOINTED/ RE-APPOINTED IS FURNISHED BELOW:

Name of the Director	Gopal Srinivasan
DIN	00177699
Date of first appointment on the Board of the Company	27^{th} May 2022
Age	64 Years
Qualification	MBA from the Graduate School of Business Administration, University of Michigan
Brief Profile/ Nature of Expertise	Gopal Srinivasan is the Founder, Chairman and Managing Director of TCF and a third-generation member of the TVS Family. Over an entrepreneurial career spanning 30 years, he has incubated 8 companies operating in diverse sectors including technology, financial services & auto components. A passionate entrepreneur and an avid angel investor, he is actively involved in the promotion of Entrepreneurship. He is the Founding member of "The Chennai Angels", one of the premier angels investing networks in India. Gopal takes a keen interest in public policy matters of the VC/PE Industry, being actively involved with the regulators for the financial markets by dint of his engagements with SEBI, the Indian Venture Capital Association (IVCA) & Confederation of Indian Industry (CII); He was also the Member of the Venture Capital Investment Committee for SIDBI's Fund of Funds for Start-ups (FFS) programme in '18-'19. He is a Governing Council member of Reserve Bank Innovation Hub (RBIH), a centre for idea generation and development to provide the facilitating environment, encourage collaboration, and in the process promote innovation in the financial sector. Gopal is also a non-official member on the National Start-up Advisory Council (NSAC), formed by the Department for Promotion of Industry and Internal Trade (DPITT) to advise the Government of India on measures needed to build a strong eco-system for nurturing innovation and start-ups in the country to drive sustainable economic

	growth and generate large scale employment opportunities. He is also actively involved in knowledge initiatives through his involvement in academic institution. He is a member of University of Michigan's India Advisory Board. Gopal is also the Chairman of Chennai International Centre, a think-tank that brings together a cornucopia of thought leaders from the spheres of business, the economy, policymaking, science, art, culture and entrepreneurship. Gopal has been recently appointed as the Honorary Consul for the Kingdom of Netherlands in Tamil Nadu. Gopal is an MBA from the Graduate School of Business Administration, University of Michigan, Ann Arbor, USA.
Terms and conditions of Appointment	As per the deed of covenants to be executed under Master Direction - Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016 dated September 01, 2016.
Remuneration last drawn	Not Applicable
Remuneration proposed	Not Applicable - except sitting fee as may be applicable
Names of other companies in which the person also holds the directorship	No. of Companies – 17 (including 7 Sec.8 companies) **<u>Managing Director</u>** 1. TVS Capital Funds Private Limited, Chairman & Managing Director **<u>Director – Public Limited Companies</u>** **<u>Listed Companies</u>** 1 TVS Electronics Limited, Chairman 2 Wonderla Holidays Limited, Independent Director **<u>Unlisted Companies</u>** 3 Lucas TVS Limited, Director

	<u>Director – Private Limited Companies</u> 1. T.V. Sundram Iyengar & Sons Private Limited, Director 2. TVS Wealth Private Limited, Chairman 3. NextWealth Entrepreneurs Private Limited, Director 4. Sundaram Investment Private Limited, Director 5. CredAvenue Private Limited, Director 6. TVS Investments Private Limited **<u>Director – Section 8 Companies</u>** 1. IIT Madras Research Park, Director 2. IVC Association, Director 3. Chennaiangels Network Association, Director 4. Chennai City Connect Foundation, Director 5. Chennai International Centre, Director 6. Reserve Bank Innovation Hub, Director 7. Diaspora Leaders Foundation, Director
Names of companies in which the person also holds the Chairmanship/membership of Committees of the Board	Wonderla Holidays Limited: 1. Audit Committee – Member 2. Nomination and Remuneration Committee – Chairman 3. Stakeholders Relationship Committee – Member
Shareholding in Vivriti Capital Private Limited	Not Applicable
Relationship with other Directors, Manager and Key Managerial Personnel of the Company	Not Applicable
Number of Meetings of the Board attended during the Financial Year – 2021-22	Not Applicable

None of the Directors (other than Mr. Gopal Srinivasan to the extent of his appointment) and Key Managerial Personnel of the Company, or their relatives, are interested whether financial of otherwise, in this Special Resolution proposed at Item No.5 of this Notice.

The Board of Directors recommend the resolution as set out at item no. 5 in the Notice for the approval of the Members of the Company.

Item No: 6 and 7

Pursuant to Regulation 17(6)(e) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the compensation payable to executive directors who are promoters or Members of the promoter group, shall be subject to the approval of the Members by special resolution in general meeting, if the aggregate annual remuneration to such directors exceeds 5 per cent of the net profits of the listed entity. In this regard, it is informed that the annual remuneration paid to Mr. Vineet Sukumar, Managing Director, and Mr. Gaurav Kumar, the then Managing Director (till 29th September 2021) exceeded the prescribed threshold. The details are given below:

Particulars	Amounts (INR in lakhs)
Net profit as per Section 198 of Companies Act, 2013 for 31st March 2021	4079.44
5.00% of the Net profit	203.97
Total remuneration paid to Managing Directors during FY 2021-22	533.54
Excess remuneration paid	329.57

Based on the recommendation of Audit Committee and Nomination and Remuneration Committee, the Board of Directors in their meeting held on 27th May 2022, approved, and recommended the remuneration paid to the Managing Directors for Financial Year 2021-22, to the members for their consideration.

None of the Directors (other than Mr. Gaurav Kumar & Mr. Vineet Sukumar to the extent specified in this note w.r.t. to their remuneration) and Key Managerial Personnel of the Company, or their relatives, are interested whether financial of otherwise, in this Special Resolution proposed at Item No. 6 & 7 of this Notice.

The Board of Directors recommend the resolution as set out at item number 6 & 7 of the Notice for the approval of the Members of the Company.

Item No:8

To consider and approve reclassification of authorized share capital and amendment of the Memorandum of Association of the Company:

The authorized share capital of the Company as on date is INR 116,63,70,630 (Indian Rupees One Hundred and Sixteen Crores Sixty Three Lakhs Seventy Thousand Six Hundred and Thirty Only) divided into 2,09,00,000 (Two Crores and Nine Lakhs) Equity Shares of INR 10/- (Rupees Ten Only) each, 9,06,37,063 (Nine Crores Six Lakhs Thirty Seven Thousand and Sixty Three) Compulsorily Convertible Preference Shares of INR 10/- (Rupees Ten Only) each and 8,50,000 (Eight Lakhs Fifty Thousand) Optionally Convertible Redeemable Preference Shares of INR 60/- (Rupees Sixty Only) each.

In order to accommodate proposed fresh issuance of equity shares to Vivriti ESOP Trust, it is proposed to reclassify authorized share capital of the Company relating to unsubscribed portion of Optionally Convertible Redeemable Preference shares. Post reclassification, the authorized share capital of the Company would be INR 116,63,70,630 (Indian Rupees One Hundred and Sixteen Crores Sixty Three Lakhs Seventy Thousand Six Hundred and Thirty Only) divided into 2,60,00,000 (Two Crores and Sixty Lakhs) Equity Shares of INR 10/- (Rupees Ten Only) each and 9,06,37,063 (Nine Crores Six Lakhs Thirty Seven Thousand and Sixty Three) Compulsorily Convertible Preference Shares of INR 10/- (Rupees Ten Only) each.

None of the Directors and Key Managerial Personnel of the Company, or their relatives, are interested in this Special Resolution.

Draft copy of altered Memorandum of Association will be placed before the Members for their perusal at the meeting. Further, the same shall also be available for inspection by the Members at the Registered Office/Corporate Office of the Company on any working day between 2 P.M. to 4 P.M. up to and including the date of AGM.

The Board of Directors recommend the resolution as set out at item no. 8 in the Notice for the approval of the Members of the Company.

Item No:9

To consider and approve material related party transactions with CredAvenue Private Limited:

CredAvenue Private Limited **('CAPL')** is the subsidiary of the Company. Section 188 of the Companies Act, 2013 and the applicable Rules framed thereunder, Regulation 23(4) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Company's Policy on Materiality of Related Party transaction(s) provide that a material Related Party Transaction will require prior approval of shareholders through an ordinary resolution.

The value of proposed aggregate transactions with CAPL is likely to exceed the materiality threshold limit during the Financial Year 2022-23. Accordingly, transaction(s) entered into with CAPL comes within the meaning of material Related Party transaction(s) in terms of provisions of the Act, applicable Rules framed thereunder read with the Listing Regulations.

Hence, approval of the shareholders is being sought for the said material Related Party Transaction(s) proposed to be entered into by your Company with CAPL in the Financial Year 2022-23. Pursuant to Rule 15 of Companies (Meetings of Board and its Powers) Rules, 2014, particulars of the proposed transactions with CAPL are as follows:

<u>Disclosures as per Companies Act, 2013 and corresponding rules:</u>

Sl No.	Particulars	Information
1	Name of the Related Party	CredAvenue Private Limited
2	Name of the Director or KMP who is related	1. Vineet Sukumar 2. Gopal Srinivasan 3. Kartik Srivatsa 4. John Tyler Day 5. Gaurav Kumar
3	Nature of Relationship	Subsidiary company and has common directors
4	Nature, material terms, monetary value and particulars of the contract or arrangement	Details of transactions entered into/ proposed to be entered into are given below in table.

5	Any other information relevant or important for the members to take a decision on the proposed resolution	Not applicable

Table

Sl No.	Transaction	Limits/Rates to be approved (In Crores or In Percentage)	Justification as to why RPT is in the interest of the Company
1	Rental payable by CAPL to VCPL	1.45	Since CAPL has been occupying Company's Mumbai space, rent is charged from them on monthly basis.
2	Sale of Fixed Assets	10	Acquisition of Fixed Assets by CAPL when the Company moved to another floor.
3	Reimbursement of operating expenses	5	Reimbursement for the expenses incurred by the Company on behalf of CAPL.
4	Primary subscription for issuance of debt instruments	1,500	CAPL subscribes to debt instruments issued by the Company in ordinary course of business. The Company leverages CAPL's wider investor reach to raise funds.
5	Cross charge of ESOP	10	Receivables against ESOPs allotted to employees of CAPL.
6	Trading of Securities between the Company and CAPL	1,000	CAPL trades in the securities issued by the Company in ordinary course of business as it is a subscriber to primary issuances. The Company leverages CAPL's wider investor reach to raise funds.
7	Investment (by VCPL) in the debt instruments issued by CAPL	100	The Company invests in debt instruments which are made available through CAPL's platform for its investments in ordinary course of business.
8	Platform Fee for Pools	0.10% - 1%	Since CAPL has a larger reach of investors, the fund raising activity will be closed in a significantly less time and at cost effectively.
9	Holding Charges - MLD Warehousing	7%-13%	We are making investments on behalf of CAPL where CAPL is the arranger in most of the cases. As a group, it increases

			confidence in investors and as well as issuers. Further we are charging 11% IRR which is significantly higher than the return received on idle funds.
10	Transaction fee for the assistance in raising debt including distribution fee	0.5% - 4%	The Company has raised funds from market through issue of Market Linked Debentures, where CAPL is the arranger. Since CAPL has a larger reach to investors, the fund-raising activity will be closed in a significantly less time and cost effective manner.
11	Platform fee – Supply chain financing	0.10% - 1% on daily average AUM;	The Company has been using the CAPL platform for disbursements. Since CredAvenue has various partners onboarded on the platform, it will be easier for us to onboard new partners and thereby increasing our client base as well higher disbursements.
12	Platform fee – Co-lending – Equal or less than 6 months	Co-lending – 0.10% - 0.40% on disbursements	The Company has been using the CAPL platform for disbursements. Since CAPL has various partners onboarded on the platform, it will be easier for us to onboard new partners and thereby increasing our client base as well higher disbursements.
13	Payment of Platform fee – Institutional Loans	In the case of loans which are given for the second time or further, CAPL will charge an amount of 0.10% - 1% of the disbursements made to such parties and these will be considered as origination costs for the purpose of these loans.	The Company has been using the CAPL platform for disbursing loans to borrowers through partners. Since CAPL has various partners onboarded on the platform, it will be easier for us to onboard new partners and thereby increasing our client base as well higher disbursements.
14	Platform fee for Bonds and Loan	Ranging from 5 to 350 bps.	The Company has been using the CAPL platform for disbursing loans to borrowers through partners. Since CAPL

<table>
<tr><td></td><td></td><td></td><td>has various partners onboarded on the platform, it will be easier for us to onboard new partners and thereby increasing our client base as well higher disbursements.</td></tr>
<tr><td>15</td><td>Platform fee – Co-lending – More than 6 months</td><td><table><tr><td>Disbursements</td><td>Fee (in %)/ Amount/ ceiling limit</td></tr><tr><td>Up to 375 cr</td><td>0.50</td></tr><tr><td>375 – 500 cr</td><td>0.45</td></tr><tr><td>500 – 750 cr</td><td>0.35</td></tr><tr><td>750 – 1000 cr</td><td>0.25</td></tr><tr><td>1000 – 1250 cr</td><td>0.20</td></tr></table></td><td>The Company has been using the CAPL platform for disbursements. Since CAPL has various partners onboarded on the platform, it will be easier for us to onboard new partners and thereby increasing our client base as well higher disbursements.</td></tr>
<tr><td>16</td><td>Sub leasing of office premises at Chennai</td><td>As per sub lease agreement executed</td><td>Since the Company has moved to another location, it was decided that office premises which were previously occupied by the Company at address 2nd Floor, Prestige Polygon, No. 471, Anna Salai, Nandanam, Chennai, 600035, will be sub leased to CAPL as per terms and conditions as mentioned in the sub lease agreement.</td></tr>
<tr><td>17</td><td>Advisory Fees</td><td>10</td><td>VCPL along with CAPL will be involved in the structuring of transactions. The lead in the entire process will be taken up by the entity where commercially at those points in time, the billing will be identified.

This will be made on a reimbursement model (based on the agreed commercials between the parties) and based on the modalities of billing agreed between parties</td></tr>
</table>

<u>Disclosures as per Regulation 24 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015:</u>

Particulars	**Details**
A summary of the information provided by the management of the listed entity to the audit committee	Relevant information including transactions proposed to be entered into pertaining to material RPTs along with amounts/limits as placed before the Audit Committee, has been enclosed to the notice.
Justification for why the proposed transaction is in the interest of the listed entity	Given in table above
Where the transaction relates to any loans, inter-corporate deposits, advances or investments made or given by the listed entity or its subsidiary, the specified details (The requirement of disclosing source of funds and cost of funds shall not be applicable to listed banks/ NBFCs.)	Not applicable
A statement that the valuation or other external report, if any, relied upon by the listed entity in relation to the proposed transaction will be made available through the registered email address of the shareholders	Not applicable
Any other information that may be relevant	Not applicable

The terms and conditions of the proposed related party transactions in line with the SEBI Circular SEBI/HO/CFD/CMD1/CIR/P/2021/662 dated 22nd November 2021 has been enclosed as Annexure I.

The above mentioned related party transactions are in the ordinary course of business and on arm's length basis.

None of the Directors and Key Managerial Personnel of the Company or their relatives are concerned or interested, financially or otherwise, in the resolution except as provided above.

The Members are requested to note that all related parties (whether such related party is a party to above transactions or not) shall not vote to approve resolution set out at Item No. 9.

The Board of Directors recommends passing of the resolution as set out at item no. 9 of this Notice as an Ordinary Resolution.

Item No:10

To approve material related party transactions with Vivriti Asset Management Private Limited:

Vivriti Asset Management Private Limited **('VAM')** is the subsidiary of the Company. Section 188 of the Companies Act, 2013 and the applicable Rules framed thereunder, Regulation 23(4) of the

Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Company's Policy on Materiality of Related Party Transaction(s) provide that a material Related Party Transaction will require prior approval of shareholders through an ordinary resolution.

The value of proposed aggregate transactions with VAM is likely to exceed the materiality threshold limit during the Financial Year 2022-23. Accordingly, transaction(s) entered into with VAM comes within the meaning of material Related Party transaction(s) in terms of provisions of the Act, applicable Rules framed thereunder read with the Listing Regulations.

Hence, approval of the shareholders is being sought for the said material Related Party Transaction(s) proposed to be entered into by your Company with VAM in the Financial Year 2022-23. Pursuant to Rule 15 of Companies (Meetings of Board and its Powers) Rules, 2014, particulars of the proposed transactions with VAM are as follows:

Disclosures as per Companies Act, 2013 and corresponding rules:

Sl No.	Particulars	Information
1	Name of the Related Party	Vivriti Asset Management Private Limited
2	Name of the Director or KMP who is related	1. Vineet Sukumar 2. Namrata Kaul 3. Kenneth Dan Vander Weele 4. Kartik Srivatsa 5. John Tyler Day 6. Gaurav Kumar
3	Nature of Relationship	Subsidiary company and has common directors
4	Nature, material terms, monetary value and particulars of the contract or arrangement	Details of transactions entered into/ proposed to be entered into are given below in table.
5	Any other information relevant or important for the members to take a decision on the proposed resolution	Not Applicable

Table

Sl No.	Transaction	Amounts (In Crores)	Justification as to why RPT is in the interest of the Company
1	Transfer of Investment in Units of AIF between VCPL and VAM	500	A one-off transaction involving sale of units at applicable NAV as on date of transfer (i.e., on an arm's length basis) based on instructions of SEBI vide their letter dated June 03, 2022.

2	Loan to VAM	100	Loan facility provided to VAM on such terms and conditions as may be mutually decided. The said facility will be used by VAM for business purposes as well as for meeting operating expenses.
3	Cross charge of ESOP	5	Receivables against ESOPs alloted to VAM employees
4	Rental Income - Sublease	1	Reimbursement for the expenses
5	Reimbursement of expenses to VAM	10	Reimbursement for the expenses
6	Sale of units to VAM held by the Company in Vivriti Alpha Debt Fund and Vivriti Alpha Debt Fund – Enhanced, being managed by VAM.	14.5	Following Junior class of units (Class B Units) held by the Company In following funds being managed by VAM at applicable NAV as on date of Transfer: 1. 12,741.66 units divided into: 1. 3,930.83 units of Vivriti Alpha Debt Fund (Series S1) at an NAV of 10,308.50 per unit (estimated); and 2. 8,810.83 units of Vivriti Alpha Debt Fund (Series S2) at an NAV of 10,097.04 per unit (estimated), aggregating to INR 12,94,84,312 (equivalent to 6.31% investment in the total corpus of the fund) and 1. 1,472.97 units of Vivriti Alpha Debt Fund – Enhanced at an NAV 10,501.84 per unit (estimated), amounting to INR 1,54,68,922 (equivalent to 2.17% investment in the total corpus of the fund) as a related party transaction, to be carried out on an arm's length basis and ordinary course of business, in accordance with the provisions of Section 188 of Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Regulations").

7	Assignment of undrawn commitment in Vivriti Alpha Debt Fund and Vivriti Alpha Debt Fund - Enhanced to VAM	17.10	To cut down linkages between Company and the funds operated by VAM: Assign the present undrawn capital commitment obligation, and any future capital commitment, if any, to 'VAM': 1. Capital commitment amounting to INR 4,83,05,555.55 in Vivriti Alpha Debt Fund (Class B1 units); and 2. Capital commitment amounting to INR 12,27,70,270 in Vivriti Alpha Debt Fund – Enhanced (Class B1 units).
8	Sub Letting of office space to VAM (First Floor – Prestige Zackaria)	0.576	Sub Lease of First Floor to VAM for rental purpose basis the following • Monthly Rental : INR 720,000 • Period of sub lease : Aug 2022 – March 2023 The split shall be based on the occupancy status / sitting capacity and charges for the usage of premises as per terms agreed between authorized persons of parties.

Disclosures as per Regulation 24 of Securities and Exchange Board of India ("Listing Obligations and Disclosure Requirements) Regulations, 2015:

Particulars	Details
A summary of the information provided by the management of the listed entity to the audit committee	Relevant information including transactions proposed to be entered into pertaining to material RPTs along with amounts/limits as placed before the Audit Committee, has been enclosed to the notice.
Justification for why the proposed transaction is in the interest of the listed entity	Given in above table.
Where the transaction relates to any loans, inter-corporate deposits, advances, or investments made or given by the listed entity	Not applicable

or its subsidiary, the specified details (The requirement of disclosing source of funds and cost of funds shall not be applicable to listed banks/ NBFCs.)	
A statement that the valuation or other external report, if any, relied upon by the listed entity in relation to the proposed transaction will be made available through the registered email address of the shareholders	Not applicable
Any other information that may be relevant	Not applicable

The terms and conditions of the proposed related party transactions in line with the SEBI Circular SEBI/HO/CFD/CMD1/CIR/P/2021/662 dated 22nd November 2021 has been enclosed as Annexure I.

The above mentioned related party transactions are in the ordinary course of business and on arm's length basis.

None of the Directors and Key Managerial Personnel of the Company or their relatives are concerned or interested, financially or otherwise, in the resolution except as provided above.

The Members are requested to note that all related parties (whether such related party is a party to above transactions or not) shall not vote to approve resolution set out at Item No. 10.

The Board of Directors recommends passing of the resolution as set out at item no. 10 of this Notice as an Ordinary Resolution.

Item No: 11

To consider and approve material related party transactions with CredAvenue Securities Private Limited:

CredAvenue Securities Private Limited **('CSPL')** is the step-down subsidiary of the Company. Section 188 of the Companies Act, 2013 and the applicable Rules framed thereunder, Regulation 23(4) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Company's Policy on Materiality of Related Party Transaction(s) provide that a material Related Party Transaction will require prior approval of shareholders through an ordinary resolution.

The value of proposed aggregate transactions with CSPL is likely to exceed the materiality threshold limit during the Financial Year 2022-23. Accordingly, transaction(s) entered into with CSPL comes within the meaning of material Related Party transaction(s) in terms of provisions of the Act, applicable Rules framed thereunder read with the Listing Regulations.

Hence, approval of the shareholders is being sought for the said material Related Party Transaction(s) proposed to be entered into by your Company with CSPL in the Financial Year 2022-

23. Pursuant to Rule 15 of Companies (Meetings of Board and its Powers) Rules, 2014, particulars of the proposed transactions with CSPL are as follows:

Disclosures as per Companies Act, 2013 and corresponding rules:

Sl No.	Particulars	Information
1	Name of the Related Party	CredAvenue Securities Private Limited
2	Name of the Director or KMP who is related	1. Vineet Sukumar 2. Gaurav Kumar
3	Nature of Relationship	Step down subsidiary company and has common directors
4	Nature, material terms, monetary value and particulars of the contract or arrangement	Details of transactions entered into/ proposed to be entered into are given below in table.
5	Any other information relevant or important for the members to take a decision on the proposed resolution	Not applicable

Table

Sl No.	Transaction	Limits/Rates to be approved (In Crores or In Percentage)	Justification as to why RPT is in the interest of the Company
1	Transaction fee for assistance in raising debt including distribution fee	100	The Company has raised funds from market through issue of Market Linked Debentures, where CSPL, through CAPL portal, is the arranger. Since CSPL has a larger reach of investors, the fund raising activity will be closed in a significantly less time and at cost effectively.
2	Primary subscription for issuance of debt instruments	1500	CSPL subscribes to debt instruments issued by the Company in ordinary course of business. The Company leverages CSPL's wider investor reach to raise funds.
3	Holding Charges - MLD Warehousing	7%-13%	We are making investments on behalf of CSPL where CSPL, through CAPL Portal, is the arranger in most of the cases. As a group, it increases confidence in investors and as well as issuers. Further we are charging 11% IRR which is significantly higher than the return received on idle funds.

4	Trading of Securities between the Company and CSPL	1000	CSPL trades in the securities issued by the Company in ordinary course of business as it is a subscriber to primary issuances. The Company leverages CSPL's wider investor reach to raise funds.
5	Advisory Fee	10	VCPL along with CSPL will be involved in the structuring of transactions. The lead in the entire process will be taken up by the entity where commercially at those points in time, the billing will be identified. This will be made on a reimbursement model (based on the agreed commercials between the parties) and based on the modalities of billing agreed between parties.

<u>Disclosures as per Regulation 24 of Securities and Exchange Board of India ("Listing Obligations and Disclosure Requirements) Regulations, 2015:</u>

Particulars	Details
A summary of the information provided by the management of the listed entity to the audit committee	Relevant information including transactions proposed to be entered into pertaining to material RPTs along with amounts/limits as placed before the Audit Committee, has been enclosed to the notice.
Justification for why the proposed transaction is in the interest of the listed entity	Given in above table.
Where the transaction relates to any loans, inter-corporate deposits, advances, or investments made or given by the listed entity or its subsidiary, the specified details (The requirement of disclosing source of funds and cost of funds shall not be applicable to listed banks/ NBFCs.)	Not applicable
A statement that the valuation or other external report, if any, relied upon by the listed entity in relation to the proposed transaction will be made available through the registered email address of the shareholders	Not applicable
Any other information that may be relevant	Not applicable

The terms and conditions of the proposed related party transactions in line with the SEBI Circular SEBI/HO/CFD/CMD1/CIR/P/2021/662 dated 22nd November 2021 has been enclosed as Annexure I.

The above mentioned related party transactions are in the ordinary course of business and on arm's length basis.

None of the Directors and Key Managerial Personnel of the Company or their relatives are concerned or interested, financially or otherwise, in the resolution except as provided above.

The Members are requested to note that all related parties (whether such related party is a party to above transactions or not) shall not vote to approve resolution set out at Item No. 11.

The Board of Directors recommends passing of the resolution as set out at item no. 11 of this Notice as an Ordinary Resolution.

Item No:12

To approve all material related party transactions entered into by the Company for FY 2021-22:

Member's approval is sought for all related party transactions entered into by the Company for FY 2021-22 as given in detail in the audited standalone financial statements. The same has been enclosed as Annexure II for easy reference of the Members.

None of the Directors and Key Managerial Personnel of the Company or their relatives are concerned or interested, financially or otherwise, in the resolution except as provided in Annexure II.

The Members are requested to note that all related parties (whether such related party is a party to above transactions or not) shall not vote to approve resolution set out at Item No. 12.

The Board of Directors recommends passing of the resolution as set out at item no. 12 of this Notice as an Ordinary Resolution.

Item No:13 to 16

To approve modifications to the Vivriti Employee Stock Option Plan 2018, Vivriti Employee Stock Option Plan 2019, Vivriti Employee Stock Option Plan 2019 – II, and Vivriti Employee Stock Option Plan 2020:

The Board of Directors of the Company approved the modified ESOP Plans in their meeting held on August 10, 2022. The Members are requested to take note of drafts of the modified ESOP Plan which will be placed before the Members for their perusal at the meeting. Further, the same shall also be available for inspection by the Members at the Registered Office/Corporate Office of the Company on any working day between 2 P.M. to 4 P.M. up to and including the date of AGM.

The details of modifications proposed in the ESOP Plans are below:

S. No	ESOP Plans	Current	Proposed
1	1. Vivriti Employee Stock Option Plan 2018, 2. Vivriti Employee Stock Option Plan 2019 and 3. Vivriti Employee Stock Option Plan 2019 - II	**<u>Stock Options Exercised – In the case of Termination / Discharge:</u>** Will be bought back at fair value on conversion of the Stock Options to shares	**<u>Stock Options Exercised – In the case of Termination / Discharge:</u>** The Employee shall mandatorily tender their Shares to the Trust, for a consideration equal to the Fair Market Value at that time
2	1. Vivriti Employee Stock Option Plan 2018, 2. Vivriti Employee Stock Option Plan 2019 and 3. Vivriti Employee Stock Option Plan 2019 - II	**<u>Stock Options Exercised – In the case of Resignation:</u>** Will be bought back at fair value on conversion of the Stock Options to shares	**<u>Stock Options Exercised – In the case of Resignation:</u>** 1. If the Employee seeks to Exercise the Stock Options and retain ownership, the Employee shall mandatorily tender their Shares for buyback by the company at subsequent Liquidity Event at the option of the Company, for a consideration equal to the Fair Market Value at that time. 2. If the Employee seeks to Exercise the Stock Options and sell their Shares to the Trust, these Shares will be bought back at Fair Market Value (as applicable on the most recent financial half year end prior to the date of resignation and declared by the Company).
		<u>Resignation</u> If the Employee seeks to Exercise the Stock Options and retain ownership, the Employee shall mandatorily tender their Shares	**<u>Resignation</u>** If the Employee seeks to Exercise the Stock Options and retain ownership, the Employee may tender their Shares for buyback by the company at subsequent

3	Vivriti Employee Stock Option Plan, 2020	for buyback by the company at subsequent Liquidity Event at the option of the Company, for a consideration equal to the Fair Market Value at that time. **<u>Permanent Disability</u>** If the Employee seeks to Exercise the Stock Options and retain ownership, the Employee shall mandatorily tender their Shares for buyback by the company at subsequent Liquidity Event at the option of the Company, for a consideration equal to the Fair Market Value at that time. **<u>Termination</u>** In case of the Stock Options that have been Exercised, the individual shall mandatorily tender their Shares to the Trust or the Company at the sole discretion of the Company, either immediately or at a subsequent Liquidity Event, for a consideration equal to the Exercise Price. **<u>Other than Cause</u>** In case of the Stock Options that have been Exercised, the individual shall mandatorily tender their Shares to the Trust or the Company at the sole discretion of the Company, either immediately at Fair Market Value (as applicable on the most recent financial half	Liquidity Event at the option of the Company, for a consideration equal to the Fair Market Value at that time. **<u>Permanent Disability</u>** If the Employee seeks to Exercise the Stock Options and retain ownership, the Employee may tender their Shares for buyback by the company at subsequent Liquidity Event at the option of the Company, for a consideration equal to the Fair Market Value at that time. **<u>Termination</u>** In case of the Stock Options that have been Exercised, the individual shall mandatorily tender their Shares to the Trust at the sole discretion of the Company, either immediately or at a subsequent Liquidity Event, for a consideration equal to the Exercise Price. **<u>Other than Cause</u>** In case of the Stock Options that have been Exercised, the individual may tender their Shares to the Trust at the sole discretion of the Company, either immediately at Fair Market Value (as applicable on the most recent financial half year end prior to the Last Working Day and declared by the Company), or at a subsequent Liquidity Event.

		year end prior to the Last Working Day and declared by the Company), or at a subsequent Liquidity Event.	

None of the Directors and Key Managerial Personnel of the Company or their relatives are concerned or interested, financially or otherwise, in the resolution except to the extent of stock options granted to them and the resultant equity shares issued, if any.

The Board of Directors recommends passing of the resolutions as set out at item nos. 13 to 16 of this Notice as Special Resolutions.

Item No:17 to 19

In respect of items related to Vivriti Employee Stock Option Plan 2022:

Background - The Company has decided to implement **Vivriti Employee Stock Option Plan 2022 ('the Plan')** to identified employees of the Company through Vivriti ESOP Trust ("Trust") route with a view to efficiently manage the Plan.

The Plan has been approved by Nomination and Remuneration Committee and subsequently by the Board of Directors of the Company in their meetings held on 10th August 2022 and the approvals granted thereunder are subject to the approval of Members by way of special resolution, as required under the provisions of section 62 read with Rule 12 and 16 of the Companies (Share Capital and Debentures) Rules, 2014.

Pursuant to the Plan, approval of the Members of the Company is also sought for granting of options to the identified employees of the Company.

1. The main features of the Plan are as under:

    a. Your Company wishes to bring about employee participation in the growth and prospects of the Company. The Company has therefore decided to introduce an Employee Stock Option Plan (ESOP) that would encourage a long term and committed involvement of the employees in the ownership and future of the company.

    b. The objectives of the Plan are to create a sense of ownership within the organization, co-create and co-share the wealth creation opportunity, encourage employees to align individual performance with the company's objectives and to institutionalize a long term incentive plan. The ESOP is also intended to reward the employees for their contribution to the successful business performance of Vivriti and to provide an incentive to continue contributing to the success of the company. It is envisaged that the ESOP will enable the Company to attract and retain the best available talent by making them partners in business and its growth.

2. Total number of options to be granted:

Such number of options would be available for grant to the eligible employees of the Company under VIVRITI ESOP 2022, in one or more tranches exercisable into not exceeding more than to 10,00,000 (Ten Lakhs Only) equity Shares in the Company of face value of INR 815/- each fully paid-up.

Unallocated stock options from the Plan can be transferred to future Employee Stock Option Plans, if any. All vested and unvested stock options cancelled due to surrender / termination / exit by / of any optionee will be added back to the common option pool in the Trust. These options shall be available for next grants of Employee Stock Options if any, under this ESOP or any succeeding Employee Stock Option Plans.

If an option expires or becomes un-exercisable without having been exercised in full, the said unexercised options shall become available for future grant or sale under this ESOP or future Employee Stock Option Plans.

In the event of Company being taken over or amalgamated or merged with another Company, the 'Administrator’ of the scheme (ESOP Committee constituted by the Board of Directors) at its sole discretion and in conjunction with the acquiring company may decide to issue fresh stock options that carry the option of conversion into shares of the merged company on such terms and conditions as may be decided by the Administrator. However, the same shall be at the discretion of the Administrator, which may alternatively decide for lapse of the stock options that shall be compensated by the Company.

In the event of the proposed liquidation or dissolution of the Company, the Administrator will notify each optionee as soon as practicable prior to the effective date of such liquidation. To the extent it has not been previously exercised, all the stock options shall lapse upon such liquidation or dissolution.

In any event such as consolidation, sub-division, or conversion of shares into stock or capitalization by a bonus issue, combination, repurchase or exchange of shares or any other corporate action that affects the shareholding structure, the Administrator, in order to prevent diminution of benefits or potential benefits intended to be made available under the plan, shall adjust the number of Shares that may be delivered under the ESOP.

3. The class/classes of employees for whose benefit the Plan is being implemented and money is being provided for purchase and subscription of the shares:

The Plan will be implemented and money will be provided for purchase and subscription of shares for the benefit of employees within the meaning of the Plan. The class/ classes of employees who are eligible are as under:

a. A full time, exclusive, permanent employee of the Company and who has participated in this ESOP and shall include a Director who is a Whole-time Director.

   Any Employee who is a Promoter (or belongs to the Promoter Group), or a Director who directly or indirectly holds more than 10% of outstanding equity shares of the Company, or an Independent Director, will not be covered under this ESOP.

   The Term 'Promoter' and 'Promoter Group' shall have the same meaning as defined under the Companies Act.

4. Requirements of vesting and period of vesting: In general, the period of vesting shall be any of the below. The details of the vesting schedule shall be a part of the grant letter.

Months from the grant date*	12 months	24 months	36 months	48 months
Proportion of stock options that will vest	25%	25%	25%	25%

* For ease of administration, the vesting dates will be the last day of a quarter.

In case of a fractional number of stock options vesting on any particular date, it will be rounded to the nearest whole number, in such a way that the total number of stock options vesting over the entire period for an optionee will be equal to the total number of stock options that have been granted to that optionee.

If the optionee wishes to exercise in parts, the optionee will be required to exercise a minimum of 25% of the vested stocks, for ease of administration, unless specifically waived by the Administrator.

5. Exercise price: The price for exercising the vested Stock Option granted to him/her in pursuance of the ESOP Scheme and shall be INR 815/- (Rupees Eight Hundred and Fifteen Only).

6. Exercise period and the process of Exercise: All optionees shall have an aggregate exercise period of Five [5] years from the date of vesting within which each optionee may, exercise all or part of the stock options. The optionee can choose to exercise (in compliance with Applicable Law) all or part of the stock options during the exercise period. On the expiry of Five [5] years from the date of vesting, any stock options which have not been exercised will lapse and cease to be valid for any purpose. However, the Administrator shall have the power to extend the period of Exercise before the expiry of the Exercise Period.

The optionee can exercise the choice to convert his/her vested stock options into shares either in full or in stages by addressing a communication to the Administrator as per the form and procedures prescribed. In such communication, the optionee has to mention the number of stock options that s/he is willing to exercise.

The stock options shall be deemed to be exercised when the Company receives written or electronic notice of the exercise from the optionee and subject to the terms and conditions of this ESOP, Grant letter, payment of Exercise Price and withholding of the appropriate taxes. For ease of administration, the Administrator shall decide on the convenient date for the allotment of Shares.

7. Lock in Period, if any: The shares acquired through the ESOP shall not be subject to any lock-in period.

8. Appraisal process for determining the eligibility of employees under the Plan: The appraisal shall be based on general eligibility criteria set by the Company and any additional options to the employees that may be granted based on performance.

9. Maximum number of options to be issued per employee and in aggregate: The aggregate number of options that may be granted to any specific employee of the Company under the Plan, in any financial year shall not exceed 20% of the issued equity share capital (excluding outstanding warrants and conversions) of the Company.

10. Maximum Quantum of benefits to be provided per employee under the Plan: The Maximum quantum of benefits underlying the options issued to an eligible employee shall depend upon the Fair Value Price of the shares as on the date of sale of shares arising out of exercise of options.

11. Particulars of benefits to be accrued:

    a. On allotment of shares pursuant to the Plan, regular benefits such as dividend, rights and bonus shares, if any;

    b. In any event such as consolidation, sub-division, or conversion of shares into stock or capitalization by a bonus issue, combination, repurchase or exchange of shares or any other corporate action that affects the shareholding structure, the Administrator, in order to prevent diminution of benefits or potential benefits intended to be made available under the plan, shall adjust the number of shares that may be delivered under the ESOP.

    c. In the event of Company being taken over or amalgamated or merged with another Company, the Administrator at its sole discretion and in conjunction with the acquiring company may decide to issue fresh stock options that carry the option of conversion into shares of the merged company on such terms and conditions as may be decided by the Administrator. However, the same shall be at the discretion of the Administrator, which may alternatively decide for lapse of the stock options that shall be compensated by the Company.

d. The details about who would exercise and how the voting rights in respect of the shares to be purchased under the Plan would be exercised:

   The Equity Shares held by the employees in the Company after the exercise of the options, shall not carry any voting rights and the employee shall not entitled to vote on any matter taken up at any annual general meetings or extraordinary general meetings of the Company.

12. Conditions under which vested options shall lapse and the specified time period within which the employee shall exercise the vested options in the event of a proposed termination of employment or resignation of employee:

Circumstance of Separation	**Stock Options Granted but not Vested**	**Stock Options Vested but not Exercised**	**Stock Options Exercised**
Termination for cause. (Dismissal) Discharge	Will expire and cannot be exercised	Will expire and cannot be exercised	Employees to transfer their Shares to the ESOP Trust upon issuance of termination notice
Resignation	Will lapse	Within 30 days of date of resignation: 1. Employee to inform Administrator in writing if he/she wishes to exercise stock options that have vested and retain ownership of the shares. 2. Employee to inform administrator in writing if he/she wishes not to exercise the stock options, as part of the full and final settlement process.	Employee has the option to transfer shares back as part of full and final settlement process or to retain the stock options exercised which can be tendered for buy back at subsequent liquidity event

		Stock options that have vested will lapse if above communication is not sent to the Administrator in writing within 30 days from date of resignation. If the employee seeks to exercise the stock options and retain ownership, the employee may tender their Shares for buyback by the Company at subsequent Liquidity event, for a consideration at around the Fair Market Value at that time.	
Permanent Disability (decision of the NRC to be taken as regards "permanent disability" of the Employee)	Will lapse	Within 60 days of date of resignation due to permanent disability, employee must inform the Administrator in writing if he or she wishes to : 1. Exercise stock options that have vested and retain ownership of shares. 2. Exercise stock options that have vested and sell the same back to trust. 3. Not exercise stock options and settle the value of the same in cash with the trust, as part of full and final settlement process.	Employee has the option to transfer shares back as part of full and final settlement process or to retain the stock options exercised which can be tendered for buy back at subsequent liquidity event

13. Method of Valuation: To calculate the employee compensation cost, the Company shall use the Fair Market Value method for valuation of the options granted.

14. Route of Scheme implementation: The Scheme shall be implemented and administered through Trust.

15. The particulars of trust and name, address, occupation and nationality of trustees and their relationship with the promoters, directors or key managerial personnel, if any:

    a. Name of the Trust: Vivriti ESOP Trust
    b. Trustees
        i. Name : Mr. Hemang Lalit Mehta
           Address : D2- 228, Karmakshetra, SS Nagar, Sion, Mumbai 400037
           Occupation : Whole-time employee of Vivriti
           Nationality : Indian
           Conflict of interest : None

        ii. Name : Ms. Sowjanya V
            Address : #1081, Lalithadhri Road, Kuvempu Nagar, Mysore, Jt Extension, Karnataka, 570023
            Occupation : Whole-time employee of Vivriti
            Nationality : Indian
            Conflict of interest : None

16. The particulars of the Trustee or employees in whose favour such shares are to be registered:

    It is contemplated that one or more of the designated Trustees shall acquire and hold the Shares in due compliance of the relevant applicable provisions. The Trustees shall transfer the Shares in favour of the employees on exercise of the Employee Stock Options after realization of exercise price and applicable income tax.

17. Source of shares: The Plan contemplates new issue of shares to the Trust and subsequently from Trust to the employees as when they exercise the option.

18. The amount of loan provided for implementation of the Scheme by the Company to the Trust, its tenure, utilisation, repayment terms etc:

    The Company is providing Interest free loan of INR 131,50,00,000/- (Rupees One Hundred and Thirty-One Crores Fifty Lakhs Only). This amount will be utilized by the Trust for purpose implementing the VIVRITI ESOP 2022 Plan.

    Repayment Terms: To be repaid as and when employees exercise their options.

19. <u>Maximum percentage of Secondary Acquisition (subject to limits specified under the Regulations) that can be made by the Trust for the purchase under the scheme:</u>

    This is not relevant under the present scheme.

20. <u>Particulars of the Trustees appointed:</u>

    The Trustee(s) would be appointed by the Board and / or the Committee duly authorized by the shareholders thereof and in compliance with the applicable provisions of the Companies Act, 2013.

    A person shall not be appointed as a trustee to hold such shares, if he

    (a) is a director, key managerial personnel or promoter of the company or its subsidiary or associate company or any relative of such director, key managerial personnel or promoter; or
    (b) Beneficially holds 10% (Ten percent) or more of the paid-up share capital of the Company.

21. <u>Accounting and Disclosure Policies:</u> The Company shall follow the applicable Accounting Standards as may be prescribed by the Institute of Chartered Accountants of India from time to time, including the disclosure requirements prescribed therein.

22. The Directors and Key Managerial Personnel of the Company may be deemed to be concerned or interested in these Resolutions and/ the Plan only to the extent of any stock options that may be granted to them and the resultant equity shares issued, as applicable.

23. A copy of the Vivriti ESOP Plan 2022 shall be available for inspection by the members at the Registered Office/Corporate Office of the Company on any working day between 2 P.M. to 4 P.M. up to and including the date of AGM.

24. The Board of Directors recommends passing of the resolutions as set out at item nos. 17 to 19 of this Notice as Special Resolutions.

Proposed Related Party Transactions for Shareholders Approval - Vivriti Capital Private Limited and CredAvenue Private Limited (CAPL) - Annexure 1				
Particulars	**Transactions and details**			
Type of the proposed transaction	Rent payable by CAPL to VCPL	Reimbursement of operating expenses	Primary subscription for issuance of debt instruments	Cross Charge of ESOP
Material terms and particulars of the proposed transaction	Billed at actuals	At cost	As per transaction on a case to case basis	Basis of the FV of grants
Name of the related party and its relationship with the listed entity or its subsidiary	Credavenue Private Limited/ Subsidiary as per Companies Act, 2013	Credavenue Private Limited / Subsidiary as per Companies Act, 2013	Credavenue Private Limited / Subsidiary as per Companies Act, 2013	Credavenue Private Limited / Subsidiary as per Companies Act, 2013
Nature of its concern or interest (financial or otherwise)	Financial	Financial	Financial	Financial
Tenure of the proposed transaction (particular tenure shall be specified)	Monthly till the term as per agreenment/deed	Monthly	Based on the occurrence of transactions	Based on the occurrence of transactions
Value of the proposed transaction	14500000 (1.45 Cr)	50000000 (5 Cr)	15000000000 (1500 Cr)	100000000 (10 Cr)
Percentage of the listed entity's annual consolidated turnover for the immediately preceeding FY, represented by the value of the transaction	The information is not being included here for bevity. Same can be accessed at the registered office of the company during business hours and also will be placed before Members at the meeting.			
RPT involving subsidiary, percentage calculated on the basis of subsidiary's annual turnover on a standalone basis				
Justification as to why RPT is in the interest of the Compaby	Since CAPL has been occupying our Mumbai space,rent is charged from them on monthly basis.	Reimbursement for the expenses incurred by the Company on behalf of CAPL	CAPL subscribes to debt instruments issued by the Company in ordinary course of business. The Company leverages CAPL's wider investor reach to raise funds.	Receivables against ESOPs alloted to CAPL employees
A copy of the valuation or other external party report, if any such report has been relied upon	NA	NA	NA	NA
Whether the transaction relates to any loans, inter-corporate deposits, advances or investments made or given by Company or its Subsidiary - If Yes, additional details of the transactions as required under SEBI Circular SEBI/HO/CFD/CMD1/CIR/P/2021/662 dated 22nd November 2021	NA	NA	NA	NA
Any other information that may be relevar	NA	NA	NA	NA

Proposed Related Party Transactions for Shareholders Approval - Vivriti Capital Private Limited and CredAvenue Private Limited (CAPL) - Annexure 1				
Particulars	**Transactions and details**			
Type of the proposed transaction	Trading of Securities between the Company and CAPL	Investment (by VCPL) in the debt instruments issued by CAPL	Platform Fee for Pools	Sale of fixed assets
Material terms and particulars of the proposed transaction	Terms and conditions including pricing shall be based on the prevailing market standards, which shall be same for all investors, without any change of terms and conditions between related parties, to keep it at arms length.	Terms and conditions including pricing shall be based on the prevailing market standards, which shall be same for all investors, without any change of terms and conditions between related parties, to keep it at arms length.	0.10% -1%	Leasehold improvements, Office equipments will be sold to Credavenue at Income Tax WDV +/- 10%
Name of the related party and its relationship with the listed entity or its subsidiary	Credavenue Private Limited / Subsidiary as per Companies Act, 2013	Credavenue Private Limited / Subsidiary as per Companies Act, 2013	Credavenue Private Limited / Subsidiary as per Companies Act, 2013	Credavenue Private Limited / Subsidiary as per Companies Act, 2013
Nature of its concern or interest (financial or otherwise)	Financial	Financial	Financial	Financial
Tenure of the proposed transaction (particular tenure shall be specified)	Based on the occurrence of transactions	Based on the occurrence of transactions	Based on the occurrence of transactions	Based on the occurrence of transactions
Value of the proposed transaction	10000000000 (1000 crore)	1000000000(100 crore)	Based on above percentage and number of transactions	100000000 (10 crores)
Percentage of the listed entity's annual consolidated turnover for the immediately preceeding FY, represented by the value of the transaction	The information is not being included here for bevity. Same can be accessed at the registered office of the company during business hours and also will be placed before Members at the meeting.			
RPT involving subsidiary, percentage calculated on the basis of subsidiary's annual turnover on a standalone basis				
Justification as to why RPT is in the interest of the Compaby	CAPL trades in the securities issued by the Company in ordinary course of business as it is a subscriber to primary issuances. The Company leverages CAPL's wider investor reach to raise funds.	The Company invests in debt instruments which are made available through CAPL's platform for its investments in ordinary course of business.	Since CAPL has a larger reach of investors, the fund raising activity will be closed in a significantly less time and at cost effectively.	Acquisition of fixed assets by CAPL when the Company moved to another floor.
A copy of the valuation or other external party report, if any such report has been relied upon	NA	NA	NA	NA
Whether the transaction relates to any loans, inter-corporate deposits, advances or investments made or given by Company or its Subsidiary - If Yes, additional details of the transactions as required under SEBI Circular SEBI/HO/CFD/CMD1/CIR/P/2021/662 dated 22nd November 2021	Not Applicable	Investments are made in the securities issued by CAPL from time to time. Interest rate, repayment schedule, security and other covenants and terms & conditions will be based on agreements executed from time to time for such transactions which shall be at arms length price and common for all investors/parties.	Not Applicable	Not Applicable
Any other information that may be relevant	NA	NA	NA	NA

Proposed Related Party Transactions for Shareholders Approval - Vivriti Capital Private Limited and CredAvenue Private Limited (CAPL) - Annexure 1				
Particulars	**Transactions and details**			
Type of the proposed transaction	Holding Charges - MLD Warehousing	Transaction fee for the assistance in raising debt including distribution fee	Platform fee – Supply chain financing	Platform fee - Co-lending - Equal or less than 6 months
Material terms and particulars of the proposed transaction	7% -13%	0.5% - 4%	0% - 1% on daily average A	Co-lending – 0.10% - 0.40% on disbursements
Name of the related party and its relationship with the listed entity or its subsidiary	Credavenue Private Limited / Subsidiary as per Companies Act, 2013	Credavenue Private Limited / Subsidiary as per Companies Act, 2013	Credavenue Private Limited / Subsidiary as per Companies Act, 2013	Credavenue Private Limited / Subsidiary as per Companies Act, 2013
Nature of its concern or interest (financial or otherwise)	Financial	Financial	Financial	Financial
Tenure of the proposed transaction (particular tenure shall be specified)	Based on the occurrence of transactions	Based on the occurrence of transactions	Based on the occurrence of transactions	Based on the occurrence of transactions
Value of the proposed transaction	Based on above percentage and number of transactions	Based on above percentage and number of transactions	Based on above percentage and number of transactions	Based on above percentage and number of transactions
Percentage of the listed entity's annual consolidated turnover for the immediately preceeding FY, represented by the value of the transaction	The information is not being included here for bevity. Same can be accessed at the registered office of the company during business hours and also will be placed before Members at the meeting.			
RPT involving subsidiary, percentage calculated on the basis of subsidiary's annual turnover on a standalone basis				
Justification as to why RPT is in the interest of the Compaby	We are making investments on behalf of CAPL where CAPL is the arranger in most of the cases. As a group, it increases confidence in investors and as well as issuers. Further we are charging 11% IRR which is significantly higher than the return received on idle funds.	The Company has raised funds from market thorugh issue of Market Linked Debentures, where Credavenue is the arranger. Since Credavenue has a larger reach of investors, the fund raising activity will be closed in a significantly less time and at cost effectively.	The Company has been using the CAPL platform for disbursements. Since CAPL has various partners onboarded on the platform, it will be easier for us to onboard new partners and thereby increasing our client base as well higher disbursements.	The Company has been using the CAPL platform for disbursements. Since CAPL has various partners onboarded on the platform, it will be easier for us to onboard new partners and thereby increasing our client base as well higher disbursements.
A copy of the valuation or other external party report, if any such report has been relied upon	NA	NA	NA	NA
Whether the transaction relates to any loans, inter-corporate deposits, advances or investments made or given by Company or its Subsidiary - If Yes, additional details of the transactions as required under SEBI Circular SEBI/HO/CFD/CMD1/CIR/P/2021/662 dated 22nd November 2021	NA	NA	NA	NA
Any other information that may be relevant	NA	NA	NA	NA

Proposed Related Party Transactions for Shareholders Approval - Vivriti Capital Private Limited and CredAvenue Private Limited (CAPL) - Annexure 1					
Particulars	**Transactions and details**				
Type of the proposed transaction	Payment of Platform fee – Institutional Loans	Platform fee for Bonds and Loan	Platform fee – Co-lending – More than 6 months	Sub leasing of office premises at Chennai	Advisory Fees
Material terms and particulars of the proposed transaction	In the case of loans which are given for the second time or further, CAPL will charge an amount of 0.10% - 1% of the disbursements made to such parties and these will be considered as origination costs for the purpose of these loans.	Ranging from 5 to 350 bps.	Disbursements – Fee (in %)/ Amount/ ceiling limit Up to 375 cr – 0.50 375 – 500 cr – 0.45 500-750 cr – 0.35 750-1000 cr – 0.25 1000-1250 cr – 0.20	As per the sub lease agreement executed.	VCPL along with CAPL will be involved in the structuring of transactions. The lead in the entire process will be taken up by the entity where commercially at those points in time, the billing will be identified. This will be made on a reimbursement model (based on the agreed commercials between the parties) and based on the modalities of billing agreed between parties.
Name of the related party and its relationship with the listed entity or its subsidiary	Credavenue Private Limited/ Subsidiary as per Companies Act, 2013	Credavenue Private Limited/ Subsidiary as per Companies Act, 2013	Credavenue Private Limited/ Subsidiary as per Companies Act, 2013	Credavenue Private Limited/ Subsidiary as per Companies Act, 2013	Credavenue Private Limited/ Subsidiary as per Companies Act, 2013
Nature of its concern or interest (financial or otherwise)	Financial	Financial	Financial	Financial	Financial
Tenure of the proposed transaction (particular tenure shall be specified)	Based on the occurrence of transactions	Based on the occurrence of transactions	Based on the occurrence of transactions	As per the sub lease agreement executed.	Based on the occurrence of transactions
Value of the proposed transaction	Based on above percentage and number of transactions	Based on above percentage and number of transactions	Based on above percentage and number of transactions	As per the sub lease agreement executed.	100000000 (10 Cr)
Percentage of the listed entity's annual consolidated turnover for the immediately preceeding FY, represented by the value of the transaction	The information is not being included here for bevity. Same can be accessed at the registered office of the company during business hours and also will be placed before Members at the meeting.				
RPT involving subsidiary, percentage calculated on the basis of subsidiary's annual turnover on a standalone basis					
Justification as to why RPT is in the interest of the Compaby	The Company has been using the CAPL platform for disbursing loans to borrowers through partners. Since CAPL has various partners onboarded on the platform, it will be easier for us to onboard new partners and thereby increasing our client base as well higher disbursements.			Since the Company has moved to another location, it was decided that the office premises which were previously occupied by the Company at address 2nd Floor, Prestige Polygon, No. 471, Anna Salai, Nandanam, Chennai - 600 035 will be sub leased to CAPL as per the terms and conditions as mentioned under the sub lease agreement.	Based on the involvement in the transaction structuring, which is undertaken by the CAPL, the entity compensates for the efforts which have been made by Vivriti - likely based on a % of the deal quantum which has been executed by CAPL.
A copy of the valuation or other external party report, if any such report has been relied upon	NA	NA	NA	NA	NA
Whether the transaction relates to any loans, inter-corporate deposits, advances or investments made or given by Company or its Subsidiary - If Yes, additional details of the transactions as required under SEBI Circular SEBI/HO/CFD/CMD1/CIR/P/2021/662 dated 22nd November 2021	NA	NA	NA	NA	NA
Any other information that may be relevar	NA	NA	NA	NA	NA

Proposed Related Party Transactions for Shareholders Approval - Vivriti Capital Private Limited and CredAvenue Securities Private Limited (CSPL) - Annexure 1					
Particulars	**Transactions and details**				
Type of the proposed transaction	Transaction fee for assistance in raising debt including distribution fee	Primary subscription for issuance of debt instruments	Holding Charges - MLD Warehousing	Trading of Securities between the Company and CSPL	Advisory Fees
Material terms and particulars of the proposed transaction	0.1% -0.4%	As per transaction on a case to case basis	7% -13%	Prevailing market price	VCPL along with CSPL will be involved in the structuring of transactions. The lead in the entire process will be taken up by the entity where commercially at those points in time, the billing will be identified. This will be made on a reimbursement model (based on the agreed commercials between the parties) and based on the modalities of billing agreed between parties.
Name of the related party and its relationship with the listed entity or its subsidiary	Credavenue Securities Private Limited (CSPL) / Step down subsidiary as per Companies Act, 2013	Credavenue Securities Private Limited (CSPL) / Step down subsidiary as per Companies Act, 2013	Credavenue Securities Private Limited (CSPL) / Step down subsidiary as per Companies Act, 2013	Credavenue Securities Private Limited (CSPL) / Step down subsidiary as per Companies Act, 2013	Credavenue Securities Private Limited (CSPL) / Step down subsidiary as per Companies Act, 2013
Nature of its concern or interest (financial or otherwise)	Financial	Financial	Financial	Financial	Financial
Tenure of the proposed transaction (particular tenure shall be specified)	Based on the occurrence of transactions	Based on the occurrence of transactions	Based on the occurrence of transactions	Based on the occurrence of transactions	Based on the occurrence of transactions
Value of the proposed transaction	1000000000 (100 crore)	15000000000 (Fifteen Hundred crores)	NA	10000000000 (Thousand crores)	100000000(Ten crores)
Percentage of the listed entity's annual consolidated turnover for the immediately preceeding FY, represented by the value of the transaction	The information is not being included here for bevity. Same can be accessed at the registered office of the company during business hours and also will be placed before Members at the meeting.				
RPT involving subsidiary, percentage calculated on the basis of subsidiary's annual turnover on a standalone basis					
Justification as to why RPT is in the interest of the Compaby	The Company has raised funds from market thorugh issue of Market Linked Debentures, where CSPL, through CAPL portal, is the arranger. Since CSPL has a larger reach of investors, the fund raising activity will be closed in a significantly less time and at cost effectively.	CSPL subscribes to debt instruments issued by the Company in ordinary course of business. The Company leverages CSPL's wider investor reach to raise funds.	We are making investments on behalf of CSPL where CSL, through CAPL portal, is the arranger in most of the cases. As a group, it increases confidence in investors and as well as issuers. Further we are charging 11% IRR which is significantly higher than the return received on idle funds.	CSPL trades in the securities issued by the Company in ordinary course of business as it is a subscriber to primary issuances. The Company leverages CSPL's wider investor reach to raise funds.	Based on the involvement in the transaction structuring, which is undertaken by the CSPL, the entity compensates for the efforts which have been made by Vivriti - likely based on a % of the deal quantum which has been executed by CSPL.
A copy of the valuation or other external party report, if any such report has been relied upon	NA	NA	NA	NA	NA
Whether the transaction relates to any loans, inter-corporate deposits, advances or investments made or given by Company or its Subsidiary - If Yes, additional details of the transactions as required under SEBI Circular SEBI/HO/CFD/CMD1/CIR/P/2021/662 dated 22nd November 2021	NA	NA	NA	NA	NA
Any other information that may be relevant	Nil	Nil	Nil	Nil	NA

Proposed Related Party Transactions for Shareholders Approval - Vivriti Capital Private Limited and Vivriti Asset Management Private Limited - Annexure 1				
Particulars	**Transactions and details**			
Type of the proposed transaction	Transfer of Investment in Units of AIF between VCPL and VAM	Loan to VAM	Cross Charge of ESOP	Rental Income - Sublease
Material terms and particulars of the proposed transaction	As per prevailing NAV on the date of transfer	Security - Unsecured Loan Tenure - Short term (Up to 1 Year) Terms and covenants - As per agreement Interest rate and repayment schedule - As per agreement	Basis of the FV of grants	As per sub lease agreement executed
Name of the related party and its relationship with the listed entity or its subsidiary	Vivriti Asset Management Private Limited/ Subsidiary as per Companies Act, 2013	Vivriti Asset Management Private Limited/ Subsidiary as per Companies Act, 2013	Vivriti Asset Management Private Limited/ Subsidiary as per Companies Act, 2013	Vivriti Asset Management Private Limited/ Subsidiary as per Companies Act, 2013
Nature of its concern or interest (financial or otherwise)	Financial	Financial	Financial	Financial
Tenure of the proposed transaction (particular tenure shall be specified)	Based on the occurrence of transactions	Based on the occurrence of transactions	Based on the occurrence of transactions	Monthly
Value of the proposed transaction	5000000000 (500 crore)	1000000000 (100 crore)	50000000 (5 crore)	As per sub lease agreement executed
Percentage of the listed entity's annual consolidated turnover for the immediately preceeding FY, represented by the value of the transaction	The information is not being included here for bevity. Same can be accessed at the registered office of the company during business hours and also will be placed before Members at the meeting.			
RPT involving subsidiary, percentage calculated on the basis of subsidiary's annual turnover on a standalone basis				
Justification as to why RPT is in the interest of the Compaby	This is a one-off transaction involving sale of units at applicable NAV as on date of transfer (i.e., on an arm's length basis) based on instructions of SEBI vide their letter dated June 03, 2022.	Loan facility provided to VAM on such terms and conditions as may be mutually decided. The said facility will be used by VAM for business purposes as well as for meeting operating expenses.	Receivables against ESOPs alloted to VAM employees	VAM being subsidiary and housed at same place, uses certain shared spaces within office premises of VCPL. For such transactions approval is necessiated.
A copy of the valuation or other external party report, if any such report has been relied upon	NA	NA	NA	NA
Whether the transaction relates to any loans, inter-corporate deposits, advances or investments made or given by Company or its Subsidiary - If Yes, additional details of the transactions as required under SEBI Circular SEBI/HO/CFD/CMD1/CIR/P/2021/662 dated 22nd November 2021	NA	Security - Unsecured Loan Tenure - Short term (Up to 1 Year) Terms and covenants - As per agreement Interest rate and repayment schedule - As per agreement	NA	NA
Any other information that may be relevant	Nil	Nil	Nil	Nil

Proposed Related Party Transactions for Shareholders Approval - Vivriti Capital Private Limited and Vivriti Asset Management Private Limited (VAM) - Annexure 1				
Particulars	**Transactions and details**			
Type of the proposed transaction	Reimbursement of expenses to VAM	Sale of units to VAM held by the Company in Vivriti Alpha Debt Fund and Vivriti Alpha Debt Fund – Enhanced, being managed by VAM.	Assignment of undrawn commitment in Vivriti Alpha Debt Fund and Vivriti Alpha Debt Fund - Enhanced to VAM	Sub Letting of office space to VAM (First Floor – Prestige Zackaria)
Material terms and particulars of the proposed transaction	Billed at Cost	Following Junior class of units (Class B Units) held by the Company In following funds being managed by VAM at applicable NAV as on date of transfer: 1. 12,741.66 units divided into: 1. 3,930.83 units of Vivriti Alpha Debt Fund (Series S1) at an NAV of 10,308.50 per unit (estimated); and 2. 8,810.83 units of Vivriti Alpha Debt Fund (Series S2) at an NAV of 10,097.04 per unit (estimated), aggregating to INR 12,94,84,312 (equivalent to 6.31% investment in the total corpus of the fund) and 2.1,472.97 units of Vivriti Alpha Debt Fund – Enhanced at an NAV 10,501.84 per unit (estimated), amounting to INR 1,54,68,922 (equivalent to 2.17% investment in the total corpus of the fund) as a related party transaction, to be carried out on an arm's length basis and ordinary course of business, in accordance with the provisions of Section 188 of Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Regulations").	To cut down linkages between Company and the funds operated by VAM: Assign the present undrawn capital commitment obligation, and any future capital commitment, if any, to 'VAM': 1.Capital commitment amounting to INR 4,83,05,555.55 in Vivriti Alpha Debt Fund (Class B1 units); and 2.Capital commitment amounting to INR 12,27,70,270 in Vivriti Alpha Debt Fund – Enhanced (Class B1 units).	VCPL has taken two floors on lease in the new office premise. Based on the manner of usage / occupancy of the office space, split and pricing shall be determined. The same shall be pursuant to the rates that have been charged by the Builder and shall not exceed the actual rent paid by VCPL for the said premise. Modalities shall be approved within above limits, by the authorised persons of both parties.
Name of the related party and its relationship with the listed entity or its subsidiary	Vivriti Asset Management Private Limited/ Subsidiary as per Companies Act, 2013	Vivriti Asset Management Private Limited/ Subsidiary as per Companies Act, 2013	Vivriti Asset Management Private Limited/ Subsidiary as per Companies Act, 2013	Vivriti Asset Management Private Limited; Subsidiary as per Companies Act, 2013
Nature of its concern or interest (financial or otherwise)	Financial	Financial	Financial	Financial
Tenure of the proposed transaction (particular tenure shall be specified)	Monthly	Based on occurrence	Based on occurrence	Monthly
Value of the proposed transaction	100000000 (10 Cr)	145000000 (14.5 Cr)	171000000 (17.1 Cr)	5760000 (57.6 Lakhs)
Percentage of the listed entity's annual consolidated turnover for the immediately preceeding FY, represented by the value of the transaction	The information is not being included here for bevity. Same can be accessed at the registered office of the company during business hours and also will be placed before Members at the meeting.			
RPT involving subsidiary, percentage calculated on the basis of subsidiary's annual turnover on a standalone basis				
Justification as to why RPT is in the interest of the Compaby	Reimbursement for the expenses incurred by the Company	Pursuant o SEBI letter dated 3rd June 2022, where the regulators have recommended that with respect to investment by the sponsor/manager in the AIF, the sharing of loss by the sponsor / manager shall not be less than pro-rata to their holdings vis-à-vis other unit holders. In this regard, it was stipulated that junior class i.e. Class B units should be held by VAM.	Pursuant o SEBI letter dated 3rd June 2022, where the regulators have recommended that with respect to investment by the sponsor/manager in the AIF, the sharing of loss by the sponsor / manager shall not be less than pro-rata to their holdings vis-à-vis other unit holders. In this regard, it was stipulated that junior class i.e. Class B units should be held by VAM.	Sub Lease of First Floor to VAM for rental purpose basis the following • Monthly Rental : INR 720,000 • Period of sub lease : Aug 2022 – March 2023 The split shall be based on the occupancy status / sitting capacity and charges for the usage of premises as per terms agreed between authorized persons of parties.
A copy of the valuation or other external party report, if any such report has been relied upon	NA	NA	NA	NA
Whether the transaction relates to any loans, inter-corporate deposits, advances or investments made or given by Company or its Subsidiary - If Yes, additional details of the transactions as required under SEBI Circular SEBI/HO/CFD/CMD1/CIR/P/2021/662 dated 22nd November 2021	NA	NA	NA	NA
Any other information that may be relevant	NA	NA	NA	NA

36 Related Party information

36.1 Names of related parties and nature of relationship

Subsidiary Companies	Vivriti Asset Management Private Limited
Associate	Credavenue Private Limited (Subsidiary till September 20, 2021 - also refer note 8.1)
Key Managerial Personnel	Mr. Vineet Sukumar, Managing Director Mr. Gaurav Kumar, Non Executive Director (w.e.f. August 5, 2021) Mr. John Tyler Day, Nominee Director Mr. Kenneth Dan Vander Weele, Nominee Director Ms. Namrata Kaul, Independent Director Mr. Kartik Srivatsa, Nominee Director Ms. Anita P Belani, Independent Director (w.e.f May 07, 2021) Mr. Sridhar Srinivasan, Independent Director (resigned on August 28, 2020)
Entity in which KMP is a Director	**Mr. Vineet Sukumar** Managing Director, Vivriti Asset Management Private Limited Director, Credavenue Private Limited **Mr. Gaurav Kumar** Director, Vivriti Asset Management Private Limited Managing Director, Credavenue Private Limited

36.2 Transactions during the year

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Interest Income		
Vivriti Asset Management Private Limited	20.46	201.65
Rent income		
Vivriti Asset Management Private Limited	13.92	2.48
Credavenue Private Limited	84.00	168.62
Reimbursement of expenses		
Vivriti Asset Management Private Limited	1,605.05	3.36
Credavenue Private Limited	655.78	374.62
Platform fees expense:		
Credavenue Private Limited	2,811.69	396.84
Sale of fixed assets		
Vivriti Asset Management Private Limited	4.93	-
Credavenue Private Limited	640.80	159.95
Transfer of Provision for Employee Benefits		
Credavenue Private Limited	-	329.51
Employee share option recoverable		
Vivriti Asset Management Private Limited	40.14	16.25
Credavenue Private Limited	194.59	160.60
Fees and commission income:		
Vivriti Asset Management Private Limited	33.30	11.45
Credavenue Private Limited	1,136.09	69.71
Rental Deposit recoverable		
Credavenue Private Limited	150.00	-
Loan Given		
Vivriti Asset Management Private Limited	550.00	500.00
Loans repaid		
Vivriti Asset Management Private Limited	550.00	1,400.00
Debt Securities		
Credavenue Private Limited	7,930.07	-

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Equity contribution		
Vivriti Asset Management Private Limited	3,000.00	2,750.00
Credavenue Private Limited	-	5,001.00
Directors Sitting fees		
Mr. Sridhar Srinivasan	-	8.25
Ms. Namrata Kaul	11.00	13.80
Ms. Anita P Belani	9.00	-
Remuneration paid		
Mr. Vineet Sukumar	292.19	194.69
Mr. Gaurav Kumar	241.35	194.69

Also refer Note 8.1 for renunciation of rights

Note:
Managerial remuneration above does not include gratuity and compensated absences, since the same are provided on actuarial basis for the company as a whole and the amount attributable to the key managerial personnel cannot be ascertained separately.

36.3 Balances as at the year-end:

Loan outstanding		
Vivriti Asset Management Private Limited	-	-
Interest accrued but not due on loan		
Vivriti Asset Management Private Limited	-	-
Debt Securities		
Credavenue Private Limited	7,930.07	-
Trade payables		
Credavenue Private Limited	535.42	131.09
Receivables from related parties receivables		
Credavenue Private Limited	172.40	
Other financial assets		
Vivriti Asset Management Private Limited	874.88	298.56
Credavenue Private Limited	428.46	-

Notes:
1. There are no provision for doubtful debts/ advances or amounts written off or written back for debts due from/ due to related parties.
2. The transactions disclosed above are exclusive of GST.

Director's Report for Financial Year 2021-2022

TO THE MEMBERS OF VIVRITI CAPITAL PRIVATE LIMITED:

The Board takes pleasure in presenting the Fifth Annual Report of Vivriti Capital Private Limited (herein after referred to as the "Company") together with the Audited Financial Statements, both on a Standalone and Consolidated basis for the financial year ended 31st March 2022.

FINANCIAL RESULTS:

The highlights of the Financial Statements of the Company for the financial years 2020-21 and 2021-22 are as under:

(in INR LAKHS)

Particulars	Standalone		Consolidated	
	Current Financial Year (2021-22)	Previous Financial Year (2020-21)	Current Financial Year (2021-22)	Previous Financial Year (2020-21)
Revenue from Operations	32,344.09	21,938.19	40,497.04	24,412.04
Other Income	679.72	574.05	2,41,727.60	154.59
Profit/loss before Depreciation, Finance Costs, Exceptional items and Tax Expense	30,919.05	17,171.86	2,30,470.02	15,466.48
Less: Depreciation/ Amortisation/ Impairment, Finance Costs, Exceptional items	21,855.00	13,105.34	24,414.73	13,346.1
Profit /loss before Tax Expense	9,064.05	4,066.52	2,06,055.99	2,120.38
Less: Tax Expense (Current & Deferred)	2,327.07	1,066.01	48,100.84	678.10
Profit /loss for the year (1)	6,736.98	3,000.51	1,55,372.60	1,442.28

Revenue from operations for the year ended 31st of March 2022 is 32,344.09 lakhs and 31st March 2021 was INR 21,938.19 lakhs respectively, with Net Profit of INR 6,736.98 lakhs (31 March 2022) and INR 3,000.51 Lakhs (31 March 2021) and earnings per equity share of INR 41.36 (31 March 2022) and INR 19.46 (31 March 2021).

DIVIDEND:

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

TRANSFER TO RESERVES:

As required under Section 45-IC of the RBI Act, 1934, the Company has transferred an amount equivalent of INR. 1,347.40 lakhs to Statutory reserves constituting 20% of the profits made during the financial year.

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

There were no such occurrences of material change(s) and commitment(s) during the year, affecting the financial position of the company.

CAPITAL STRUCTURE:

Below is the snapshot of significant share capital movement during the financial year;

Date of Allotment	Name of the Shareholder	Type of Share and mode of allotment	No. of shares
28-04-2021	Ms. Namrata Kaul	Allotment of Series 1A Share Award (Partly paid Equity shares) through Private Placement	1,15,161
28-04-2021	Mr. Sridhar Srinivasan	Allotment of Series 1A Share Award (Partly paid Equity shares) through Private Placement	1,15,161
28-04-2021	Mr. Narayan Ramachandran	Allotment of Series 1B Share Award (Equity shares) through Private Placement	1,15,161
28-04-2021	Mr. Sanjiv Malhotra	Allotment of Series 1A Share Award (Partly paid Equity shares) through Private Placement	1,15,161
27-05-2021	Ms. Kalpa S Mehta and Mr. Shailesh J Mehta	Allotment of Series 1C Share Award (Equity shares) through Private Placement	2,25,000
29-03-2022	LR India Holdings Ltd.	Allotment of equity and Series C CCPS share through Private Placement	100 Equity shares and 15,15,954 CCPS

29-03-2022	Creation Investments India III, LLC	Allotment of Series C CCPS share through Private Placement	8,57,768 CCPS
29-03-2022	Lightrock Growth Fund I S.A., SICAV-RAIF	Allotment of Series C CCPS share through Private Placement	15,16,054 CCPS

The Company's authorised share capital has been increased twice during the period under review as below:

- From INR. 104,43,70,630 to INR. 1,05,43,70,630 on 16th April 2021.
- From INR. 1,05,43,70,630 to INR. 1,13,93,70,630 on 22nd March 2022.

CAPITAL ADEQUACY RATIO:

The Company has a Capital to Risk Adjusted Assets Ratio of 29.57% against the statutory requirement of 9%. The above ratio includes Tier 2 capital of 2647.71 lakhs towards 0.40% provision made on Standard Assets against the requirement prescribed by RBI for NBFC- ND-SI.

CREDIT RATING:

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

Credit Rating Agency	Instrument	Ratings	Rated Amount (INR) Crores
ICRA	Non-convertible debenture – Structured	PP-MLD[ICRA]AA+(CE) (Stable)	175
	Non-convertible debenture – Structured	[ICRA]AA+(CE) (Stable)	46.49
	Non-Convertible Debenture – Structured	PP-MLD [ICRA]A- (Positive)	81
	Non-convertible Debentures	[ICRA]A- (Positive)	438
	Long Term – Bank Facilities	[ICRA]A- (Positive)	1,100
CARE	Non-Convertible Debenture – Structured	CARE PP-MLD A; Stable	500
	Commercial Paper	CARE A1	150
	Non-Convertible Debentures	CARE A; Stable	400
	Long Term – Bank Facilities	CARE A; Stable	1500

RESOURCE MOBILIZATION:

The Company raised INR 2842 Crs during the financial year as against INR 1226 Crs in the previous financial year resulting in an increase in the outstanding debt to INR 3263 Crs as on 31st March 2022 from INR 1306 Crs as on 31st March 2021.

During the financial year, the funds raise was aided by addition of 17 new lenders; the Company was able to access diverse pools of funds across Public Sector Banks & Institutions, offshore investors, domestic Private and Small Finance Banks, Corporate Treasuries and Family Offices.

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

Further, the Company continued its tenor-match funding strategy during the financial year; the Company started accessing Commercial Paper market and aims to continue to do so to better align its assets and liabilities across tenors.

The year was an important milestone for the Company as it marked the fund raise through its first External Commercial Borrowing from an esteemed Global Impact Investor– Calvert Impact Capital based in USA. Calvert Impact Capital is a leading global impact investor with investments spread across 108 Countries and a portfolio of more than $ 490 Mn.

CORPORATE SOCIAL RESPONSIBILITY (CSR):

Detailed information on the CSR policy, its salient features and CSR initiatives taken during FY22 and composition of the Committee as per Rule 9 of Companies (Corporate Social Responsibility Policy) Rules, 2014 is applicable to the Company in accordance with Section 135 of Companies Act, 2013 and was applicable rules during the FY 21-22 is enclose herewith as Annexure I.

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

As per Section 135 of the Act, the Company was required to spend an amount of INR 37.94 Lakhs equivalent to 2% of the 'average net profits' of the last three (3) financial years. For the FY 2021-22, your Company has spent an amount of INR 40 Lakhs on CSR activities as against prescribed CSR expenditure of INR 37.94 Lakhs.

Further in respect of the unspent amount of INR 2.83 Lakhs for FY21 was transferred to Prime Minister Fund (PM Care Fund) on 28th September 2021 as required under Section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014. However, it was informed that the said remittance was initiated via PM Cares Fund direct transfer link (merchant banker's link) was returned due to a technical issue at the end of the receiver's bank. The amount was retransferred into the PM Cares Fund using NEFT on 31st March 2022.

The Annual Report on CSR activities is annexed herewith as "**Annexure-I".**

NUMBER OF BOARD MEETINGS DURING THE FINANCIAL YEAR 2021-22:

The Board of Directors met 9 times during FY 21-22 on the following dates:

a. 13-04-2021, 28-04-2021, 25-05-2021, 06-08-2021, 23-09-2021, 10-11-2021, 04-02-2022, 21-03-2022 & 25-03-2022.

DIRECTORS AND KEY MANAGERIAL PERSONNEL (KMP):

a. **Resignation of Mr. Shaik Irfan Mohammad Basha as Chief Financial Officer of the Company**

   Mr. Shaik Irfan Mohammed Basha was appointed as the Chief Financial Officer of the Company w.e.f. 1st October 2019. Due to his focus on his other role as Chief Business Officer, he stepped down from the position of Chief Financial Officer (CFO) and the same was approved w.e.f. 28th April 2021.

b. **Appointment of Mr. Srinivasaraghavan B as Chief Financial Officer of the Company**

Due to the resignation of Mr. Shaik Irfan Mohammad Basha, the Board considered the recommendation of Nomination and Remuneration Committee on appointment of Mr. B Srinivasaraghavan, Group Financial Controller as the Chief Financial Officer of the Company. His appointment was approved by the Board w.e.f. 1st May 2021.

c. **Appointment of Ms. Anita Belani as Independent Director**

The Board at its meeting held on 28th April 2021, recommended for the approval of the Members, the appointment of Mr. Anita Belani, DIN: 01532511 as an Independent Director (Non-executive) of the Company.

Ms. Anita Belani has lead the India ops of global consulting firms which has involved formulating & implementing strategy, P&L management, biz dev, franchise building & leading a high-quality team. Also, consultation across sectors at Board / CEO levels in areas such as Org Transformation, Market Entry Strategy, Leadership, Strategy Clarification, CEO Succession & Culture Building. Coaching at the CEO & CXO level which requires a deep understanding of strategic issues & complex business scenarios. Certified coach & with ACC credentials from ICF. She is also designated as an ID at Eternis Fine Chemicals, Redington India Ltd, Foseco and IDFC Financial Holding Co Ltd & IDFC Asset Management Company Limited.

Further, her appointment was approved by the members w.e.f. 7th May 2021 for a period of 5 years.

d. **Change in designation of Mr. Gaurav Kumar from Managing Director to Non-executive Director**

During the year, Board had approved the change in designation of Mr. Gaurav Kumar from 'Managing Director' to 'Non-Executive Director' at its meeting held on 23rd September 2021 due to his preoccupation as Managing Director at CredAvenue Private Limited. The change was reflected in the restated Articles of Association, Shareholders' Agreement and other charter documents of the Company. Resultantly, Gaurav Kumar had stepped down from various operational committees of the Company namely, Asset Liability Committee, Credit Committee and Borrowing Committee. The change in designation was made effective from 29th September 2021.

DECLARATION FROM INDEPENDENT DIRECTORS:

The Independent Directors of the Company, Ms. Namrata Kaul and Ms. Anita Belani, have given the necessary declaration under Section 149, Section 164 and Section 184 of the Companies Act, 2013 during the FY21-22. These declarations have been placed before the Board and is duly taken on record.

REGISTRATION OF INDEPENDENT DIRECTORS WITH INDEPENDENT DIRECTOR'S DATABANK:

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

All our Independent Directors, Ms. Namrata Kaul and Ms. Anita Belani have registered themselves in with the Independent Director's Databank.

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

ANNUAL BOARD EVALUATION AND INDEPENDENT DIRECTORS' MEETING:

A formal annual evaluation of the Board of the Company was carried out by our Independent Directors, Ms. Namrata Kaul and Ms. Anita Belani for the FY22. The evaluation was broadly carried out around effectiveness of Board and functioning, meetings and procedures, business strategy and risk management, Board communication and Committees. The recommendations provided by the Independent Directors were proposed to be placed for Board's considering in an ensuing meeting of the Board to be held in FY23.

Further, the meeting of the Independent Directors for the FY22 was duly held on 25th March 2022 and was attended by Ms. Namrata Kaul and Ms. Anita Belani.

DIRECTOR'S RESPONSIBILITY STATEMENT:

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

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

VIGIL MECHANISM/ WHISTLE BLOWER:

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

During the year under review no complaints were received by the Company.

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

The company has in place a Policy for prevention of Sexual Harassment at the Workplace in line with the requirements of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013. The Board has constituted an Internal Complaints Committee (ICC) to redress complaints received regarding sexual harassment. The policy not only extends to its employees but anyone who works in any of the Vivriti including all contractual staff, temporary staff and trainees.

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

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

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

STATUTORY AUDITORS:

Pursuant to the circular issued by Reserve Bank of India ("RBI") Circular No. RBI/2021-22/25 Ref. No. DoS. CO.ARG/SEC.01/08.91.001/2021-22 dated April 27, 2021, which states that "Entities will have to appoint the Statutory Central Auditors (SCAs)/Statutory Auditors (SAs) for a continuous period of three years, subject to the firms satisfying the eligibility norms each year." Under these circumstances, M/s. Deloitte Haskins & Sells as they had completed continuous period of three years, had communicated their ineligibility to continue as statutory auditors of the Company in terms of the aforesaid RBI circular, for the year ending March 31, 2022. Accordingly, M/s. Deloitte Haskins & Sells had resigned as statutory auditors of the Company w.e.f. 6th August 2021.

The resultant vacancy of the auditors and was duly filled by appointment of BSR & Co. LLP, Chartered Accountants, having Firm Registration No. 101248W/W-100022 as the Statutory Auditors, effective from the date of ensuing Annual General Meeting ("AGM") i.e., 17th August 2021 till the conclusion of the seventh AGM for a period of 3 years.

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

REPLY TO THE QUALIFICATION IN THE AUDITOR'S REPORT:

There are no qualifications in the Auditor's report.

COST AUDIT:

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

SECRETARIAL AUDIT AND SECRETARIAL AUDIT REPORT:

The Board had appointed M/s. GRNK & Associates, Company Secretaries, Chennai to conduct Secretarial Audit for the Financial Year 2021-22 at its meeting held on 6th August 2021.

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

INTERNAL AUDIT:

The Company has appointed M/s PricewaterhouseCoopers Private Limited as Independent Internal Auditor for the financial year 2021-22 and they report to the Audit Committee of the Board of Directors of the Company. The Internal Auditor conducts comprehensive audits of core business processes, its supporting functional areas and operations of the Company to examine the adequacy of and compliance with policies, plans and statutory requirements. Any significant observations from the audit are reported to the Audit Committee and the Board on quarterly basis. Required follow-up actions are taken by the management to review and monitor the implementation of Internal auditors' recommendation.

SECRETARIAL STANDARDS:

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

INSOLVENCY AND BANKRUPTCY CODE:

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

(b) the details of difference between amount of the valuation done at the time of one time settlement and the valuation done while taking loan from the Banks or Financial Institutions along with the reasons thereof – Not Applicable.

EMPLOYEE STOCK OPTIONS:

The Company wishes to bring about employee participation in the growth and prospects of the company has issued Employee Stock Option Plan (ESOP/ Plan) right from the initial year of incorporation that would encourage a long term and committed involvement of the employees in the ownership and future of the company.

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

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

ANNUAL RETURN:

As required pursuant to section 92(3) of the Companies Act,2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014 the complete annual return for the year 2021-22 is available on the website of the Company at https://www.vivriticapital.com/notice.html.

PARTICULARS OF EMPLOYEES/ DIRECTORS:

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

NOMINATION AND REMUNERATION POLICY:

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

During the FY22, the policy underwent revision and approved thereof in the Board meetings held on 6th August 2021, 10th November 2021, and 4th February 2022, respectively. The detailed Policy covering these aspects is available on Company's website (https://www.vivriticapital.com/policies.html).

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

PARTICULARS OF LOANS, GUARANTEE AND INVESTMENTS:

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

PARTICULARS OF CONTRACTS/ARRANGEMENTS WITH RELATED PARTY TRANSACTIONS:

The Company is a private limited company hence does not attract second proviso to section 188(1) read with section 2(76) of the Companies Act, 2013. However, the Company declares that it has entered into related party transactions with its subsidiary companies, namely Vivriti Asset Management Private Limited and CredAvenue Private Limited during FY 21-22.

All the transactions entered thereto, and loans provided to such subsidiary companies have been carried out at arm's length price. Further, all the related party transactions are placed before the Audit Committee for its approval and thereafter placed before the Board for its noting/ approval.

Transactions with related parties, as per the requirements of Ind-AS, are disclosed to the notes to accounts annexed to the financial statements.

There are no material related party transactions i.e., transactions exceeding ten percent of the annual consolidated turnover as per the last audited financial statements as on 31st March 2022, were entered during the year by the Company.

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

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

S. No	Particulars	Amount (INR.)
1	Loans and advances in the nature of loans to subsidiaries by name and amount.	Refer Note 36 read with 74 of the Financial Statements enclosed herewith.
2	Loans and advances in the nature of loans to associates by name and amount	
3	Loans and advances in the nature of loans to firms/companies in which directors are interested by name and amount	
4	Investments by the loanee in the shares of parent company and subsidiary company, when the company has made a loan or advance in the nature of loan	

CORPORATE GOVERNANCE REPORT:

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

REGULATORY COMPLIANCES AND MATERIAL ORDERS:

The company was compliant with all the regulatory compliances as per the Companies Act,2013, RBI Directions and guidelines, SEBI Regulations and circulars and various tax statutes and other regulatory bodies.

There are no material orders passed by Regulators or Courts affecting the ongoing concern status and future operations of the Company.

CHANGE IN THE NATURE OF BUSINESS, IF ANY:

There has been no change in the nature of business of the Company during the FY 21-22.

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

The Company has two subsidiaries and no Holding, and/ Joint Venture or Associate Companies as at the financial year ending 31st March 2022. The information as required under the first provision to Sub-Section (3) of Section 129 is given in Form AOC- 1 in **Annexure VIII**.

1. Vivriti Asset Management Private Limited, was a Wholly Owned Subsidiary of Vivriti Capital Private Limited with the object to carry on the business of Alternative Investment Fund. However, during the financial year, the Company has raised capital by way of Series A round of funding and is classified as a subsidiary of Vivriti Capital Private Limited.

2. CredAvenue Private Limited, was a Wholly Owned Subsidiary of Vivriti Capital Private Limited ("CredAvenue") and was incorporated on the 21st day of August 2020.During the financial year, CredAvenue has raised capital by way of Series A and B round of funding and holds a status of Subsidiary Company of Vivriti Capital Private Limited.

Note: Pursuant to IND-AS 110, the financial statements of CredAvenue Private Limited (CAPL) have been consolidated considering it as a subsidiary only for 6-month period i.e., till September 2021, post which, it was consolidated as an associate company, on account of loss of control. However, pursuant to Companies Act, 2013, CAPL remains to be a subsidiary of the Company for the entire Financial Year 2021-22 and is being disclosed under this section accordingly.

Highlights of performance of Vivriti Asset Management Private Limited ("VAM")

In Financial Year 2021-22, VAM had a steady growth and significant scale despite economic uncertainties led by the pandemic and global geopolitical tensions.

The year started with the onset of massive covid second wave amid mass vaccination drives across the country. When the economy appeared to be opening up, the global market recovery was rattled by the Omicron variant. While it did disrupt economic activity, the impact was relatively lower and had visible signs of rebound at a quicker pace.

In 2020, monetary and fiscal policies across the world was majorly focussed on deploying massive stimulus programmes for a quicker recovery but this led to an adverse effect of piling global debt of $226 trillion. This year the key focus would be to combat the pandemic and geopolitical risks and progressively stabilize inflation while ensuring marginal impact on the growth.

In India, the government had extended fiscal support measures aimed at easing liquidity and financing conditions, including on-tap liquidity support to COVID-related healthcare sector and small finance banks. The resolution scheme for COVID-related stressed retail and MSME loans was re-introduced by RBI which allowed the lenders to invoke restructuring of loans until Q2 FY21 and for the existing loans restructured under the scheme, lenders could further extend moratoriums on repayments. With the revised estimates for FY21 the economy seems to have contracted by 6.6% as against 7.3%, which in turn creates a less favourable base for FY22 and may lead to a dip of 8.8% from 9.2% as estimated earlier.

Over the last five years, the growth in the AIF industry in India has been phenomenal without any dent even at the onset of the pandemic unlike mutual funds. The industry's commitments raised skyrocketed 38% year-on-year to over INR 6 trillion at the end of 2021. The growth is way higher than that of the mutual fund industry, where AUM rose ~22% which is close to INR 38 trillion in the comparable period.

The expected India's inclusion into major global bond indices in 2022 would have far reaching implications for the country and the AIF industry in India. Inclusion in global bond indices could help Indian corporates with their capital needs while significantly lowering overall borrowing costs. This could drive the demand for fixed-income securities and open the domestic corporate bond market for global capital which is severely underserved. Index inclusion would also support higher economic growth through investment while boosting Indian currency value by at least 2% a year against major currencies, in exchange rate terms.

Financial year 2022-23 will be a year of significant growth for VAM, in terms of funds to be launched, commitments to be raised, and assets managed. In Financial year 2022-23, VAM would be investing in technology, people and focus on scaling up global visibility while enhancing asset class capability and building strategic partnerships.

CONSERVATION OF ENERGY AND TECHNOLOGY ABSORPTION:

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

Technology Absorption

Sr. No.	Particulars	Steps taken
1	Efforts made towards technology absorption	Procurement of stable software like Oracle EBS, Oracle enterprise Database, Azentio and Salesforce
2	Benefits derived like product improvement, cost reduction, product development or import substitution	Azentio has been implemented for managing and better maintaining the financial processes for VCPL. This application is being maintained by the same product team. There is no additional power utilization to maintain a provider. Oracle EBS was procured to ease the Financial system maintenance and reduce manual effort which would have consumed more time and infra. Currently this application is being supported by Oracle as well as a third-party vendor. Long term plan is to bring the services provided by the latter in-house to conserve more energy and use infra that is already available. Oracle Enterprise DB which is the most widely used Database software was procured from Oracle. We have moved our server space to the datacenter to cut down on power utilization from our side and maintain it optimally through a provider. Salesforce was procured last year to handle Customer Relationship Management(CRM). This will ease the manual effort used up for offline traction.

3	In case of imported technology (imported during the last three years reckoned from the beginning of the Financial year): a. Details of technology imported; b. Year of import; c. Whether the technology been fully absorbed; d. If not fully absorbed, areas where absorption has not taken place, and the reasons thereof.	During the year under review, the company has not imported any technology.
4	Expenditure incurred on Research and Development.	During the year under review, the Company has not spent towards Research & Development

FOREIGN EXCHANGE EARNINGS/OUTGO:

During the year under review, there was no Foreign Exchange earnings from the operations of the company and an Outgo of $ 100,000 for processing fee on ECB.

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

RBI GUIDELINES:

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

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

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

Further, Scale Based Regulation (SBR): A Revised Regulatory Framework for NBFCs dated 22nd October 2021 was applicable on the Company once notified. The Company shall be classified under the "Middle Layer" category under the said framework and shall take the necessary steps to confirm to the provisions thereof as applicable, from time to time.

LISTING AND SEBI (LODR):

The Company has issued listed non-convertible debentures of INR 74,037.77 Lakhs during the year ended 31st March 2022. Further, the Company has issued listed Commercial Papers amounting to INR 12,500.00 Lakhs during FY22. These securities/ papers are listed with BSE Limited, and the Company complies with all relevant SEBI Regulations in this connection.

The Company was classified as a High Value Debt Listed Entity ('HVDLE') during the FY22. Accordingly, regulation 15 to 27 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 has become applicable, pursuant to which relevant compliances shall be adhered from time to time, on a comply or explain basis till FY23.

CONSOLIDATED FINANCIAL STATEMENTS:

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

INTERNAL FINANCIAL CONTROL:

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

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

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

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

NON-ACCEPTANCE OF DEPOSITS:

The Company is registered as NBFC-ND-SI and does not accept any deposits. Hence, no deposit was accepted from the public for the year ended March 31, 2022.

CAUTIONARY NOTE:

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

ACKNOWLEDGEMENT:

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

On Behalf of the Board/-

For **Vivriti Capital Private Limited**

Name: Vineet Sukumar	**Mr. Gaurav Kumar**
Managing Director	**Director**
DIN: 06848801	**DIN: 07767248**
Address: 4, KG Valmiki Apts,	**Address: 19, B-103, Manasasrovar Apartments,**
3rd Seaward Road, Valmiki Nagar,	**3rd Seaward Road, Valmiki Nagar,**
Thiruvanmiyur, Chennai – 600041	**Thiruvanmiyur, Chennai – 600041**

Place: Chennai

Date: 27th May 2022

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

The Company has in place a Board approved CSR Policy in line is line with Section 135 of the Companies Act, 2013, CSR Rules and Schedule VII of the Companies Act, 2013 (last updated in the Board meeting held on 7th November 2020). The policy incorporates the aspects related to CSR Committee, key focus areas for CSR expenditure, modality of undertaking CSR activities, monitoring and reporting mechanism.

2. Composition of CSR Committee

The composition of the Committee is as below:

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

The Committee met 2 times during FY 2021-22. The objectives of the Committee are as given below:

- Formulate and recommend to the Board, a Corporate Social Responsibility policy ("the CSR Policy"), which shall indicate the activities to be undertaken by the Company as CSR activities in alignment with schedule VII of the Companies Act, 2013;
- Recommending the amount of expenditure to be incurred on the identified CSR activities;

- Implementing and monitoring the CSR policy from time to time;

- Always assist the Board and the Company in achieving its CSR objectives.

3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company:

The detailed Policy is available on the Company's website (https://www.vivriticapital.com/policies.html).

4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable.

During the period under review, the Company undertook two CSR projects, however, the average CSR obligation was not equal to or more than Rupees Ten Crores, and hence, the requirement of impact assessment as per sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014 is not applicable.

5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any

Sl. No.	Financial Year	Amount available for set-off from preceding financial years (in Rs)	Amount required to be set-off for the financial year, if any (in Rs)
-	-	Nil	Nil

6. Average net profit of the Company as per Section 135(5): INR 1,896.86 Lakhs

7. CSR Expenditure details:

i. Two percent of average net profit of the company as per section 135(5) – INR 37.94 Lakhs
ii. Surplus arising out of the CSR projects or programmes or activities of the previous financial years. – Nil
iii. Amount required to be set off for the financial year, if any – Nil
iv. Total CSR obligation for the financial year (i + ii -iii) – INR 37.94 Lakhs

8. a. CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year. (Rs. In Lakhs)	Amount Unspent (Rs. In Lakhs)				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amount.	Date of transfer.	Name of the Fund	Amount.	Date of transfer.
38.00	-	-	-	-	-

Note: Relevant disclosures in this regard has been provided in detail of this Annual report under "Corporate Social Responsibility (CSR) section.

Details of CSR amount spent against ongoing projects for the financial year:

Sl. No	Name of the Project	Item from the list of activities in Schedule VII to the Act.	Local area (Yes/No).	Location of the project.		Project Duration	Amount allocated for the project (Rs. In Lakhs).	Amount spent in the current financial Year (Rs. In Lakhs).	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in Rs.).	Mode of Implementation - Direct (Yes/No).	Mode of Implementation - Through Implementing Agency	
				State	District						Name	CSR Registration number.
Nil												

Details of CSR amount spent against other than ongoing projects for the financial year:

Sl. No	Name of the Project	Item from the list of activities in Schedule VII to the Act.	Local area (Yes/No).	Location of the project.		Project Duration	Amount allocated for the project (in Rs.).	Mode of Implementation - Direct (Yes/No).	Mode of Implementation - Through Implementing Agency	
				State	District				Name	CSR Registration number.

1	Project Ignite - Thirukalukundram School Infrastructure Development Support Project	Education	No	Tamil Nadu	Chengalpattu	1st April 2022 – 31st March 2022	19,00,000	No	Bhumi Foundation	CSR00001059
2	Restoration of Sembakkam Lake	Environment	No	Tamil Nadu	Chennai	1st April 2022 – 31st March 2022	19,00,000	No	Care Earth Trust	CSR00001173
						Total	38,00,000			

(d) Amount spent in Administrative Overheads - Nil
(e) Amount spent on Impact Assessment, if applicable – Not applicable
(f) Total amount spent for the Financial Year (8b+8c+8d+8e) – INR. 38,00,000/-
(g) Excess amount for set off, if any – Nil

Sl. No.	Particulars	Amount (Rs. in Lakhs)
I.	Two percent of average net profit of the company as per section 135(5)	37.94
II.	Total amount spent for the Financial Year	38.00
III.	Excess amount spent for the financial year [(ii)-(i)]	0.06
IV.	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	0.00
V.	Amount available for set off in succeeding financial years [(iii)-(iv)]	0.06

9. a. Details of Unspent CSR amount for the preceding three financial years:

Sl. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135 (6) (in Rs.)	Amount spent in the reporting Financial Year (in Rs.).	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.			Amount remaining to be spent in succeeding financial years. (in Rs.)
				Name of the Fund	Amount (in Rs).	Date of transfer.	
1	2020-21	0	2,83,384	PM CARES Fund	2,83,384	31.03.2022	0

b. Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):

Sl. No.	Project ID.	Name of the Project.	Financial Year in which the project was commenced.	Project duration.	Total amount allocated for the project (in Rs.).	Amount spent on the project in the reporting Financial Year (in Rs).	Cumulative amount spent at the end of reporting Financial Year. (in Rs.)	Status of the project - Completed /Ongoing.
	-	-	-	-	-	-	-	-
	Total							

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year.

(asset-wise details).

(a) Date of creation or acquisition of the capital asset(s) – Not applicable

(b) Amount of CSR spent for creation or acquisition of capital asset. – Nil

(c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc. – Nil

(d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset). - Nil

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

The Company has managed to spent the entire 2% of the average net profit in accordance with section 135.

Vineet Sukumar Mr. Vineet Sukumar, Managing Director DIN: 06848801	Ms. Namrata Kaul, Chairperson – CSR Committee DIN:00994532

Date: May 27, 2022

FORM NO. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2022

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To

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

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

Based on our verification of the books, papers, minute books, forms and returns filed and other records maintained by the company and also the information, explanations and clarifications provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit and considering the relaxations granted by the Ministry of Corporate Affairs and Securities and Exchange Board of India warranted due to the spread of the COVID-19 pandemic, we hereby report that in our opinion, the company has, during the audit period covering the financial ended 31st March, 2022 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by M/s. Vivriti Capital Private Limited for the financial year ended on 31st March, 2022 according to the provisions of:

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

GRNK & Associates Company Secretaries

F-10, Syndicate Residency, No. 3, Dr. Thomas 1st Street, Off. South Boag Road, T.Nagar, Chennai - 600 017.
Phone : 044-2433 7454, 2432 1143/44. E-mail : gr@gramcsfirm.com / ramgcs@gmail.com Website : www.gramassociates.com

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

(v) SEBI (Issue and Listing of Debt Securities) Regulations, 2008.

(vi) SEBI (Issue and Listing of Non-Convertible Securities) Regulations 2021 with effect from 16th August 2021.

(vii) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI LODR') to the extent applicable.

(viii) Reserve Bank of India Act, 1934 read with applicable Rules and Regulations relating to the:

(a) Master Direction - Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016.

(b) Master Direction- Non-Banking Financial Company Returns (Reserve Bank) Directions, 2016.

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

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

We report that during the audit period under review;

1) During the year under review, the company issued and allotted 6,85,744 equity shares as detailed below:

Partly paid-up Equity Shares						
Date of allotment	No. of shares	Face value	Paid Up	Premium	Premium paid up	Nature of issue
28-Apr-21	2,30,322	10	2.5	163.67	14.87	Preferential
	1,15,161	10	2.5	163.67	40.92	Preferential
ssFully paid-up equity Shares						
Date of allotment	No. of shares	Face value	Paid Up	Premium	Premium paid up	Nature of issue
28-Apr-21	1,15,161	10	10	163.67	163.67	Preferential
28-May-21	2,25,000	10	10	0	0	Preferential
29-Mar-22	100	10	10	805	805	Preferential

In this connection, we state that on 28th May, 2021 the Company has issued and allotted 2,25,000 equity shares of Rs.10/- each on face value as against Rs.170.45/- given in the valuation reports of Ms. Neena Agarwal, Registered Valuer and M/s. Spa Capital Advisors Limited, Merchant Banker, both dated 13th April, 2021. We further state that the said allotment is not in compliance with the provisions of Section 62(1)(c) of Companies Act, 2013 read with rules made thereunder.

However, the Company explained that the said allotment was made to an Advisor of the Company, in pursuance to an engagement commitment given during the Financial Year 2017-18 based on then fair valuation of the Company i.e., INR 10/- at that point in time. The execution of the commitment took place in Financial Year 2021-22 with due approval of the Board of Directors and Shareholders of the Company.

2) The Company issued and allotted 38,89,776 Compulsorily Convertible Preference shares of Rs. 10/- each at a premium of Rs. 805/- per share on 29th March, 2022 on Preferential basis.

3) The Company transferred an unspent Corporate Social Responsibility amount of INR 2,83,383.77/- pertaining to the financial year ended 31st March, 2021 to Prime Minister Care Fund ('PM Care Fund') on 28th September, 2021, as required under Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014. However, the Company informed that the said remittance was initiated via PM Cares Fund direct transfer link (merchant banker's link) was returned due to a technical issue at the end of the receiver's bank. The amount was retransferred into the PM Cares Fund using NEFT on 31st March 2022.

4) During the year under review;

   a) The Company issued and allotted 6,650 Secured Redeemable Non-Convertible Debentures of Rs. 10,00,000/- each aggregating to Rs. 6,65,00,00,000/- on various dates and
   b) The Company issued and allotted 7,500 Secured Redeemable Non-Convertible Debentures of Rs. 1,00,000/- each aggregating to Rs. 75,00,00,000/- on 28th May, 2021.

5) The Company at their Extra-ordinary General Meeting held on 30th September, 2021 approved the change in designation of Mr. Gaurav Kumar (DIN 07767248) from Managing Director to Non-Executive Director of the Company with effect from 29th September, 2021.

GRNK & Associates
Company Secretaries

6) The Company at their Extra-ordinary General Meeting held on 7th May, 2021 appointed Ms. Anita Belani (DIN 01532511) as an Independent Director for a period of five consecutive years with effect from 7th May, 2021.

7) Mr. Irfan Basha Shaik Mohammed resigned as Chief Financial Officer of the Company on 28th April, 2021 and Mr. Srinivasaraghavan was appointed as Chief Financial Officer of the Company with effect from 1st May, 2021.

8) The Company amended its Capital Clause in the Memorandum of Association as follows;
   a) The Company increased its authorized capital from Rs. 1,04,43,70,630/- consisting of 1,59,00,000 Equity shares of Rs. 10/- each, 8,34,37,063 compulsorily convertible preference shares of Rs. 10/- each and 8,50,000 optionally convertible Redeemable Preference shares of Rs. 60/- to Rs. 1,05,43,70,630/- consisting of 1,69,00,000 Equity shares of Rs. 10/- each, 8,34,37,063 compulsorily convertible Preference shares of Rs. 10/- each and 8,50,000 optionally convertible Redeemable preference shares of Rs. 60/- as approved by the Shareholders at their Extra-ordinary General Meeting held on 16th April, 2021.

   b) The Company increased its authorized capital from Rs. 1,05,43,70,630/- consisting of 1,69,00,000 Equity shares of Rs. 10/- each, 8,34,37,063 compulsorily convertible Preference shares of Rs. 10/- each and 8,50,000 optionally convertible Redeemable preference shares of Rs. 60/- to Rs. 1,13,93,70,630/- consisting of 2,09,00,000 equity shares of Rs. 10/- each 8,79,37,063 compulsorily convertible preference shares of Rs. 10/- each and 8,50,000 optionally convertible Redeemable preference shares of Rs. 60/- as approved by the Shareholders at their Extra-ordinary General Meeting held on 22nd March, 2022.

9) The Company amended its Articles of Association by passing a special resolution at the Extra-ordinary General Meeting held on 30th September, 2021.

We further report that

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

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

GRNK & Associates
Company Secretaries

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

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

For M/s. GRNK & Associates
Company Secretaries

Place: Chennai
Date: 27th May, 2022
UDIN: A029330D000403211

BAALASUBRAMANIYAN NE.
Partner
M.No.: A29330, COP: 22941

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

ANNEXURE-A SECRETARIAL AUDIT REPORT OF EVEN DATE

To,

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

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

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

For M/s. GRNK & Associates
Company Secretaries

GRNK & Associates Company Secretaries

BAALASUBRAMANIYAN NE.
Partner
M.No.: A29330, COP: 22941

Place: Chennai
Date: 27th May, 2022
UDIN: A029330D000403211

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

a.

Particulars	ESOP 2018	ESOP 2019	ESOP 2019 II	ESOP 2020
Options approved to be issued as ESOPs (Quantum of Pool)	1922500	467000	800000	1151310
Revised Pool - Transfer of unvested cancelled options to latest pool	1593750	292750	608000	1846310
Options granted (live employees)	1937500	467500	829500	2447000
Options vested (Live)	260700	36700	138275	213740
Options exercised	576550	52300	136375	74760
The total number of shares arising as a result of exercise of options	576550	52300	136375	74760
Options lapsed – (unvested + vested lapsed + surrendered)	364000	179000	227500	652000
The exercise price	i. Exercise Price was INR. 10 for Options granted on 29-06-2018 ii. Exercise Price was INR. 47.5 for Options granted on 19-07-2019 iii. Exercise Price was INR. 71.7 for Options granted on 18-11-2019 & 15-12-2019 iv. Exercise Price was INR. 173.7 for Options granted on 30-06-2020, 30-09-2020, 31-12-2020, 31-03-2021, 30-06-2021 & 31-12-2021			
Variation in terms of options	-	-	-	-
money realized by exercise of options till date (INR)	6395164	2543679	9773996	12548672
Total number of options in force **Granted + vested**				
employee wise details of options granted to:- (live employees)				
(i) key managerial personnel	1	0	0	2
(ii) any other employee who receives a grant of options in any one year of option amounting to	NIL	NIL	NIL	1

five per cent or more of options granted during that year.				
(iii) identified employees who were granted option, during any one year, equal to or exceeding one per cent of the issued capital (excluding outstanding warrants and conversions) of the company at the time of grant.	NIL	**NIL**	**NIL**	NIL

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

Disclosure as per Rule 16(4) of COMPANIES (SHARE CAPITAL AND DEBENTURES) RULES, 2014 is applicable to the Company in accordance with Section 62 of Companies Act, 2013 during the FY 21-22:

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

The voting rights of employee shareholders shall rest with Promoter shareholders, who shall be exercising the rights on behalf of the former. Hence, there are no employees qualifying under this item.

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

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

(d) the number of shares held by or in favour of, such employees and the percentage of such shares to the total paid up share capital of the company; 4,24,935

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

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

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

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

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

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

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

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

S. No	Particulars	Remarks
a.	Name of the employee	Mr Vineet Sukumar
b.	Designation of the employee	Managing Director
c.	remuneration received	2,92,18,746
d.	nature of employment, whether contractual or otherwise	Full time
e.	qualifications and experience of the employee	18 + years experience B. Tech - IIT, Karagpur MBA – Finance IIM,Bangalore Vineet was the Chief Financial Officer of IFMR Capital and the CEO of IFMR Investment Managers (wholly owned subsidiary of IFMR Capital). Prior to this, Vineet led key relationships at Standard Chartered Bank. Vineet has also worked with Tata Administrative Services and Tata Motors.
f.	date of commencement of employment	30-08-2017
g.	the age of such employee	42 Years
h.	the last employment held by such employee before joining the Company	IFMR Capital - CEO

i.	the percentage of equity shares held by the employee in the Company within the meaning of clause (iii) of sub-rule (2) and	30.01%
j.	whether any such employee is a relative of any director or manager of the Company and if so, name of such director or manager.	NA

(ii) if employed for a part of the financial year, was in receipt of remuneration for any part of that year, at a rate which, in the aggregate, was not less than eight lakh and fifty thousand rupees per month: **NIL**

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

Nomination and Remuneration Policy

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

1 ABOUT THE COMPANY

1.1 Vivriti Capital Private Limited ("**VCPL**"/"**Company**") is a debt listed non-deposit taking systemically important non-banking finance company (NBFCs-ND-SI) registered with the Reserve Bank of India.

1.2 Pursuant to the Non-Banking Financial Companies – Corporate Governance (Reserve Bank) Directions, 2015 issued by Reserve Bank of India ("**RBI Directions**"), the Company is required to constitute the Nomination and Remuneration Committee ("**Committee**") as specified in Section 178 of Companies Act 2013 ("**the Act**").

1.3 VCPL is a high value debt listed entity and accordingly the provisions of Regulation 15 to 27 under Chapter IV of Listing Regulations *(as defined below)* are applicable to the Company.

1.4 The Committee inter alia determines and recommends to the Board of Directors *(as defined below)* of the Company the compensation payable to the Directors *(as defined below)*. Remuneration for the Executive Directors consists of a fixed component and a variable component linked to the long-term version, medium term goals and annual business plans.

1.5 Section 178 of the Act and Regulation 19 read with Part D of Schedule II of the Listing Regulations provides that the Committee shall recommend to the Board a policy, relating to the remuneration for the Directors, Key Managerial Personnel *(as defined below)* and other employees. Further the Committee shall also formulate the criteria for determining qualifications, positive attributes and independence of a director.

1.6 Accordingly, the Committee and this Nomination and Remuneration Policy **("Policy**") have been formulated in compliance with the RBI Directions, Listing Regulations and the Act read along with the applicable rules thereto.

1.7 The Board has approved this Policy in its meeting held on 4th February 2022.

2 OBJECTIVE

2.1 To lay down the criteria for identifying the persons who are qualified to become Directors and such persons who may be appointed as the Senior Management *(as defined below)* personnel of the Company.

2.2 To determine the qualifications, positive attributes and independence of the Board and to ensure Board Diversity.

2.3 To recommend the Board for determining the remuneration of the Directors, Key Managerial Personnel and other employees.

2.4 To set the criteria for evaluation of the performance of the Board and other employees of the Company.

3 DEFINITIONS

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

3.1 "**Act**" shall mean the Companies Act, 2013 and the rules issued thereunder, as amended from time to time.

3.2 "**Board**" or "**Board of Directors**" shall mean the board of directors of the Company.

3.3 "**Committee**" shall mean the Nomination and Remuneration Committee of the Company.

3.4 "**Director**" shall mean a member of the Board of the Company.

3.5 "**Independent Director**" shall mean an independent director in terms of Regulation 16(1)(b) of the Listing Regulations.

3.6 "**Interested Person**" shall mean any person holding voting rights in the Company and who is in any manner, whether directly or indirectly, interested in an agreement or proposed agreement, entered into or to be entered into by such a person or by any employee or Key Managerial Personnel or Director or promoter of the Company with any shareholder or any other third party with respect to compensation or profit sharing in connection with the securities of such listed entity.

3.7 "**Key Managerial Personnel**" shall mean as defined in Section 2(51) of the Act in relation to the Company and consists of:

- chief executive officer or the Managing Director or the manager;
- company secretary;
- whole time director;
- chief financial officer;
- such other officer, not more than one level below the Directors who is in whole-time employment, designated as Key Managerial Personnel by the Board; and
- such other officer as may be prescribed by the Government.

3.8 "**Listing Regulations**" shall mean the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time.

3.9 "**Managing Director**" shall mean as defined in Section 2(56) of the Act in relation to the Company.

3.10 "**Policy**" shall mean the Nomination and Remuneration Policy of the Company.

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

4 APPLICABILITY

4.1 This Policy shall be applicable to:

- Board;
- Key Managerial Personnel;
- Senior Management; and
- Other employees of the Company.

5 INTERPRETATION

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

6 GUIDING PRINCIPLES

The Policy ensures that:

6.1 The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors of the quality required to run the Company successfully;

6.2 Relationship of remuneration to performance is clear and meets appropriate performance benchmarks;

6.3 Aligning key executive and Board remuneration with the long-term interests of the company and its shareholders;

6.4 Minimize complexity and ensure transparency;

6.5 Link to long term strategy as well as annual business performance of the Company;

6.6 Promotes a culture of meritocracy and is linked to key performance and business drivers; and

6.7 Reflective of line expertise, market competitiveness to attract the best talent.

7 ROLE OF THE COMMITTEE

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

7.1 To identify persons who are qualified to become Directors and who may be appointed in Senior Management in accordance with the criteria laid down and to recommend to the Board their appointment and/or removal;

7.2 To formulate criteria for evaluation of performance of Independent Director and Board of Directors;

7.3 To formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration for the Directors, Key Managerial Personnel and other employees;

7.4 To formulate the criteria for evaluation during appointment of Independent Directors by the Board;

7.5 To recommend/review remuneration of the whole-time director(s) based on their performance and defined assessment criteria;

7.6 Whether to extend or continue the term of appointment of the Independent Director, on the basis of the report of performance evaluation of Independent Directors.

7.7 To recommend to the Board, all remuneration, in whatever form, payable to Senior Management;

7.8 To perform such other functions as may be necessary or appropriate for the performance of its duties including the roles as entrusted under the Nomination Remuneration Committee Charter;

7.9 To carry out any other function as is mandated by the Board from time to time and/or enforced by a statutory notification, amendment or modification, as may be applicable or which are required to be performed as per the applicable laws including LODR Regulations.

8 APPOINTMENT CRIERTIA FOR THE BOARD AND OTHER EMPLOYEES

8.1 <u>For the Board</u>

8.1.1 **Appointment Criteria**

8.1.1.1 ***Managing Director/Whole-Time Director***

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

8.1.1.2 ***Non-Executive Director***

a. The non-executive director shall be appointed as per the applicable provisions of the Act and rules made there under and the Listing Regulations.
b. The person to be appointed shall be assessed on various parameters such as qualification, relevant experience and expertise, integrity, skill sets etc. The person considered to be

appointed as a non-executive director should possess relevant expertise which will help the person to act objectively and constructively.

8.1.1.3 ***Independent Director***

c. The Independent Director shall be appointed as per the applicable provisions of the Act and rules made there under and the Listing Regulations.

a. For every appointment of an Independent Director, the Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an Independent Director. The person recommended to the Board for appointment as an Independent Director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:
   - use the services of an external agencies, if required;
   - consider candidates from a wide range of backgrounds, having due regard to diversity; and
   - consider the time commitments of the candidates.

b. The appointment, re-appointment or removal of an Independent Director of the Company, shall be subject to the approval of shareholders by way of a special resolution.

8.1.2 **Nomination Process:**

8.1.2.1 The Committee shall be responsible to review the structure, composition and diversity of the Board and make recommendations to the Board on any proposed changes/ new appointments to complement the Company's objectives and strategies.

8.1.2.2 The Committee shall ensure that the Board has appropriate skills, professional knowledge, characteristics and experience in diverse fields like finance, banking, insurance, economics, corporate laws, administration, etc. required as a whole and by its executive directors, non- executive directors and independent directors in their individual capacity.

8.1.2.3 The Committee may on annual basis review the appropriate skills, knowledge and experience required for the Board as a whole and its individual Directors.

8.1.2.4 The Committee shall while identifying and selecting suitable candidates for fresh appointment/ re-appointment/ filling up casual vacancy shall inter-alia consider the following criteria:

a. Consider educational and professional background and personal achievements;
b. Consider individuals who are appropriately qualified, based on their talents, experience, functional expertise and personal skills, character and qualities;
c. Consider criteria that promotes diversity, including gender, age and relevant background;
d. Engage qualified independent external advisors, if required, to assist the Committee in conducting its search for candidates that meet the criteria as laid down herein regarding the skills, experience and diversity.

8.1.2.5 The proposed appointee shall also fulfil the following requirements:

a. Shall possess a Director Identification Number ("**DIN**");
b. Shall not be disqualified under the Act;
c. Shall give his written consent to act as a Director;
d. Shall endeavour to attend all Board meetings and wherever he is appointed as a Committee Member, the Committee Meetings;
e. Shall abide by the Code of Conduct established by the Company for Directors and Senior Management personnel;
f. Shall disclose his concern or interest in any company or companies or bodies corporate, firms, or other association of individuals including his shareholding, Committee membership/chairmanship at the first meeting of the Board in every financial year.

g. Such other requirements as may be prescribed, from time to time under the Act and other relevant laws.

8.1.2.6 Upon receiving the consent to act as a Director, the profile of the person proposed to be appointed as a Director, shall be placed before the Board for its consideration and approval.

8.1.2.7 As per the provisions of the Act, appointment of Directors by the Board shall be placed before the shareholders for their approval.

8.1.3 **Fit and Proper Criteria**: At the time of appointment/re-appointment of the Directors, the Company shall be required to follow the due diligence process as stated in the Company's Policy on Fit and Proper criteria for the Directors, as updated from time to time.

8.1.4 **Term and Tenure:**

- Managing Director/ whole-time director the Company shall appoint or re-appoint any person as its Managing Director or whole-time director for a term not exceeding five years at a time. No re-appointment shall be made earlier than one year before the expiry of term.
- An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for re-appointment. No Independent Director shall hold office for more than two consecutive terms of up to maximum of 5 years each, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director. Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly.

8.1.5 **Resignation/Removal:** An Independent Director who resigns or is removed from the Board of Directors of the listed entity shall be replaced by a new Independent Director by the Company at the earliest but not later than the immediate next meeting of the Board of Directors or three months, from the date of such vacancy whichever is later. Provided that where the Company fulfils the requirement of Independent Directors in its Board of Directors without filling the vacancy created by such resignation or removal, the requirement of replacement by a new Independent Director shall not apply.

8.2 <u>For the Employees</u>

8.2.1 **Key Managerial Personnel (KMP) and Senior Management personnel**

8.2.1.1 Section 203 of the Act provides for appointment of whole-time Key Managerial Personnel. Such personnel shall be appointed by means of resolution of the Board containing the terms and conditions of such appointment.

8.2.1.2 The Key Managerial Personnel and Senior Management personnel should comprise of individuals with appropriate mix of skills, experience and personal attributes. The said employees should be adept and understand the business and the environment in which the Company operates and perform towards the achievement of Company objectives and goals.

8.2.1.3 For the appointment of Key Managerial Personnel and Senior Management personnel, the following criteria shall be considered:

a. Assessing the appointee against a range of criteria which includes but not limited to qualifications, skills, regional and industry experience, background and other qualities required to operate successfully in the respective position,
b. The extent to which the appointee is likely to contribute to the overall effectiveness of the organization, work constructively with the existing team and enhance the efficiencies of the Company;
c. Personal specifications like degree holder in relevant disciplines; experience of

management in a diverse organization; excellent interpersonal, communication and representational skills; demonstrable leadership skills, commitment to high standards of ethics, personal integrity and probity, commitment to the promotion of equal opportunities and skills must also be considered.

8.2.1.4 The appointments of one level below the executive director shall be within the ambit of the Committee and the Committee shall be duly informed on the appointments at the Senior Management Personnel level and above.

8.2.2 **Other Employees**

8.2.2.1 The Company shall recruit individuals with high level of integrity and having desired qualification, skill sets and experience relevant to the Company's requirements for the specific position for which such individual is interviewed.

9 REMUNERATION CRITERIA FOR THE BOARD AND THE EMPLOYEES

9.1 Remuneration paid to Executive Directors

9.1.1 The remuneration paid to executive directors is recommended by the Nomination and Remuneration Committee and approved by the Board in the Board meetings and such other authorities, as the case may be.

9.1.2 At the Board meeting, only the non-executive and Independent Directors participate in approving the remuneration paid to the executive directors. The remuneration is arrived by considering various factors such as qualification, experience, expertise, prevailing remuneration in the industry and the financial position of the company. The elements of the remuneration and limits are pursuant to the Sections 178, 197 and Schedule V of the Act.

9.1.3 Remuneration for the Executive Directors consists of a fixed component and a variable component linked to the long-term version, medium term goals and annual business plans.

9.1.4 **Remuneration Policy Structure** - The remuneration structure for the executive Directors would include the following components:-

9.1.4.1 ***Basic Salary*** - Provides for a fixed, per month, base level remuneration to reflect the scale and dynamics of business to be competitive in the external market.

- Are normally set in the home currency of the Executive Director and reviewed annually.
- Will be subject to an annual increase as per recommendations of the Nomination and Remuneration committee and approval of the Board of Directors.

9.1.4.2 ***Commission*** –

a. Executive Directors will be allowed remuneration, by way of commission which is in addition to the Basic Salary, Perquisites and any other Allowances, benefits and amenities. Subject to the condition that the amount of commission shall not exceed the thresholds provided under Companies Act 2013.
b. The amount of commission shall be paid subject to recommendation of the Committee and shall be subject to approval of the Board of Directors.

9.1.4.3 ***Perquisites and Allowances*** - A basket of Perquisites and Allowances would also form a part of the remuneration structure.

9.1.4.4 ***Contribution to Provident and Other funds*** in addition to the above, the remuneration would also include: -

- Contribution to Provident and Superannuation Funds
- Gratuity

9.1.4.5 ***Minimum Remuneration*** - If in any financial year during the tenure of the Executive Directors, the company has no profits or its profits are inadequate, they shall be entitled to, by way of Basic Salary, Perquisites, allowances, not exceeding the ceiling limit of 2,00,000 per month, and in addition hereto, they shall also be eligible for perquisites not exceeding the limits specified under the Act.

9.1.4.6 ***Fees or Compensation*** **-** The fees or compensation payable to Executive Directors who are promoters or members of the promoter group, shall be subject to the approval of the shareholders by special resolution in general meeting, if-

- the annual remuneration payable to such Executive Director exceeds rupees 5 (five) crore or 2.5 (two and a half) per cent of the net profits of the Company, whichever is higher; or
- where there is more than one such Director, the aggregate annual remuneration to such Directors exceeds 5 (five) per cent of the net profits of the Company:

Provided that the approval of the shareholders under this provision shall be valid only till the expiry of the term of such Director. For the purposes of this clause, net profits shall be calculated as per section 198 of the Act.

9.2 <u>Remuneration payable to Non-Executive Directors and Independent Directors</u>

9.2.1 The Remuneration to the non-executive directors would be as per recommendations of the Committee and approval of the Board of Directors.

9.2.2 It would be pursuant to the provisions of sections 197 and 198 of the Act and Listing Regulations as relevant.

9.2.3 The Board of Directors shall recommend all fees or compensation, if any, paid to non-executive directors, including Independent Directors and shall require approval of shareholders in general meeting.

9.2.4 The requirement of obtaining approval of shareholders in general meeting shall not apply to payment of sitting fees to non-executive directors, if made within the limits prescribed under the Act for payment of sitting fees without approval of the Central Government.

9.2.5 The approval of shareholders mentioned in Clause 9.2.3, shall specify the limits for the maximum number of stock options that may be granted to non-executive directors, in any financial year and in aggregate.

9.2.6 The approval of shareholders by special resolution shall be obtained every year, in which the annual remuneration payable to a single non-executive director exceeds 50 (fifty) per cent of the total annual remuneration payable to all non-executive directors, giving details of the remuneration thereof.

9.3 <u>Remuneration Philosophy for Key managerial personnel, Senior Management & staff</u>

9.3.1 The compensation for the Key managerial personnel, Senior Management and staff at the Company would be guided by the external competitiveness and internal parity through annual benchmarking surveys.

9.3.2 Internally, performance ratings of all the Company's employees would be spread across a normal distribution curve.

9.3.3 The rating obtained by an employee will be used as an input to determine variable and merit pay increases.

9.3.4 Variable and merit pay increases will be calculated using a combination of individual performance and organizational performance.

9.3.5 Grade wise differentiation in the ratio of variable and fixed pay as well as in increment percentage must be made.

9.3.6 Compensation can also be determined based on identified skill sets critical to success of the

Company. It is determined as per management's review of market demand and supply.

10 DISCLOSURES UNDER CORPORATE GOVERNANCE REPORT:

10.1 Regarding remuneration of directors:

a. All pecuniary relationship or transactions of the non-executive directors vis-à-vis the Company;
b. Criteria of making payments to non-executive directors;
c. Alternatively, this may be disseminated on the Company's website and reference drawn thereto in the annual report;
d. Disclosures with respect to remuneration: in addition to disclosures required under the Act, the following disclosures shall be made:
   - All elements of remuneration package of individual Directors summarized under major groups, such as salary, benefits, bonuses, stock options, pension etc;
   - Details of fixed component and performance linked incentives, along with the performance criteria;
   - Service contracts, notice period, severance fees; and
   - Stock option details, if any and whether issued at a discount as well as the period over which accrued and over which exercisable.

11 RESTRICTIONS

11.1 Independent directors shall not be entitled to any stock option.

11.2 No employee including Key Managerial Personnel or Director or promoter of the Company shall enter into any agreement for himself /herself or on behalf of any other person, with any shareholder or any other third party with regard to compensation or profit sharing in connection with dealings in the securities of the Company, unless prior approval for the same has been obtained from the Board of Directors as well as public shareholders by way of an ordinary resolution:

- Provided that such agreement, if any, whether subsisting or expired, entered during the preceding three years from the date of coming into force of this sub-regulation, shall be disclosed to the stock exchanges for public dissemination.
- Provided further that if the Board of Directors approve such agreement, the same shall be placed before the public shareholders for approval by way of an ordinary resolution in the forthcoming general meeting:
- Provided further that all Interested Persons involved in the transaction covered under the agreement shall abstain from voting in the general meeting.

12 ANNUAL EVALUATION OF THE BOARD BY INDEPENDENT DIRECTORS

12.1 The Independent Directors of the Company meet once on an annual basis. A formal evaluation of the Board and governance structure of the Company is carried out by the Independent Directors, basis and including but not limited to following evaluation criteria:

- Board effectiveness and regular functioning
- Meetings and procedures
- Business strategy
- Risk Management
- Board and Committee communication

12.2 Feedback, if any provided is shared and discussed at meeting of the Committee and noted by the Board.

13 REVIEW AND MONITORING

13.1 The information on recruitment and remuneration of senior officers just below the level of Board of Directors, including appointment or removal of chief financial officer and the company secretary shall be placed before the Board of Directors.

13.2 This Policy is subject to review from time to time to ensure effectiveness and as and when deemed necessary, including but not limited to change in Board processes, business structure, changes in law, etc.

13.3 Committee shall monitor the implementation of this policy and shall be responsible to ensure adherence to process requirements herein. The Committee shall also be responsible to recommend changes in this Policy to the Board for its approval, from time to time.

13.4 In the event of any conflict between the provisions of this Policy and of the Act or Listing Regulations or any other statutory enactments, rules, the provisions of such Act or Listing Regulations or statutory enactments, rules shall prevail over this Policy.

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

Annexure VI – AOC -2

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

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

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

There were no contracts or arrangements or transactions entered in to during the year ended 31st March, 2022, which were not arm's length basis.

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

a. **Name (s) of the related party & nature of relationship:**
Vivriti Asset Management Private Limited (VAM) –Subsidiary Company

Nature of contracts/ arrangements/ transaction	**Duration of the contracts/ arrangements/ transaction**	**Salient terms of the contracts or arrangements or transaction including the value, if any (in lakhs)**	**Date of approval by the Board**	**Amount paid as advances, if any**
Interest income receivable on Loan provided to VAM	3 months	20.46	04.02.2022	-
Rent and amenities – VCPL Rental income receivable from VAM	12 months	13.92	28.04.2021 and 04.02.2022	-
Loan provided to VAM	3 months	550.00	04.02.2022	-
Investment in VAM, (including beneficial ownership)	-	3,000.00	21.03.2022	-
Loans repaid by VAM	-	550.00	-	-
Sale of fixed assets to VAM	One time transaction	4.93	04.02.2022	-
Reimbursement of expenses including business support charges	12 months	1,612.55	28.04.2021, 10.11.2021 and 04.02.2022	-
Employee share option recoverable	12 months	40.14	-	-
Cross charges	12 months	25.80	28.04.2021, 10.11.2021 and 04.02.2022	-

b. Name (s) of the related party & nature of relationship
CredAvenue Private Limited (CAPL) –Subsidiary Company

Nature of contracts/ arrangements/ transaction	Duration of the contracts/ arrangements/ transaction	Salient terms of the contracts or arrangements or transaction including the value, if any (in lakhs)	Date of approval by the Board	Amount paid as advances, if any
Reimbursement of expenses incurred for CAPL	12 months	27.45	28.04.2021 and 04.02.2022	-
Platform fees	12 months	2,811.69	06.08.2021, 10.11.2021 and 04.02.2022	-
Sale of fixed assets	One time transaction	640.80	04.02.2022	-
Cross Charge, Rent and MLD	12 months	1,687.45	10.11.2021	-
Employee share option recoverable	12 months	194.59	-	-
Rental Deposit (Receivable from CAPL)	One time transaction	150.00	-	-
Holding charges – MLD warehousing	12 months	160.98	04.02.2022	-

Corporate Governance disclosures as per Section 134 of the Companies Act, 2013 – Annexure VII FY 21-22

1. **Company's Philosophy on Corporate Governance:**

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

2. **Guidelines on Corporate Governance**

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

The Company was classified as a High Value Debt Listed Entity ('HVDLE') during the FY22. Accordingly, regulation 15 to 27 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('LODR Regulations') has become applicable, pursuant to which relevant compliances shall be adhered from time to time, on a comply or explain basis till FY23.

Further, Scale Based Regulation (SBR): A Revised Regulatory Framework for NBFCs dated 22nd October 2021 was applicable on the Company once notified. The Company shall be classified under the "Middle Layer" category under the said framework and shall take the necessary steps to confirm to the provisions thereof as applicable, from time to time.

3. **Board of Directors**

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

Corporate Governance disclosures as per Section 134 of the Companies Act, 2013 – Annexure VII FY 21-22

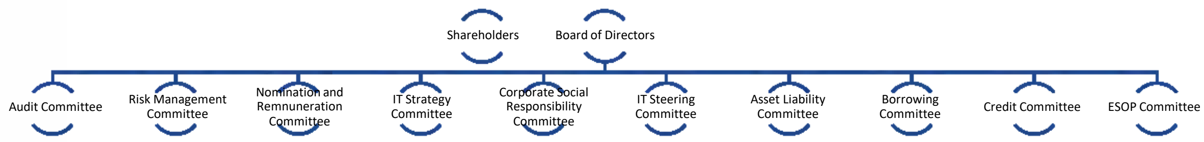
The Board is committed to the multifarious aspects pertaining to business strategy, institutional risk, people, stakeholders, society and compliance and endeavors to meet the related obligations.

As on the end of March 2022, the Board comprises of 7 members, inclusive of one Executive, three Non-Executive Nominee Director and two Non-Executive Woman Independent Director. None of the directors are related to each other.

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

In the opinion of the Board, the Independent Directors fulfill the conditions specified in the LODR Regulations and are independent of the management. Further, there were no resignations of Independent Directors during the reporting period FY21-22.

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



During the year under review, the Board met 9 (Nine) times, i.e., at least once in a calendar quarter and the maximum time gap between any two Meetings was not more than one hundred and twenty days as per the applicable law. The requisite quorum was present for all the meetings.

BOARD COMPOSITION

The composition of the Board of Directors as on 31st March 2022 along with the number of meetings attended and shareholding is provided below:

S. No.	Name of the Director[1]	Designation & Category	DIN	No of Board meetings held during the year		No of other Directorships	Number of shares	Number of convertible instruments held by non-executive Directors
				Held	Attended			

Corporate Governance disclosures as per Section 134 of the Companies Act, 2013 – Annexure VII FY 21-22

1	Mr. Vineet Sukumar	Executive Director - Managing Director	06848801	9	9	4	70,13,914[3]	-
2	Mr. Gaurav Kumar[1]	Non-executive Director	07767248	9	9	4	70,13,914[3]	21,13,914[5]
3	Ms. Namrata Kaul	Independent Non-executive Director & Chairperson of the Board	00994532	9	9	12	1,15,161[4]	-
4	Mr. Kenneth Dan Vander Weele	Nominee (Non-executive) Director representing Creation Investments India III, LLC as an equity investor	02545813	9	7	10	-	-
5	Mr. John Tyler Day	Nominee (Non-executive) Director representing Creation Investments India III, LLC as an equity investor	07298703	9	8	11	-	-
6	Mr. Kartik Srivatsa	Nominee (Non-executive) Director representing Lightrock Growth Fund I S.A., SICAV-RAIF as an equity investor	03559152	9	7	9	-	-
7	Ms. Anita Belani[2]	Independent Non-	01532511	9	6	6		-

		executive Director						

[1] Change in designation of Mr. Gaurav Kumar (DIN:07767248) from Managing Director to Non-executive Director of the Company with effect from 29th September 2021.
[2]Ms. Anita Belani (DIN: 01532511) was appointed as Independent Director of the Company w.e.f. 7th May 2021.
[3] Mr. Gaurav Kumar and Mr. Vineet Sukumar held 49,00,000 fully paid-up equity shares and 4,05,701 partly paid up Optionally Convertible Redeemable Preference shares each beginning of the year. During the year under review, the OCRPS incentive was issued at conversion rate of 5% in accordance with the terms of OCRPS issued. As at end of March 2022, Mr. Gaurav Kumar and Mr. Vineet Sukumar held 49,00,000 fully paid-up equity shares and 21,13,914 Optionally Convertible Redeemable Preference shares each on a fully diluted basis.
[4]The Company had issued 1,15,161 Series 1A Share Award partly paid equity shares to Ms. Namrata Kaul.
[5] 21,13,914 Optionally Convertible Redeemable Preference shares.

Details of number of other Board of directors or committees in which a director is a member or chairperson:

S. No.	Name of the Director	Number and Name of the Companies in which a director is a member or chairperson of the Board		Number and Name of the Companies in which a director is a member or chairperson of the Committee	
1	Mr. Vineet Sukumar	4	1. Vivriti Asset Management Private Limited – Managing Director 2. Sangvint Technologies Private Limited – Director 3. CredAvenue Private Limited – Director 4. CredAvenue Securities Private Limited - Director	-	-
2	Mr. Gaurav Kumar	4	1. Vivriti Asset Management Private Limited - Director 2. CredAvenue Private Limited – Managing Director 3. CredAvenue Securities Private; - Managing Director 4. Spocto Solutions Private Limited – Director	-	-
3	Ms. Namrata Kaul	13	1. Bhopal Smart City Development Corporation Limited - Director 2. Synergetics Mangement and Engineering		

			Consultants Private Limited - Director 3. CARE India Solutions for Sustainable Development 4. Prime Securities Limited - Director 5. Vivriti Asset Management Private Limited - Director 6. Schneider Electric Infrastructure Limited - Director 7. Prime Research and Advisory Limited - Director 8. Fusion Micro Finance Private Limited - Director 9. Prime Research And Advisory Limited 10. Healthium Medtech Limited - Director 11. Healthium Oem Private Limited – Additional Director 12. Quality Needles Private Limited - Additional Director 13. Havells India Limited – Additional Director		
4	Mr. Kenneth Dan Vander Weele	10	1. Sonata Finance Private Limited (India) - Director 2. Fusion Micro Finance Private Limited (India) – Nominee Director 3. Muthoot Microfin Limited (India) - Director 4. Creation Investments Social Ventures Fund I (USA)- Director 5. NOA Holdings NV-Holland 6. Creation Investments Social Ventures Fund II, LP (USA) - Director 7. Commercial Credit and Finance plc (Sri Lanka) - Director 8. Creation Investments Social Ventures Fund III, LP (USA) - Director		

			9. Creation Investments Social Ventures Fund IV, LP (USA) - Director 10. Vivriti Asset Management Private Limited - Director		
5	Mr. John Tyler Day	10	1. Kissandhan Agri Financial Services Private Limited - Director 2. North End Foods Marketing Private Limited - Director 3. OFB Tech Private Limited – Nominee Director 4. Vivriti Asset Management Private Limited - Nominee Director 5. VASTU HOUSING FINANCE CORPORATION LIMITED - Additional Director 6. CREDAVENUE PRIVATE LIMITED - Director 7. CISV INDIA PRIVATE LIMITED - Director 8. SOHAN LAL COMMODITY MANAGEMENT PRIVATE LIMITED - Director 9. Creation Impact Credit Fund (India), L.P. - Director 10. Shapos Services Private Limited - Nominee Director		
6	Mr. Kartik Srivatsa	14	1. Siddhi Vinayak Agri Processing Private Limited - Nominee Director 2. Waycool Foods And Products Private Limited - Director 3. Aye Finance Private Limited - Director 4. Ummeed Housing Finance Private Limited - Nominee Director		

			5. Vivriti Asset Management Private Limited - Director 6. Credavenue Private Limited - Director 7. Aapti-Episteme Research Foundation - Director 8. Lightrock Corporate Services Private limited - Director 9. Lithium Urban Technologies - Nominee Director Private Limited 10. Lightrock Investment Advisors Private Limited - Director 11. Be Well Hospitals Private Limited - Nominee Director 12. Vogo Automotive Private Limited – Nominee Director 13. Classklap Private Limited - Director 14. LGT Impact Investment Advisors India Private Limited – Whole Time Director		
7	Ms. Anita Belani	6	1. Foseco India Limited - Director 2. Redington (India) Limited - Director 3. Eternis Fine Chemicals Limited - Director 4. IDFC Financial Holding Company Limited – Nominee Director		

			5. IDFC Asset Management Company Limited – Associate Director 6. IDFC Limited – Independent Director		

Number of meetings of the board of directors held and dates on which held:

During the period under review, the Board of Directors met 9 times on the below given dates. The attendance of each Director in the respective meetings are provided below:

S. No.	Name of the Director	13-04-2021	28-04-2021	25-05-2021	06-08-2021	23-09-2021	10-11-2021	04-02-2022	21-03-2022	25-03-2022
1	Mr. Vineet Sukumar	Present	Present	Present	Present	Present	Present	Present	Present	Present
2	Mr. Gaurav Kumar	Present	Present	Present	Present	Present	Present	Present	Present	Present
3	Ms. Namrata Kaul	Present	Present	Present	Present	Present	Present	Present	Present	Present
4	Mr. Kenneth Dan Vander Weele	Present	Present	Present	Present	Present	Present	Present	Absent	Absent
5	Mr. John Tyler Day	Present	Present	Present	Present	Present	Present	Present	Present	Absent
6	Mr. Kartik Srivatsa	Present	Present	Absent	Present	Present	Present	Present	Absent	Present
7	Ms. Anita Belani	-	-	-	Present	Present	Present	Present	Present	Present

Disclosure of relationships between directors inter-se:

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

Core skills/expertise/competencies held by the Directors:

Corporate Governance disclosures as per Section 134 of the Companies Act, 2013 – Annexure VII FY 21-22

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

Name	Designation	Experience	Skills/expertise/competencies served to the Board
Vineet Sukumar	Managing Director	Vineet Sukumar is the co-founder and promoter of Vivriti Capital. He is also the Managing Director of the organisation. Until recently, Vineet was the Chief Financial Officer of IFMR Capital and the CEO of IFMR Investment Managers (wholly owned subsidiary of IFMR Capital). Prior to this, Vineet led key relationships at Standard Chartered Bank. Vineet has also worked with Tata Administrative Services and Tata Motors. Vineet has completed his master's degree in business administration from IIM Bangalore, and bachelor's degree in engineering from IIT Kharagpur.	Financial services, Treasury
Gaurav Kumar	Non-Executive Director	Gaurav Kumar is a director of Vivriti Capital. He also a Managing Director of CredAvenue Private Limited. Gaurav Kumar was one of the early-stage employees of IFMR Capital. In his last role, he was the Chief Business Officer and the CEO of IFMR Investment Advisor (a wholly owned subsidiary of IFMR Capital Private Limited). Gaurav has completed his master's degree in business administration from IRMA and bachelor's degree from Delhi University.	Financial services, Technology
Ken Wander Weele	Nominee Director	Mr. Vander Weele is the co-founder of Creation Investments and serves as the Chief Investment Officer. He is a founding board member Creation Investments Social Ventures Fund I and was instrumental in the establishment	Private equity, Financial Services

Corporate Governance disclosures as per Section 134 of the Companies Act, 2013 – Annexure VII FY 21-22

Name	Designation	Experience	Skills/expertise/competencies served to the Board
		of Creation Investments' model and pipeline. Prior to Creation Investments, Mr. Vander Weele was the President of the Investment Services Division at Opportunity International, a global microfinance network. Mr. Vander Weele held various positions with the network including Regional Vice President for Eastern Europe and Interim President for the network in the U.S, following the resignation of the CEO. Mr. Vander Weele received a Bachelor of Business Administration degree from the University of Wisconsin in Madison and a Ph.D. from the Open University of the U.K. He is a Certified Public Accountant.	
John Tyler Day	Nominee Director	Most recently, he was a Technical Advisor to the microfinance institution, Five Talents Uganda in Kampala, Uganda. Prior to that, he was a Financial Analyst in the mergers and acquisitions group at the investment banking firm Houlihan Lokey. Mr. Day received his Bachelor of Business Administration from the McCombs School of Business at the University of Texas at Austin, where he majored in Finance. Mr. Day has his Series 7 and Series 63 certifications.	Private equity, Financial Services
Namrata Kaul	Independent Director	Ms. Namrata Kaul has over 25 years of experience in Banking and Finance Industry. Her rich experience spans across Corporate and Investment Banking functions, Global Markets and Treasury. Ms. Namrata has served as the Managing Director and Head of Corporate Banking for Deutsche	Financial Services

Corporate Governance disclosures as per Section 134 of the Companies Act, 2013 – Annexure VII FY 21-22

Name	Designation	Experience	Skills/expertise/competencies served to the Board
		Bank, India. Ms. Namrata has also served in Strategic Leadership Team for Deutsche Bank Global Initiative "Home to Asia" to strengthen business flows to the bank.	
Kartik Srivatsa	Nominee Director	Mr. Kartik Srivatsa is the Managing Partner at LGT Lightstone Fund S.A, which provides patient capital and business-building support to world class entrepreneurs across four themes – Healthcare and Education, Clean Energy and Mobility, Food & Agriculture and Consumer Value Chains and Essential Digital goods & Financial Services. Prior, he was with Lightspeed Venture Partners, a global venture capital firm with over $2 billion under management, where he was a founding member of the India office. Earlier, he was a management consultant with McKinsey and Company. He received a BTech in Mechanical Engineering and MTech in Energy Technology both from the Indian Institute of Technology (IIT), Madras. He currently serves on the Boards of Capital Float, Waycool, SV Agri, Lithium, Aye Finance and EM3.	Private equity, Financial Services

Corporate Governance disclosures as per Section 134 of the Companies Act, 2013 – Annexure VII FY 21-22

Name	Designation	Experience	Skills/expertise/competencies served to the Board
Anita Belani	Independent Director	Ms. Anita Belani has significant experience of over 3 decades in Human Resource and Strategy orientation. Her experience includes consultation across sectors at Board / CEO levels in areas such as Org Transformation, Market Entry Strategy, Leadership, Strategy Clarification, CEO Succession & Culture Building. Ms. Anita has served as the Managing Director and India Head for Russel & Reynolds, an operating partner at Gaja Capital Partners, and has held senior roles at KPMG, Jardine Fleming, Sun Microsystems.	Human Resource

Change in Board & KMP Composition

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

S. No	Name of the Director/ KMP	Change in Designation	Date of Appointment/ change in designation	Date of Cessation
1	Mr. Shaik Irfan Mohammad Basha	Resignation as Chief Financial Officer	-	28.04.2021
2	Mr. Srinivasaraghavan B	Appointment as Chief Financial Officer	01.05.2021	-
3	Ms. Anita Belani	Appointment as Independent Director	07.05.2021	-
4	Mr. Gaurav Kumar	Change in designation from Managing Director to Non-executive Director	29.09.2021	-

ANNUAL BOARD EVALUATION AND INDEPENDENT DIRECTORS' MEETING

A formal annual evaluation of the Board of the Company was carried out by Ms. Namrata Kaul, and Ms. Anita Belani the Independent Directors, during the FY22. The evaluation was broadly carried out around effectiveness of Board and functioning, meetings and procedures, business strategy and risk management, Board communication and Committees.

Committee Meetings

1. Audit Committee:

    1.1 Composition:

Members	Designation
Ms. Namrata Kaul	Independent Director (Chairperson)
Mr. Vineet Sukumar	Managing Director
Ms. Anita Belani	Independent Director
Permanent Invitee/Observers:	
Mr. Gaurav Kumar	Non-executive Director
Mr. John Tyler Day	Nominee Director

    1.2 Brief description of terms of reference:

    The Audit Committee is a committee of the Board of Directors established in accordance with the Company's constitution and authorised by the Board to assist it in fulfilling its statutory, fiduciary and regulatory responsibilities. The terms of reference of the Audit Committee include the roles and responsibilities of the Committee and its functioning which inter alia includes all the statutory obligations.

    1.3 The Audit Committee met 5 times during the FY 21-22:

Name of Director Member	13-04-2021	28-04-2021	06-08-2021	10-11-2021	04-02-2022	Total
Mr. Vineet Sukumar	Present	Present	Present	Present	Present	5
Ms. Namrata Kaul	Present	Present	Present	Present	Present	5
Ms. Anita Belani	-	-	Present	Present	Present	3

2. Nomination and Remuneration Committee:

    2.1 Composition:

Members	Designation
Mr. Gaurav Kumar	Non-executive Director
Mr. Kenneth Vander Weele	Nominee Director
Ms. Namrata Kaul	Independent Director

Corporate Governance disclosures as per Section 134 of the Companies Act, 2013 – Annexure VII FY 21-22

Ms. Anita Belani	Independent Director (Chairperson)*
Permanent Invitee/Observer:	
Mr. Vineet Sukumar	Managing Director

*Note: During the year Ms. Namrata Kaul had stepped down as Chairperson of the Nomination and Remuneration Committee and Ms. Anita Belani was appointed in her place as the Chairperson w.e.f. 6th August 2021 as approved by the Board.

2.2 Brief description of terms of reference:

The Committee shall formulate the policy for determining qualifications, positive attributes and independence of Director and the remuneration to them, Key managerial personnel (hereinafter referred as the "KMP") and other employees and related aspects.

2.3 The Nomination and Remuneration Committee met 4 times during the FY 21-22:

Name of Director Member	28-04-2021	06-08-2021	10-11-2021	04-02-2022	Total
Mr. Gaurav Kumar	Present	Present	Present	Present	4
Ms. Anita Belani	-	Present	Present	Present	3
Ms. Namrata Kaul	Present	Present	Present	Present	4
Mr. Kenneth Dan Vander Weele	Present	Present	Present	Present	4

2.4 Performance Evaluation Criteria for Independent Directors

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

3. Risk Management Committee:

3.1 Composition:

Members	Designation
Mr. Gaurav Kumar	Non-executive Director
Mr. John Tyler Day	Nominee Director
Ms. Namrata Kaul	Independent Director (Chairperson)
Ms. Anita Belani	Independent Director
Mr. Vineet Sukumar	Managing Director

3.2 Brief terms of reference:

The Risk Committee is a committee of the Board, appointed to assist the Board in assessing the effectiveness of risk management practices followed by the Company through-

- Oversight of Risk Policy
- Review of changes to Company's risk profile
- Oversight of the Credit Committee – performance, decisions and minutes of meetings
- Oversight of Company's compliance to its stated risk appetite

3.3 The Risk Committee met 5 times during the FY 21-22:

Name of Director Member	28-04-2021	06-08-2021	28-09-2021	10-11-2021	04-02-2022	Total
Mr. Gaurav Kumar	Present	Present	Present	Present	Present	5
Mr. Vineet Sukumar	Present	Present	Present	Present	Present	5
Ms. Anita Belani	-	Present	Present	Present	Present	4
Ms. Namrata Kaul	Present	Present	Present	Present	Present	5
Mr. John Tyler Day	Present	Present	Present	Present	Present	5

4. IT Strategy Committee:

4.1 Composition:

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

4.2 Brief description of terms of reference:

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

4.3 The IT Strategy Committee met 4 times during the FY 21-22:

Name of Director Member	28-04-2021	06-08-2021	10-11-2021	04-02-2022	Total
Mr. Gaurav Kumar	Present	Present	Present	Present	4
Mr. Vineet Sukumar	Present	Present	Present	Present	4
Ms. Namrata Kaul	Present	Present	Present	Present	4
Mr. John Tyler Day	Present	Present	Present	Present	4

5. Corporate Social responsibility (CSR) Committee

5.1 Composition

Members	Designation
Mr. Gaurav Kumar	Non-executive Director
Mr. Vineet Sukumar	Managing Director
Ms. Namrata Kaul	Independent Director (Chairperson)
Ms. Anita Belani	Independent Director

5.2 Brief description of terms of reference

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

5.3 The CSR Committee met 2 times during the FY 21-22

Corporate Governance disclosures as per Section 134 of the Companies Act, 2013 – Annexure VII FY 21-22

Name of Director Member	28-04-2021	04-02-2022	Total
Mr. Gaurav Kumar	Present	Present	2
Mr. Vineet Sukumar	Present	Present	2
Ms. Namrata Kaul	Present	Present	2
Ms. Anita Belani	-	Present	1

6. IT Steering Committee

6.1 Composition

Members	Designation
Mr. Gaurav Kumar	Non-executive Director
Mr. Vineet Sukumar	Managing Director
Mr. Prasenjit Datta	Chief Technology Officer and Chief Information Officer

6.2 Brief description of terms of reference

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

7. Other Committees

7.1 Asset Liability Committee (ALCO):

The Asset Liability Committee was established by the Board of Directors of the Company for assisting the Board in oversight of the Company's liquidity and interest rate risk profiles. The Chairperson shall be elected at each meeting of the Committee. The Committee had comprised of two Managing Directors at the beginning of the year. During the period under review, due to the change in designation of Mr. Gaurav Kumar from Managing Director to Non-executive Director, the committee composition was revised w.e.f. 10th November 2021 as follows:

Corporate Governance disclosures as per Section 134 of the Companies Act, 2013 – Annexure VII FY 21-22

Sl. No.	Name	Designation
1	Vineet Sukumar	Managing Director
2	Srinivasaraghavan B	Chief Financial Officer of the Company
3	Hemang Lalit Mehta	Group Head - Risk

The ALCO met 34 times during the year under review. The Committee shall on annual basis review its performance under its Charter.

7.2 Borrowing Committee

The Borrowing Committee was established by the Board of Directors of the Company for assisting the Board in oversight of the Company's fund-raising activities. The Chairperson shall be elected at each meeting of the Committee. The Committee had comprised of two Managing Directors at the beginning of the year. During the period under review, due to the change in designation of Mr. Gaurav Kumar from Managing Director to Non-executive Director, the committee composition was revised w.e.f. 10th November 2021 as follows:

Sl. No.	Name	Designation
1	Vineet Sukumar	Managing Director
2	Srinivasaraghavan B	Chief Financial Officer of the Company

The Committee met 69 times during the year under review and accorded its approval to various proposals for availing financial assistance from other lenders and to approve issuance and allotment of non-convertible debentures and commercial paper by the Company.

Details of Remuneration to Directors

1. Remuneration to Executive Directors

The details of the remuneration paid to Mr. Vineet Sukumar, and Mr. Gaurav Kumar, Managing Directors of the Company, during the financial year 2021-22 is as under:

Sl.No	Particulars of Remuneration	Mr. Vineet Sukumar Managing Director (INR.)	Mr. Gaurav Kumar Managing Director* (INR.)
1	**Gross salary**		

Corporate Governance disclosures as per Section 134 of the Companies Act, 2013 – Annexure VII FY 21-22

	(a) Salary as per provisions contained in section 17(1) of the Income Tax. 1961.	2,92,18,746	2,41,35,068
	(b) Value of perquisites u/s 17(2) of the Income tax Act, 1961	-	
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	Nil	Nil
2	Stock option	-	
3	Sweat Equity	-	
4	Commission	-	
	as % of profit	-	
	others (specify)	-	
5	Others, please specify	-	
	Total (A)	2,92,18,746	2,41,35,068

*Note: During the year under review, Mr. Gaurav Kumar was re-designated as Non-executive Director of the Company, w.e.f. 29th September 2021 from his erstwhile position as Managing Director. Since his change in designation, he did not draw any remuneration and doesn't hold any pecuniary relationship other than being shareholder in the Company.

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

Sl. No	Particulars of Remuneration	Name of the Directors			Total Amount
1	Independent Directors	Namrata Kaul	Anita Belani	-	
	(a) Fee for attending board committee meetings	11,00,000	9,00,000	-	20,00,000
	(b) Commission	-	-	-	-
	(c) Others, please specify	-	-	-	-
	Total	11,00,000	9,00,000		20,00,000

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

General Body meetings:

Annual General meeting:

Date	Time	Venue	Special Resolutions passed
17th August 2021	5.00 pm	Through Video Conferencing mode Regd. Office Address: 12th FLOOR, PRESTIGE POLYGON,	-

		NO. 471, ANNASALAI, NANDANAM CHENNAI TN 600035	

Attendance at the AGM

Sl. No.	Name	Mode of Participation
1	Gaurav Kumar	Video Conferencing mode
2	Vineet Sukumar	Video Conferencing mode
3	Namrata Kaul	Video Conferencing mode
4	John Tyler Day	Absent
5	Kenneth Dan Vander Weele	Video Conferencing mode
6	Kartik Srivatsa	Absent
7	Anita Belani	Absent

Additional disclosures required under LODR Regulations:

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

Date	Time	Venue	Special Resolutions passed
30th May 2020	5.30 pm	12th FLOOR, PRESTIGE POLYGON, NO. 471, ANNASALAI, NANDANAM CHENNAI TN 600035	1. To approve the revised borrowing limits 2. To approve revised borrowing limits through issue of Debentures 3. To approve the borrowing limits through issue of Commercial Paper 4. To approve creation of Security cover as per Sec 180 (1) (a) 5. To approve adoption and implementation of Vivriti Employee Stock Option Plan 2020 6. To approve the grant of option to identified employees during any one year, equal to or exceeding 1 percent of the issued capital of the Company at the time of grant of option 7. To approve granting of loan to Vivriti ESOP Trust

Corporate Governance disclosures as per Section 134 of the Companies Act, 2013 – Annexure VII FY 21-22

			8. To approve the grant of option to identified employees of the Subsidiaries Company 9. To approve appointment of Mr. Kartik Srivatsa, having DIN 03559152 as Nominee Director (Non-executive) of the Company
22nd April 2019	6.00 pm	12th FLOOR, PRESTIGE POLYGON, NO. 471, ANNASALAI, NANDANAM CHENNAI TN 600035	1. To approve increase in borrowing limits 2. To approve issuance of Non-Convertible Debentures 3. To approve Vivriti Employee Stock Option Plan 2019 and grant of employee stock options to employees of the Company thereunder 4. To approve for increase in authorized capital by amending Memorandum of Association 5. To approve the issue of Compulsorily Convertible Preference Shares

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

Extra-Ordinary General Meeting:

During the year under review, there were 6 Extra-Ordinary General meetings held on 16-04-2021, 07-05-2021, 26-05-2021, 30-09-2021, 22-03-2022 and 25-03-2022 respectively.

Other Disclosures:

a. Adherence to Accounting Standards

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

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

Corporate Governance disclosures as per Section 134 of the Companies Act, 2013 – Annexure VII FY 21-22

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

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

Investor Grievances

Ms. Amritha Paitenkar, Company Secretary of the Company is the Compliance Officer for the purpose of the SEBI (LODR). There were no investor complaints pending as at March 31, 2022.

Means of communication

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

GENERAL SHAREHOLDER INFORMATION

5th Annual General Meeting

Day and Date: Thursday, September 22, 2022

Time: 12.30 pm

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

Financial Year: April 1, 2021 to March 31, 2022

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

Listing on stock exchanges:

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

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

Annual listing fees, as prescribed, have been paid to the said stock exchanges up to March 31, 2022.

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

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

Corporate Governance disclosures as per Section 134 of the Companies Act, 2013 – Annexure VII FY 21-22

Suspension of Securities from trading - During the FY 2021-22, debt listed securities of the Company were not suspended from trading except due to operational reasons, on account of delisting of respective ISINs post maturity, from time to time.

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

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

Distribution of shareholding -

a. List of Equity Shareholders as on March 31, 2022

Name	Number of shares held	Shareholding percentage (%)
Gaurav Kumar	49,00,000	30.01
Vineet Sukumar	49,00,000	30.01
Aniket Satish Deshpande	5,51,000	3.37
Soumendra Nath Ghosh Equity	5,51,000	3.37
Shaik Mohammed Irfan Basha	5,09,550	3.12
Vivriti ESOP Trust	38,04,325	23.30
Creation Investments India III, LLC	100	0.00
Lightrock Growth Fund I S.A., SICAV-RAIF (Formerly Lightstone Fund S.A.)	100	0.00
LR India Holdings Ltd.	100	0.00
Namrata Kaul	1,15,161	0.71
Sridhar Srinivasan	1,15,161	0.71
Sanjiv Malhotra	1,15,161	0.71
Narayan Ramachandran	1,15,161	0.71
Kalpa S Mehta and Shailesh J Mehta (Joint Holders)	2,25,000	1.38

Corporate Governance disclosures as per Section 134 of the Companies Act, 2013 – Annexure VII FY 21-22

Others – Equity shares	4,24,935	2.60
Total	**1,63,26,754**	**100.00**

b. List of Compulsorily Convertible Preference Shareholders as on March 31, 2022

Name	Number of shares held	Shareholding percentage (%)
Creation Investments India III LLC	6,41,24,177	73.44
Lightrock Growth Fund I S.A., SICAV-RAIF (Formerly Lightstone Fund S.A.)	1,15,93,166	13.28
Financial Investments SPC (affiliate of LGT)	1,00,77,113	11.54
LR India Holdings Ltd.	15,15,954	1.74
Total	**8,73,10,410**	**100.00**

c. List of Optionally Convertible Redeemable Preference Shareholders as on March 31, 2022

Name	Number of shares held	Shareholding percentage (%)
Gaurav Kumar	4,05,701	50.00
Vineet Sukumar	4,05,701	50.00
Total	**8,11,402**	**100.00**

Dematerialization of shares and liquidity –

As on March 31, 2022, the total equity capital of the Company was held in dematerialised form with National Securities Depository Limited and Central Depository Services (India) Limited, except the shares held by Lightrock Growth Fund I S.A., SICAV-RAIF ("LGF") (Formerly Lightstone Fund S.A.), Financial Investments SPC (affiliate of LGF) and LR India Holdings Ltd. which were held in physical form.

As the equity shares of the Company are not listed on the Stock Exchange, the shares were not traded on the Stock Exchange. The Company had outstanding of Compulsorily Convertible Preference shares("CCPS") and Optionally Convertible Redeemable Preference shares ("OCRPS") as at end of the financial year. The details of such holdings are provided under 'Distribution of Shareholding' para above. Further, the conversion period for CCPS, being issued in multiple tranches shall be determined from the respective closing dates of such CCPS and the same shall convert into proportionate number of equity shares as per the agreed terms of Shareholder's Agreement ("SHA"). Such conversion will impact into brining changes to the shareholding pattern as or the SHA terms. Also, OCRPS held by founders as on FY22, were fully paid and converted into equity shares on 28th April 2022. However, such conversion did not have much impact on the equity shareholding of the Company.

Corporate Governance disclosures as per Section 134 of the Companies Act, 2013 – Annexure VII FY 21-22

Outstanding Global Depository Receipts ("GDRs")/American Depository Receipts ("ADRs")/Warrants or any Convertible Instruments, Conversion Date and likely impact on equity - As on March 31, 2022, the Company did not have any outstanding GDRs/ADRs/Warrants or any Convertible Instruments.

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

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

Address for correspondence – The Registered Office of the Company for Financial Year 2021-22 shall be 2nd Floor, Prestige Polygon, No. 471, Annasalai, Nandanam, Chennai TN 600035. Further, the address for correspondence shall be Prestige Zackria Metropolitan No. 200/1-8,2nd Floor, Block -1, Annasalai, Chennai – 600002.

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

Credit Rating Agency	Instrument	Ratings	Rated Amount (INR) Crores
ICRA	Non-convertible debenture – Structured	PP-MLD[ICRA]AA+(CE) (Stable)	175
	Non-convertible debenture – Structured	[ICRA]AA+(CE) (Stable)	46.49
	Non-Convertible Debenture – Structured	PP-MLD [ICRA]A- (Positive)	81
	Non-convertible Debentures	[ICRA]A- (Positive)	438
	Long Term – Bank Facilities	[ICRA]A- (Positive)	1,100
CARE	Non-Convertible Debenture – Structured	CARE PP-MLD A; Stable	500
	Commercial Paper	CARE A1	150
	Non-Convertible Debentures	CARE A; Stable	400
	Long Term – Bank Facilities	CARE A; Stable	1500

Disclosures on materially significant related party transactions that may have potential conflict with the interests of listed entity at large – Not applicable

Details of non-compliance by the listed entity, penalties, strictures imposed on the listed entity by stock exchange(s) or the board or any statutory authority, on any matter related to capital markets, during the last three years – The Company had received an email from BSE Ltd regarding non-disclosure of certain information in its financial results/statements. However, the Company had clarified on the said matter and since then the same is pending for closure at BSE's end.

Corporate Governance disclosures as per Section 134 of the Companies Act, 2013 – Annexure VII FY 21-22

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

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

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

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

Certificate from a company secretary in practice that none of the directors on the board of the company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority - The Company was classified as a High Value Debt Listed Entity ('HVDLE') during the FY22. Accordingly, regulation 15 to 27 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('LODR Regulations') became applicable on a 'comply or explain basis' till FY23. Accordingly, the Company will obtain the certificate from FY23 onwards and include it as part of its Annual report. Additionally, for this year, the members are informed that Secretarial Compliance Report declares that none of the directors were disqualified or disbarred from being appointed or continuing as director of the Company.

Where the board had not accepted any recommendation of any committee of the board which is mandatorily required, in the relevant financial year, the same to be disclosed along with reasons thereof - During the reporting period FY21-22, the Board has accepted all the recommendations made by its Committee(s), from time to time.

Fees paid to Statutory Auditor –

S. No.	Particulars	Amount (in Lakhs)
Vivriti Capital Private Limited		
1.	Fee as Statutory Auditors	57.00
2.	Fee for other services	3.00
Vivriti Asset Management Private Limited ('Subsidiary')		
1.	Fee as Statutory Auditors	10.00
2.	Fee for Tax Audit	0.50

Corporate Governance disclosures as per Section 134 of the Companies Act, 2013 – Annexure VII FY 21-22

CredAvenue Private Limited ('Subsidiary')		
1.	Fee as Statutory Auditors	30.00

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

'Loans and advances in the nature of loans to firms/companies in which directors are interested by name and amount' –

The Company had provided a term loan of INR. 5.5 Crores to Vivriti Asset Management Private Limited, Subsidiary of the Company having common directors, during the FY 21-22 at arm's length basis. Further the said loan was fully repaid along with interest during the financial year.

Non-compliance of any requirement of corporate governance report of sub-paras (2) to (10) above, with reasons thereof shall be disclosed - The Company was classified as a High Value Debt Listed Entity ('HVDLE') during the FY22. Accordingly, regulation 15 to 27 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('LODR Regulations') became applicable on a 'comply or explain basis' till FY23. The Company has complied with the provisions to the extent possible and have provided adequate disclosures in this report containing reasons, wherever it is yet to adopt any provision.

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

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

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

Compliance certificate on Corporate Governance – The Company was classified as a High Value Debt Listed Entity ('HVDLE') during the FY22. Accordingly, regulation 15 to 27 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('LODR Regulations') became applicable on a 'comply or explain basis' till FY23. Accordingly, the Company will obtain the certificate from FY23 onwards and include it as part of its Annual report.

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

Code of conduct of Board of Directors and Senior Management –

The Company was classified as a High Value Debt Listed Entity ('HVDLE') during the FY22. Accordingly, regulation 15 to 27 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('LODR Regulations') became applicable on a 'comply or explain basis' till FY23 and the detailed status is provided in Annexure IX. The Company has adopted a Code of Conduct for Board of Directors and Senior Management in its Board meeting dated 4th February 2022.

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

Company correspondence

Vivriti Capital Private Limited
Name: P S Amritha, Company Secretary & Compliance Officer
Address: Prestige Zackria Metropolitan No. 200/1-8,2nd Floor, Block -1,
Annasalai, Chennai – 600002
Tel: +91 44 4007 4811
Website: https://www.vivriticapital.com/home.html
Email: vcpl.compliance@vivriticapital.com

Registrar and Share Transfer Agent

Integrated Registry Management Services Private Limited
Address: 5A, 5th Floor, Kences Towers, 1, Ramakrishna Street, T. Nagar, Chennai-600 017
Tel: 022 - 4066 1800 / 2287 4675 / 2287 4676; Fax: N.A.
Website: http://www.integratedindia.in
Email: yuvraj@integrated.india.in

Debenture Trustees

Catalyst Trusteeship Limited
Address: GDA House, Plot No. 85, Bhusari Colony (Right), Kothrud, Pune-411038
Tel. No.: +91 22 4922 0555
Contact person: Deesha Trivedi
Email: deesha.trivedi@ctltrustee.com

Axis Trustee Services Limited

Corporate Governance disclosures as per Section 134 of the Companies Act, 2013 – Annexure VII FY 21-22

Address: The Ruby I 2nd Floor I SW I 29 Senapati Bapat Marg I Dadar west, Mumbai – 400 028
Tel. No.: +91 22 62300436
Contact person: Shreya Singhal
Email: shreya.singhal@axistrustee.in

IDBI Trusteeship Limited
Address: Asian Building, Ground Floor, 17, R. Kamani Marg, Ballard Estate, Mumbai – 400 001
Tel. No.: +91 22 40807062
Contact person: Sheetal Mehta
Email: sheetal@idbitrustee.com

Annexure VIII – AOC-1 FY 21-22

FORM AOC – 1

Statement containing salient features of the financial statement of subsidiaries/associate companies/joint

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Part "A": Subsidiaries

Subsidiary No.1:

(Amount in Lakhs)

Sl. No.	Particulars	Details
1	Name of the Subsidiary	Vivriti Asset Management Private Limited
2	CIN	U65929TN2019PTC127644
3	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	NA
4	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	NA
5	Share capital	INR 2,409.97
6	Reserves & Surplus	INR 6,938.01
7	Total Assets	INR 10,969.75
8	Total Liabilities	INR 1,621.77
9	Investments	INR 5,195.97
10	Turnover	INR 1,013.28
11	Profit before taxation	INR (2,720.61)
12	Tax expense	INR 137.79
13	Profit after taxation	INR (2,582.82)
14	Proposed Dividend	Nil
15	Percentage of shareholding	75.54%

Subsidiary No.2:

(Amount in Lakhs)

Sl. No.	Particulars	Details
1	Name of the Subsidiary	CredAvenue Private Limited
2	CIN	U72900TN2020PTC137251
3	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	NA
4	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	NA
5	Share capital	INR 19,875.21
6	Reserves & Surplus	INR 1,49,904.34
7	Total Assets	INR 1,89,520.99
8	Total Liabilities	INR 19,741.44
9	Investments	INR 79,217.21

Annexure VIII – AOC-1 FY 21-22

10	Turnover	INR 15,320.94
11	Profit before taxation	INR (5,748.87)
12	Tax expense	INR 217.07
13	Profit after taxation	INR (5,531.80)
14	Proposed Dividend	Nil
15	Percentage of shareholding	50.52%

Note: Pursuant to IND-AS 110, the financial statements of CredAvenue Private Limited (CAPL) have been consolidated considering it as a subsidiary only for 6-month period i.e., till September 2021, post which, it was consolidated as an associate company, on account of loss of control. However, pursuant to Companies Act, 2013, and SEBI (LODR) Regulations, 2015 CAPL continues to be a subsidiary of the Company for the entire Financial Year 2021-22 and is being disclosed under this section accordingly.

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

PART "B": ASSOCIATES

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

NIL

Sl. No.	Particulars	Details
1	Name of the Associate / Joint Venture	NA
2	CIN	NA
3	Latest Audited Balance Sheet Date	NA
4	Share of Associates held by the Company on the year end	NA
	Amount of Investment in Associates	NA
	Percentage of Holding	NA
5	Description of Significant Influence	NA
6	Net worth attributable to Shareholding as per latest audited Balance Sheet	NA
7	Loss for the year considered in Consolidation	NA

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

Particulars	**Regulation Number**	**Compliance status (Yes/No/NA)** refer note below
Independent director(s) have been appointed in terms of specified criteria of 'independence' and / or 'eligibility'	16(1)(b) & 25(6)	Yes
Board composition	17(1), 17(1A) & 17(1B)	No. The Company is in the process of identifying suitable Independent Director to have requisite strength of the Board as independent as specified in the Reg 17(1)(b).
Meeting of board of directors	17(2)	Yes
Quorum of board meeting	17(2A)	Yes
Review of Compliance Reports	17(3)	Yes
Plans for orderly succession for Appointments	17(4)	No. Company is in the process of adopting the succession planning policy
Code of Conduct	17(5)	Yes
Fees/compensation	17(6)	Yes
Minimum Information	17(7)	Yes, ongoing process*
Compliance Certificate	17(8)	Will be submitted FY23 onwards*
Risk Assessment & Management	17(9)	Yes
Performance Evaluation of Independent Directors	17(10)	Will be carried out for FY23*
Recommendation of board	17(11)	Yes
Maximum number of directorship	17A	Yes
Composition of Audit Committee	18(1)	Yes
Meeting of Audit Committee	18(2)	Yes
Composition of Nomination & Remuneration Committee	19(1) & (2)	The Company is in the process of identifying suitable Independent Director to have the required composition.
Quorum of Nomination and Remuneration Committee meeting	19(2A)	Yes
Meeting of Nomination & Remuneration Committee	19(3A)	Yes
Composition of Stakeholder Relationship Committee	20(1), 20(2) and 20(2A)	Company will constitute the Stakeholders Relationship

		Committee during FY23.*
Meeting of Stakeholder Relationship Committee	20 (3A)	Same as above*.

**Note: The Company was not required to comply with regulation 16 to 27 for FY 2020-21. However, during the FY 2021-22 (February 2022), the Company was classified as a high value debt listed entity pursuant to SEBI (Listing Obligations and Disclosure Requirements) (Fifth Amendment) Regulations, 2021 w.e.f. 7.9.2021 and was accordingly required to adhere with above mentioned regulations on a 'comply or explain' basis till FY 2022-23. The Company is in compliance with most of the provisions except for the matters indicated above, which shall be implemented/executed in FY23.*

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DECLARATION BY THE MANAGING DIRECTOR

In accordance with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, I hereby confirm that, all the Directors and Senior Management Personnel of the Company have affirmed compliance to the Code of Conduct for the financial year ended March 31, 2022.

For and on behalf of Vivriti Capital Private Limited

For VIVRITI CAPITAL PRIVATE LIMITED

Managing Director

VIVRITI CAPITAL PRIVATE LIMITED CHENNAI 600 002

Vineet Sukumar
Managing Director
DIN: 06848801
Place: Chennai
Date: 27.05.2022

Management Discussion and Analysis report

- ### Industry structure and developments

  - Macroeconomic view

The financial year FY22 started with the onset of a massive covid second wave amid mass vaccination drives across the country. When the economy appeared to be opening up, the market recovery was globally rattled by the Omicron variant. While it did disrupt economic activity, the impact was relatively lower and had visible signs of the economy rebounding at a quicker pace. In 2021-22, the key focus of the monetary and fiscal policies of the world was to mitigate the impact of the pandemic and escalating geopolitical risks. And to maintain stabilization of inflation progressively while ensuring a marginal effect on the growth. The geopolitical tensions had exacerbated when the global economy was grappling with a sharp rise in inflation and consequent monetary policy normalization in major advanced economies. Commodity price inflation has surged rapidly, impacting vulnerable populations in low-income countries hardest. The IMF has projected 8.2 GDP growth for India in 2022-23, compared to 3.7% for the US, 4.4% for China, and (8.5%) for Russia. The IMF projection of India's 8.2% GDP growth is 0.8% lower than its earlier projection. Despite the revision, India will remain the world's fastest-growing major economy.

The global macroeconomic outlook is highly volatile and undergoing a massive shift. The global growth is forecasted to slow from an estimated 6.1% in 2021 to 3.6% in 2022 and 2023. This is 0.8% and 0.2% lower for 2022 and 2023 than the forecasted numbers. The policies have been pre-emptive and re-calibrated dynamically to the evolving perspective while also increasing the business confidence and supporting revival in economic activity. The regulators might continue to adopt a nuanced approach to liquidity management while maintaining adequate liquidity in the system.

  - Industry specific updates

Despite the pandemic deeply impacting the Non-banking financial companies (NBFCs) sector in 2020 and the industry has shown resilience over the last few years and is expected to witness continued momentum in growth this year. The growth in FY23 will be driven by the economy, more robust balance sheets, higher provisions, and improved capital positions of NBFCs. The industry faced severe disruptions during and in the wake of the nationwide lockdown, leading to a standstill of economic activity and a contraction of Gross Domestic Product (GDP) by 24.4 percent in Q1 FY21. As the impact on the real sector spilled over to financial markets, NBFCs witnessed a sharp drop in collections and disbursements and a substantial increase in the cost of their borrowings even as access to market funding became restricted. The provision of a moratorium also impacted their cash inflows, resulting in reduced collections. Monetary, fiscal, and regulatory policies and the Government aided their revival, eased financial conditions, and bolstered market sentiments in the last year. Relief measures from Government and RBI from time to time provide government guarantees and loan interest loans such as Targeted Long Term Repo Operations (TLTRO 2.0), Special Liquidity Scheme (SLS), Partial Credit Guarantee Scheme (PCGS), Moratorium, Restructuring supported credit flow and liquidity relief to the NBFC sectors.

From the beginning of FY22 onwards, the situation improved, aided by policy support. The core strength of NBFCs continues to include an underserved customer base, strong distribution, and servicing reach at a quicker pace with a higher risk appetite. Many NBFCs also re-calibrated their business strategies, leveraging digital technology with a strong emphasis on data analytics. Leading firms continue to make significant investments in digital and analytics capabilities across functions as they scale up.

The Indian NBFC sector has also been shifting towards retail loans and loans to the service sector, and micro, small and medium enterprises (MSMEs) from the earlier focus on corporate sector advances. The growing number of fintech companies drives critical disruptions in the market. The product offerings by the new-age fintechs are a step towards bridging the credit gap in the country with a focus on sub-prime and new-to-credit customers, categories that traditional banks do not cater to. The industry has entered a new business landscape wherein it needs to continuously strive to innovate and add new products to its toolkit.

Globally, private equity continued to drive growth in private markets. Fundraising rebounded across regions, and global totals fell short of the pre-pandemic peak established in 2019. AUM reached an all-time high of $6.3 trillion in 2021-22, driven primarily by asset appreciation within portfolios. With a pooled IRR of 27 percent in 2021, private equity (PE) was the highest-performing private markets asset class.

A new set of risks emerged at the beginning of 2022 with the potential to undermine growth and performance. As we inch towards the endemic, the outlook is brightening again; however, downside risks due to the ongoing geopolitical tensions remain significant. Geopolitical uncertainties, higher inflation, interest rates, and supply chain and labor challenges have increased volatility in the new year.

Regulations have continued to develop in the NBFC space. RBI regulations over 2022 and 2023 till date covered co-origination arrangements, ability of NBFCs to issue credit cards, a complete revamp in microfinance regulations, an updated NBFC master direction and HFC regulations, as well as scale-based regulations. It will take some time for the impact of these changes to become apparent.

- ## Opportunities and Threats

    - ### Opportunities

- The Company raised INR 317 Cr of equity as part of the first tranche of Series C funding in March 2022 and concluded the second tranche of INR 230 Cr subsequently in May 2022. The Company ended the financial year with PAT of INR 67.4 Cr, i.e., 2.3x Y-o-Y growth. Equity raise amidst a challenging macro environment underscores the confidence and validates the business model, signifying the Company is well-placed to meet the scale-up goals.
- Given the recent capitalization and the consistent positive outlook on the Company's profile, a rating upgrade is expected, which would aid the Company in accessing a larger pool of funds.
- Last year saw substantial activity in the startup ecosystem in the country, where there was significant capital of over US $30 bn from investors across domestic and international markets. The country doubled its unicorn tally unprecedentedly by adding 40+ unicorns during the year.
- Post the pandemic, Government has taken several initiatives under Aatma Nirbhar Bharat Abhiyan to support the MSME Sector in the country including the extension of Emergency Credit Line Guarantee Scheme (ECLGS) up to March 2023.

- Threats

- The economic effects of the geopolitical uncertainties such as rising inflation and public debt, currency dip, trade tensions, commodity shortage, and asset price volatility might compound the global economic slowdown.
- Monetary policy tightening in the country, including the recent repo rate increase of 40 basis points, could be further revised due to the current inflation rise cycle.

• Segment–wise and product-wise performance

Gross loan disbursements during the year were tripled from the previous year at INR 7,204 Cr in FY21-22 as against INR 2,034 Cr in FY20-21. The Company has increased our total client base to 250+ mid-market enterprises while onboarding 50+ new clients across sectors. The Company partnered with 20+ co-lending partners and 15+ anchors for supply chain programs and increased the retail borrower base to 1 Mn. The Company substantially expanded its presence across 46 sectors adding 20+ sectors during the year with an increased focus on ESG like renewable energy, agri and much more.

Further, the Company focused on scaling up its retail products to make the book more granular and diversified. Vivriti Capital had a collection efficiency of 99.7% as of 31st March 2022, which indicates the stellar asset quality.

Segment Wise Split:

Products	AUM (In Cr)	% of AUM
Enterprise lending products	2,431	63%
Retail products	1,401	37%

The Company's liquidity position has enormously improved with 50+ strong relationships as of date while adding 16 new lenders during the year. Lenders have taken higher exposure throughout the year in the Company. New products like ECB were onboarded during the year, such as covered MLD issuance to HNI investors, securitization transactions of pass-through certificates, and direct assignments were concluded, totalling debt raise of INR 2,832 Cr.

Borrowing Product Wise:

Products	Borrowing (In Cr)	% of Debt
Term Loan	2,156	66%
NCD (incl MLD)	971	30%
WCDL	50	2%
CP	85	3%

- ## Outlook

The Company aims to continue growing its exposure in retail finance with substantial growth across retail. The Company also expects steady growth in its enterprise lending business and intends to significantly increase its client base and add new ESG compliant sectors. With the number of COVID cases drastically coming down, we expect no significant impact on the asset quality owing to the pandemic. We expect profits to grow steadily with a higher asset base, lower cost of funding, controlled credit cost, and operating expenses. Rising inflation and tightened monetary policies could have a consequential impact due to the ongoing geopolitical tensions.

- ## Risks and concerns

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

- *Specialization with centralized decision making:* Strong credit and risk team, presenting independent views on each new onboarding. For retail loans, independent views are required above a specific threshold only. All approval decisions are centralized with the Credit Committee or the Credit Subcommittee (thresholds for retail).
- *Technology and policies:* Leveraging technology to assess the client including independent external data sources. VCPL policies restrict maximum exposure size thereby leading to granular portfolio at a client level as well as sector level.
- *Board Overview:* Risk management committee chaired by an Independent Director closely oversees the lending book and portfolio management. The risk management committee reviews the risk management framework and risk appetite of the Company, examines the adequacy and effectiveness of the risk management policy, and ensures appropriate and adequate reporting to the Board with recommendations. The committee identifies risk on an ongoing basis, measures its potential impact against a broad set of assumptions, activates what is necessary to manage these risks proactively, and decides the Company's appetite and tolerance for risk.

In addition, the internal audit report is presented to the Board as well.

- ## Internal control systems and their adequacy

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

The Company has appointed PWC as its independent internal auditor. PWC conducts quarterly internal audits of crucial functions evaluating completeness and adequacy of internal financial controls of the Company and presents its findings and recommendations to the Audit Committee, which an Independent Director chairs. This report is shared with the Statutory auditor of the Company.

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

The company reported strong financial results for FY 2022:

P&L Statement	**Mar-22 INR Cr**	**Mar-21 INR Cr**
Total Income	**352**	**225**
Interest Income	323	201
Interest Cost	199	94
Provision for Doubtful Debts	15	30
OPEX Expenses	47	61
Profit Before Tax	**91**	**41**
Profit After Tax	**67**	**30**

Balance Sheet	**Mar-22 INR Cr**	**Mar-21 INR Cr**
Equity	**1,196**	**797**
Liabilities	**3,587**	**1,398**
Borrowings	3,550	1,368
Total Equity and Liabilities	**4,783**	**2,195**
Assets		
Cash & cash equivalents	753	233
Loans	2,961	1,620
Investments	985	294
Other Assets	84	47
Total Assets	**4,783**	**2,195**

- Profitability for FY22 is 2.3x profit of FY21 due to the increase in the total client base to 250+ mid-market enterprises with the disbursal increase of 177%. This has been achieved with 77% provision coverage ratio, resulting in 0.07% NNPA.
- Asset quality through the year has been consistently well-maintained with GNPA of 0.3%

- Equity capital of INR 317 Cr was raised as part of first tranche of Series C funding in March 2022. The Company closed the year with a comfortable, unencumbered cash position of INR 753 Cr post the equity raise.
- Currently investment in subsidiaries is capped at 10% of Net worth of Vivriti Capital.

Material developments in Human Resources / Industrial Relations front, including number of people employed:

During the year, 89 personnel joined the Group at various levels, out of which ~20% were senior hires across teams. This ensured that there was a high-performing, cohesive team in place to drive and support the growth and objectives of the Group.

Towards the end of the year, Vivriti Capital had also infused capital into its existing subsidiary – Vivriti Asset Management post the Series C equity raise. The Company will utilize the capital infusion for business expansion in domestic and international markets, technology for customer acquisition, product delivery, and portfolio management.

Key financial ratios, along with detailed explanations therefor, including:

- Debt Equity Ratio – 2.76
- Net Profit Margin (%) – 19.53%
- Gross Non-Performing Assets (GNPA) Ratio – 0.29%
- Net Non-Performing Assets (NNPA) Ratio – 0.07%
- Total debts to total assets – 69.09%
- Capital adequacy ratio or capital-to-risk weighted assets ratio (CRAR) – 29.57%

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

The ROE for FY22 is 8.6% as against FY21, which was 4.2%. The economy had an adverse impact on the economy through the fiscal year owing to the multiple waves of COVID. When the market appeared to be opening up, we encountered a challenging macro environment towards the end of the year. This had a ripple effect, and the Company took a diligent approach toward new onboardings and disbursements with an increased focus on maintaining asset quality. Despite the impact, the Company had still been able to improve the ROE significantly from a YoY standpoint.

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Independent Auditor's Report

To the Members of Vivriti Capital Private Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the standalone financial statements of Vivriti Capital Private Limited (the "Company"), which comprise the standalone balance sheet as at 31 March 2022, and the standalone statement of profit and loss (including other comprehensive income), standalone statement of changes in equity and standalone statement of cash flows for the year then ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2022 and its profit and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those SAs are further described in the *Auditor's Responsibilities for the Audit of the Standalone Financial Statements* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our opinion on the standalone financial statements.

Emphasis of matter

As more fully described in Note 79 to the standalone financial statements, the extent to which the COVID-19 pandemic will have impact on the Company's financial performance is dependent on future developments, which are highly uncertain.

Our opinion is not modified in respect of the above matter.

Key Audit Matters

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

Key audit matter	**How the matter was addressed in our audit**
Impairment of loans and advances including off balance sheet elements Charge: INR 1,462.38 lakhs for year ended 31 March 2022 Provision: INR 3,132.16 lakhs as at 31 March 2022	
Refer Notes 3.6, 7, 19, 28 and 79 to the standalone financial statements	
Under Ind AS 109 - Financial Instruments, credit loss assessment is based on expected credit loss (ECL) model. The Company's impairment allowance is derived from estimates including the historical default and loss ratios. Management exercises judgement in determining the quantum of loss based on a range of factors. Further, in relation to COVID-19 pandemic, judgements and assumptions include the extent and duration of the pandemic, the impacts of actions of governments and other authorities, and the responses of businesses and consumers in different industries, along with the associated impact on the economy The determination of impairment loss allowance is inherently judgmental and relies on managements' best estimate due to the following: • Segmentation of loans given to the customer • Criteria selected to identify significant increase in credit risk, specifically in respect of moratorium benefit given to eligible borrowers, as per the Company's board approved policy, read with the RBI COVID 19 regulatory package • Increased level of data inputs for capturing the historical data to calculate the Probability of Default ('PDs') and Loss	In view of the significance of the matter, we applied the following key audit procedures, among others to obtain sufficient appropriate audit evidence: • Performed process walkthroughs to identify the controls used in the impairment allowance processes. • Assessed the design and implementation of controls in respect of the Company's impairment allowance process such as the timely recognition of impairment loss, the completeness and accuracy of reports used in the impairment allowance process and management review processes over the calculation of impairment allowance. • Obtained understanding of management's revised processes, compliance with the RBI circulars pertaining to impairment loss allowance, systems and controls implemented in relation to impairment allowance process, specifically in view of providing moratorium as per board approved policy read with RBI COVID-19 regulatory package including management rationale for determination of criteria of significant increase in credit risk. • Evaluated whether the methodology applied by the Company is compliant with the requirements of the relevant accounting standards and confirmed that the calculations are performed in accordance with the approved methodology, including checking mathematical accuracy of the workings.

Key audit matter	How the matter was addressed in our audit
Given Default ("LGD") and the completeness and accuracy of that data. • Use of management overlay for considering the forward looking macro-economic factors, economic environment and timing of cash flows. The underlying forecasts and assumptions used in the estimates of impairment loss allowance are subject to uncertainties which are often outside the control of the Company. Given the size of loan portfolio relative to the balance sheet and the impact of impairment loss allowance on the standalone financial statements, we have considered this as a key audit matter.	• Tested the periods considered for capturing underlying data as base to PD and LGD calculations are in line with Company's recent experience of past observed periods. • Tested the accuracy of the key inputs used in the calculation and independently evaluated the reasonableness of the assumptions made. • Challenged completeness and validity of impairment allowance including the management overlays, particularly in response to the pandemic with assistance of our financial risk modelling experts by critically evaluating the risks that have been addressed by management. • Performed test of details, on a sample basis, on underlying data relating to segmentation, staging as at 31 March 2022 and other key inputs for computation of ECL. • Assessed whether the disclosures on key judgements, assumptions and quantitative data with respect to impairment loss allowance in the standalone financial statements are appropriate and sufficient.

<table>
<tr><th>Key audit matter</th><th>How the matter was addressed in our audit</th></tr>
<tr><td colspan="2">Investment in subsidiaries and associates
Refer notes 3.3, 8, 22 and 36 to the standalone financial statements.</td></tr>
<tr><td>Credavenue Private Limited ('CAPL') was a subsidiary of Vivriti Capital Private Limited ('VCPL') as at the beginning of the financial year.

During the year, there were various shareholder transactions in respect of CAPL. These shareholder transactions included two rounds of fund raise at CAPL, renunciation of rights entitlement by VCPL in favour of founders in their capacity as founder shareholders etc. Such transactions and other shareholder arrangements resulted in dilution and loss of control of VCPL in respect of its investment in CAPL. Thus, CAPL became an associate. The investment continued to be accounted at cost in the standalone financial statements.

We identified assessing the accounting of investment in subsidiaries and associate as a key audit matter because of the degree of complexity involved in financial reporting, judgements and estimates involved in valuation at various points in time, assessing loss / dilution of control, implications of related party transactions, tax considerations, disclosures etc.</td><td>In view of the significance of the matter, we applied the following key audit procedures, among others to obtain sufficient appropriate audit evidence:
• Performed process walkthroughs to identify the controls used over identification, compliance and disclosure of shareholder and investment related transactions/arrangements.
• Evaluated the design and tested the operating effectiveness of controls over identification, compliance and disclosure of such transactions/arrangements.
• Obtained and reviewed the shareholders agreements.
• Inquired with those charged with governance, the substance and sequence of events/transactions and board decisions etc.
• Obtained and confirmed the approvals / ratification of Audit Committee / Board of Directors on the shareholder / related party transactions.
• Obtained and read the valuation reports, fairness opinion etc received by the Company from CAPL in connection with the related transactions and the timing thereof.
• Reviewed management's evaluation of the financial reporting aspects of shareholder transactions and implications thereof to be within equity.
• Obtained and read the legal opinion on the tax implications, if any, with respect to the Company together with founder shareholder support arrangements.
• Assessed whether appropriate accounting and adequate disclosures regarding fund raise at CAPL, renunciation of rights to founders in their capacity as shareholders, dilution/loss of control etc have been made in the standalone financial statements.
• Communicated the key implications of the shareholder transactions / arrangements to those charged with governance.</td></tr>
</table>

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

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

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

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

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

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

The Company's Management and Board of Directors are responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the state of affairs, profit/loss and other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

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

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

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to standalone financial statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management and Board of Directors.

- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting in preparation of standalone financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

Other Matter

The standalone financial statements of the Company for the year ended 31 March 2021 were audited by the predecessor auditor who had expressed an unmodified opinion vide their report dated 28 April 2021.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of Section 143 (11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

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

   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

   b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

   c) The standalone balance sheet, the standalone statement of profit and loss (including other comprehensive income), the standalone statement of changes in equity and the standalone statement of cash flows dealt with by this Report are in agreement with the books of account.

   d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act.

   e) On the basis of the written representations received from the directors as on 31 March 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2022 from being appointed as a director in terms of Section 164(2) of the Act.

   f) With respect to the adequacy of the internal financial controls with reference to standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

   (B) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

   a) The Company has disclosed the impact of pending litigations as at 31 March 2022 on its financial position in its standalone financial statements - Refer Note 38 to the standalone financial statements.

   b) The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts - Refer Notes 7, 14 and 19 to the standalone financial statements.

   c) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

   d) (i) The management has represented that, to the best of its knowledge and belief, as disclosed in Note 45 to the standalone financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

(ii) The management has represented, that, to the best of its knowledge and belief, as disclosed in note 45 to the standalone financial statements, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries.

(iii) Based on audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11 (e) contain any material misstatement.

e) The Company has neither declared nor paid any dividend during the year.

(C) With respect to the matter to be included in the Auditors' Report under section 197(16):

In our opinion and according to the information and explanations given to us, the Company is not a public company. Accordingly, the provisions of Section 197 of the Act are not applicable to the Company

for **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No.-101248 W/W-100022

S Sethuraman
Partner
Membership No. 203491
UDIN: 22203491AJTVMP1293

Place: Chennai
Date: 27 May 2022

Annexure A to the Independent Auditor's Report
To the Members of Vivriti Capital Private Limited on the Standalone financial statements for the year ended 31 March 2022

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

(i) (a)

a. The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment.

b. The Company has maintained proper records showing full particulars of intangible assets.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has a regular programme of physical verification of its property, plant and equipment wherein computer and accessories are verified once in a year and other property, plant and equipments are verified in a phased manner over a period of 3 years. In accordance with this programme, certain property, plant and equipment, computer and accessories were verified during the year. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties (other than immovable properties where the Company is the lessee and the leases agreements are duly executed in favour of the lessee) disclosed in the standalone financial statements are held in the name of the Company.

(d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its property, plant and equipment (including Right of use assets) or intangible assets or both during the year.

(e) According to information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 (45 of 1988) and rules made thereunder.

(ii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company is a Non-Banking Financial Company without accepting deposits (NBFC-ND), primarily engaged in lending activities. Accordingly, it does not hold any physical inventories. Thus, paragraph 3(ii)(a) of the Order is not applicable.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of certain current assets. In our opinion, the quarterly returns or statements filed by the Company with such banks or financial institutions are in agreement with the books of account of the Company.

(iii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has made investments, provided guarantee or security, granted loans and advances in the nature of loans, secured or unsecured to companies, limited liability partnership and other parties in respect of which the requisite information is as below:

a. Based on the audit procedures carried on by us and as per the information and explanations given to us, the principal business of the Company is to give loans. Accordingly, Clause 3(iii)(a) of the order is not applicable.

b. According to the information and explanations given to us and based on the audit procedures conducted by us, in our opinion the investments made, guarantees provided, security given during the year and the terms and conditions of the grant of loans and guarantees provided during the year are, prima facie, not prejudicial to the interests of the Company. Further, the Company has not given any advance in the nature of loan to any party during the year.

c. According to the information and explanations given to us and on the basis of our examination of the records of the Company, in the case of loans given, in our opinion the repayment of principal and payment of interest has been stipulated by the Company. Having regard to the voluminous nature of loan transactions, it is not practicable to furnish entity-wise details of amounts, due date for repayment or receipt and the extent of delay (as suggested in the Guidance Note on CARO 2020, issued by the Institute of Chartered Accountants of India for reporting under this clause) in this Annexure A, in respect of loans and advances which were not repaid/ paid when they were due or were repaid/ paid with a delay, in the normal course of lending business.

Further, except for those instances where there are delays or defaults in repayment of principal and / or interest as at the balance sheet date, in respect of which the Company has disclosed asset classification in note 42.3 (and summarised below) to the standalone financial statements in accordance with Indian Accounting Standards (Ind AS) and the guidelines issued by the Reserve Bank of India, the parties are repaying the principal amounts, as stipulated, and are also regular in payment of interest as applicable.

Number of customers / borrowers	Amount (INR Lakhs)	Due Date	Extent of delay
8	366.72	Various due dates	Up to 30 days
6	1,569.55	Various due dates	31 – 89 days
9	1,091.69	Various due dates	More than 90 days

Further, the Company has not given any advance in the nature of loan to any party during the year.

d. According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no overdue amount for more than ninety days in respect of loans given except an amount of INR 1,091.69 lakhs (Principal amount) overdue for more than ninety days as at 31 March 2022. In our opinion, reasonable steps have been taken by the Company for recovery of the principal and interest. Further, the Company has not given any advances in the nature of loans to any party during the year.

e. Based on the audit procedures carried on by us and as per the information and explanations given to us, the principal business of the Company is to give loans. Accordingly, Clause 3(iii)(e) of the order is not applicable.

f. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment.

(iv) According to the information and explanations given to us and on the basis of our examination of records of the Company, the provisions of Section 185 of the Companies Act, 2013 ("the Act") is not applicable to the Company. In relation to investments made by the Company, the Company has complied with the provisions of section 186 of the Act, to the extent applicable.

(v) According to the information and explanations given to us, the Company has not accepted any deposits or amounts which are deemed to be deposits from the public. Accordingly, clause 3(v) of the Order is not applicable.

(vi) According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under Section 148(1) of the Companies Act, 2013 for the services provided by it. Accordingly, clause 3(vi) of the Order is not applicable.

(vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted / accrued in the books of account in respect of undisputed statutory dues including goods and services tax, provident fund, income tax and other statutory dues have generally been regularly deposited by the Company with the appropriate authorities. As explained to us, the Company did not have any dues on account of sales tax, service tax, employees state insurance, duty of excise, duty of customs, value added tax and cess.

According to the information and explanations given to us, no undisputed amounts payable in respect of goods and services tax, provident fund and other statutory dues were in arrears as at 31 March 2022 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, there are no statutory dues relating to Goods and Service Tax, Provident Fund, Income-Tax, and other statutory dues, which have not been deposited with the appropriate authorities on account of any dispute.

(viii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income-tax Act, 1961 as income during the year.

(ix) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not defaulted in repayment of loans and borrowing or in the payment of interest thereon to any lender.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a wilful defaulter by any bank or financial institution or government or government authority.

(c) In our opinion and according to the information and explanations given to us by the management, term loans were applied for the purpose for which the loans were obtained.

(d) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.

(e) According to the information and explanations given to us and on an overall examination of the standalone financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures (as defined under Companies Act, 2013) during the year ended 31 March 2022. Accordingly, clause 3(ix)(e) is not applicable.

(f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries, associate or joint ventures (as defined under Companies Act, 2013) during the year ended 31 March 2022. Accordingly, clause 3(ix)(f) is not applicable.

(x) (a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, clause 3(x)(a) of the Order is not applicable.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment of shares or fully or partly convertible debentures during the year. In respect of private placement of equity and preference shares made during the year, the Company has duly complied with the requirements of section 42 and section 62 of the Companies Act, 2013. The proceeds from issue of equity and preference shares have been used for the purposes for which the funds were raised.

(xi) (a) Based on examination of the books and records of the Company and according to the information and explanations given to us, no material fraud by the Company or on the Company has been noticed or reported during the year.

(b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Companies Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.

(xii) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clauses 3(xii)(a), 3(xii)(b) and 3(xii)(c) of the Order are not applicable.

(xiii) The Company is a private limited company and accordingly the requirements as stipulated by the provisions of Section 177 of the Companies Act, 2013 are not applicable to the Company. According to the information and explanations given to us and on the basis of our examination of records of the Company, transactions with the related parties are in compliance with Section 188 of the Companies Act, 2013 where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.

(xiv) (a) Based on information and explanations provided to us and our audit procedures, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business.

(b) Based on the information and explanations provided to us, we have considered the internal audit reports of the Company issued till date for the period under audit.

(xv) In our opinion and according to the information and explanations given to us by the Company, non-cash transactions with its directors or persons connected to its directors, to the extent considered applicable, are in accordance with the provisions of Section 192 of the Companies Act. Also refer Note 8.1 to the standalone financial statements.

(xvi) (a) In our opinion and according to the information and explanation provided to us, the Company is required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934 and has obtained the registration.

(b) In our opinion and according to the information and explanations given to us, the Company has not conducted any Non-Banking Financial or Housing Finance activities without a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(b) of the Order is not applicable.

(c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.

(d) According to the information and explanations provided to us, the Group (as per the provisions of the Core Investment Companies (Reserve Bank) Directions, 2016) does not have any CIC.

(xvii) The Company has not incurred cash losses in the current financial year and in the immediately preceding financial year.

(xviii) The previous statutory auditors of the Company have resigned during the year pursuant to the requirements of the Guidelines for Appointment of Statutory Central Auditors (SCAs)/Statutory Auditors (SAs) of Commercial Banks (excluding RRBs), UCBs and NBFCs (including HFCs) dated 27 April 2021, issued by the Reserve Bank of India, and there are no issues, objections or concerns raised by the outgoing auditors.

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

Also refer to the Other Information paragraph of our main audit report which explains that the other information comprising the information included in annual report is expected to be made available to us after the date of this auditor's report.

(xx) (a) In our opinion and according to the information and explanations given to us, there is no unspent amount under sub-section (5) of Section 135 of the Act pursuant to any project. Accordingly, clauses 3(xx)(a) and 3(xx)(b) of the Order are not applicable.

(b) In our opinion and according to the information and explanations given to us, there is no unspent amount under sub-section (5) of Section 135 of the Act pursuant to any ongoing project. Accordingly, clause 3(xx)(b) of the Order is not applicable.

for **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No.: 101248W/W-100022

S Sethuraman
Partner
Membership No.: 203491
ICAI UDIN: 22203491AJTVMP1293

Place : Chennai
Date : 27 May 2022

Annexure "B" to the Independent Auditors' report on the standalone financial statements of Vivriti Capital Private Limited for the year ended 31 March 2022

Report on the internal financial controls with reference to the aforesaid standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 *(Referred to in paragraph 2A(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)*

Opinion

We have audited the internal financial controls with reference to financial statements of Vivriti Capital Private Limited ("the Company") as of 31 March 2022 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2022 based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India (the "ICAI").

Management's Responsibility for Internal Financial Controls

The Company's management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013 (hereinafter referred to as "the Act").

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and whether such controls operated effectively in all material respects.

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

Annexure "B" to the Independent Auditors' report on the standalone financial statements of Vivriti Capital Private Limited for the year ended 31 March 2022

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to financial statements.

Meaning of Internal Financial controls with Reference to Financial Statements

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

Inherent Limitations of Internal Financial controls with Reference to Financial Statements

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

for **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No.-101248 W/W-100022

Sethuraman

S Sethuraman
Partner
Membership No. 203491
UDIN: 22203491AJTVMP1293

Place: Chennai
Date: 27 May 2022

Vivriti Capital Private Limited
Standalone Balance Sheet as at 31 March 2022
(All amounts are in Rupees lakhs, unless stated otherwise)

Particulars	Note	As at 31 March 2022	As at 31 March 2021
ASSETS			
Financial assets			
Cash and cash equivalents	4	43,391.04	13,817.64
Bank balances other than cash and cash equivalents	5	31,894.68	9,511.80
Receivables	6	423.41	424.44
Loans	7	296,048.09	162,044.92
Investments	8	98,544.16	29,397.85
Other financial assets	9	1,821.22	297.58
Total financial assets		**472,122.60**	**215,494.23**
Non-financial assets			
Current tax assets (Net)	10	1,859.81	943.23
Deferred tax assets (Net)		590.76	1,011.24
Investment property	11	948.61	-
Property, plant and equipment	12.1	719.41	527.82
Right of use assets	12.2	602.98	874.73
Intangible assets under development	12.3	14.06	48.96
Other intangible assets	12.4	317.99	93.28
Other non-financial assets	13	1,108.13	522.10
Total non-financial assets		**6,161.75**	**4,021.36**
Total assets		**478,284.35**	**219,515.59**
EQUITY AND LIABILITIES			
LIABILITIES			
Financial liabilities			
Derivative financial instruments	14	382.00	-
Trade Payables	15		
(i) total outstanding dues of micro enterprises and small enterprises		-	1.72
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		954.58	821.11
Debt securities	16	107,051.35	39,953.41
Borrowings (other than debt securities)	17	247,962.03	96,864.64
Other financial liabilities	18	1,756.13	1,517.50
Total financial liabilities		**358,106.09**	**139,158.38**
Non-financial liabilities			
Provisions	19	191.49	469.84
Other non-financial liabilities	20	372.11	173.18
Total non-financial liabilities		**563.60**	**643.02**
Total liabilities		**358,669.69**	**139,801.40**
EQUITY			
Equity share capital	21	1,252.24	1,146.39
Convertible preference share capital	21A	8,739.15	8,350.17
Other equity	22	109,623.27	70,217.63
Total equity		**119,614.66**	**79,714.19**
Total equity and liabilities		**478,284.35**	**219,515.59**

Significant accounting policies 2 and 3

The notes referred to above form an integral part of the standalone financial statements

As per our report of even date attached

for **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No. 101248W/W-100022

S Sethuraman
Partner
Membership No: 203491

Place: Chennai
Date: 27 May 2022

For and on behalf of the Board of Directors of
Vivriti Capital Private Limited
CIN: U65929TN2017PTC117196

Vineet Sukumar
Managing Director
DIN: 06848801

Gaurav Kumar
Director
DIN: 07767248

B Srinivasaraghavan
Chief Financial Officer

Amritha Paitenkar
Company Secretary
Membership No: A49121

Vivriti Capital Private Limited Chennai 600 035

Place: Chennai
Date: 27 May 2022

Vivriti Capital Private Limited
Standalone Statement of Profit and Loss for the year ended 31 March 2022
(All amounts are in Rupees lakhs, unless stated otherwise)

Particulars	Note	Year ended 31 March 2022	Year ended 31 March 2021
Revenue from operations			
Interest income	23	32,344.09	20,124.26
Fees and commission income	24	1,359.31	1,728.03
Net gain on fair value change on financial instruments	25	739.71	73.90
Net gain on derecognition of financial instruments		44.08	12.00
Total revenue from operations		**34,487.19**	**21,938.19**
Other income	26	679.72	574.05
Total income		**35,166.91**	**22,512.24**
Expenses			
Finance costs	27	19,905.55	9,435.22
Impairment on financial instruments	28	1,462.38	2,989.74
Employee benefits expenses	29	2,309.07	3,668.93
Depreciation and amortisation	30	487.07	680.38
Other expenses	31	1,938.79	1,671.45
Total expenses		**26,102.86**	**18,445.72**
Profit before tax		**9,064.05**	**4,066.52**
Tax expense	32		
- Current tax		1,882.70	1,481.97
- Deferred tax charge/(benefit)		444.37	(415.96)
Total tax expense		**2,327.07**	**1,066.01**
Net profit after tax		**6,736.98**	**3,000.51**
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Remeasurements of the defined benefit asset/ (liability)		(2.48)	(15.12)
Income tax relating to items that will not be reclassified to profit or loss		0.62	3.81
Sub-total (A)		**(1.86)**	**(11.31)**
Items that will be reclassified to profit or loss			
Net gain / (loss) on financial instruments through OCI		232.31	165.71
Cash flow hedge reserve		(324.77)	-
Income tax relating to items that will be reclassified to profit or loss		23.27	(41.71)
Sub-total (B)		**(69.19)**	**124.00**
Other comprehensive income (A + B)		**(71.05)**	**112.69**
Total comprehensive income for the year, net of income tax		**6,665.93**	**3,113.20**
Earnings per equity share (Face value INR 10 per share)	33		
Basic (₹)		53.96	19.46
Diluted (₹)		7.76	3.57

Significant accounting policies 2 and 3

The notes referred to above form an integral part of the standalone financial statements

As per our report of even date attached

for **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No. 101248W/W-100022

S Sethuraman
Partner
Membership No: 203491

Place: Chennai
Date: 27 May 2022

For and on behalf of the Board of Directors of
Vivriti Capital Private Limited
CIN: U65929TN2017PTC117196

Vineet Sukumar
Managing Director
DIN: 06848801

Gaurav Kumar
Director
DIN: 07767248

B Srinivasaraghavan
Chief Financial Officer

Amritha Paitenkar
Company Secretary
Membership No: A49121

Vivriti Capital Private Limited Chennai 600 035

Place: Chennai
Date: 27 May 2022

Vivriti Capital Private Limited
Standalone Statement of Cash flows for the year ended 31 March 2022
(All amounts are in Rupees lakhs, unless stated otherwise)

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Cash flow from operating activities		
Profit before tax	9,064.05	4,066.52
Adjustments for:		
Depreciation & amortisation	487.07	680.38
Gain on sale of fixed assets	(222.44)	-
Gain on termination of finance leases	(220.65)	-
Impairment on financial instruments (net)	1,462.38	2,989.74
Fair valuation gain on derivative contract	382.00	-
Unrealised change in fair value of financial instruments	309.07	-
Net gain on derecognition of financial instruments	44.08	-
Employee share based payment expenses	78.49	138.40
Finance costs	19,905.55	9,435.22
Interest income on bank balances other than cash and cash equivalents	(445.98)	(629.14)
Stock compensation expenses	407.50	-
Operating Profit before working capital changes	**31,251.12**	**16,681.12**
Changes in working capital and other changes		
Increase in loans	(136,458.24)	(82,501.34)
Decrease in trade receivables	0.15	231.71
Increase in other financial assets	(1,185.52)	-
(Increase)/Decrease in other non-financial assets	(586.03)	124.27
Increase in trade payables and financial liability	131.75	628.51
(Increase)/Decrease in other liability	647.41	(472.81)
Increase in other non-financial liability	158.18	92.76
(Decrease)/Increase in provisions	(280.83)	221.04
Cash used in operating activities	**(106,322.01)**	**(64,994.74)**
Finance cost paid	(15,346.83)	(7,366.73)
Income tax paid (net)	(2,799.28)	(1,603.30)
Net Cash flows generated from / (used in) operating activities	**(124,468.12)**	**(73,964.77)**
Cash flows from investing activities		
Investment in bank balances other than cash and cash equivalents (net)	(22,382.88)	36,791.71
Interest received on bank balances other than cash and cash equivalents	342.58	629.14
Purchase of property plant and equipment	(1,016.36)	(209.62)
Sale of property plant and equipment	644.77	
Intangible assets under development (net)	34.90	(13.84)
Purchase of investments other than alternative investment funds (net)	(58,172.18)	(18,497.79)
Investment in alternative investment funds (net)	(11,375.66)	(813.01)
Net cash flows generated from / (used in) investing activities	**(91,924.84)**	**17,886.59**
Financing activities		
Proceeds from issue of share capital including securities premium	32,554.59	9,912.22
Proceeds from issue of debt securities	84,473.03	34,500.00
Repayment of debt securities	(20,832.83)	(28,431.70)
Proceeds from borrowings (other than debt securities issued)	219,786.08	80,900.00
Repayment of borrowings (other than debt securities issued)	(69,619.41)	(29,747.73)
Payments of lease liabilities	(395.10)	(461.28)
Net cash flows generated from financing activities	**245,966.35**	**66,671.51**
Net increase/(decrease) in cash and cash equivalents (A) + (B) + (C)	**29,573.40**	**10,593.33**
Cash and cash equivalents at the beginning of the year	13,817.64	3,224.31
Cash and cash equivalents at the end of the year	**43,391.04**	**13,817.64**

B S R & Co. LLP * Chartered Accountants *

Vivriti Capital Private Limited Chennai 600 035 *

Vivriti Capital Private Limited
Standalone Statement of Cash flows for the year ended 31 March 2022
(All amounts are in Rupees lakhs, unless stated otherwise)

Particulars	Note	As at 31 March 2022	As at 31 March 2021
Components of cash and cash equivalents			
Balances with banks			
In current accounts	4	43,391.04	13,817.64
Total cash and cash equivalents		**43,391.04**	**13,817.64**

Significant accounting policies 2 and 3

The notes referred to above form an integral part of the standalone financial statements

As per our report of even date attached

for **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No. 101248W/W-100022

S Sethuraman
Partner
Membership No: 203491

Place: Chennai
Date: 27 May 2022

For and on behalf of the Board of Directors of
Vivriti Capital Private Limited
CIN: U65929TN2017PTC117196

Vineet Sukumar
Managing Director
DIN: 06848801

Gaurav Kumar
Director
DIN: 07767248

B Srinivasaraghavan
Chief Financial Officer

Amritha Paitenkar
Company Secretary
Membership No: A49121

Place: Chennai
Date: 27 May 2022

Vivriti Capital Private Limited
Chennai
600 035

Vivriti Capital Private Limited
Standalone Statement of changes in equity for the year ended 31 March 2022
(All amounts are in Rupees lakhs, unless stated otherwise)

A. Equity share capital

Particulars	Note	Equity Share capital
Balance as at 31 March 2020		**1,130.02**
Changes in equity share capital during the period		16.37
Balance as at 31 March 2021	**21**	**1,146.39**
Changes in equity share capital during the period		105.85
Balance as at 31 March 2022	**21**	**1,252.24**

B. Other Equity

Particulars	Compulsorily Convertible Preference Shares	Optionally Convertible Redeemable Preference Shares	Other Equity						Total
			Reserves and Surplus				Other Comprehensive Income		
			Statutory Reserve	Securities Premium	Employee Stock Option outstanding account	Retained Earnings	Financial Instruments through OCI	Cash flow hedge reserve	
Balance as at 31 March 2020	**7,762.37**	**8.11**	**242.38**	**56,753.60**	**84.46**	**365.09**	**-**	**-**	**65,216.01**
Changes in equity for the year ended 31 March 2021									
Shares issued during the year	579.69	-	-	11,371.50	-	-	-	-	11,951.19
Share issue expenses	-	-	-	(154.72)	-	-	-	-	(154.72)
Shares held by ESOP Trust (also refer note 39)	-	-	-	(1,873.12)	-	-	-	-	(1,873.12)
Stock compensation expense during the year	-	-	-	-	138.40	-	-	-	138.40
Stock compensation expense - recoverable from related parties	-	-	-	-	176.85	-	-	-	176.85
Remeasurement of defined benefit liability	-	-	-	-	-	(11.31)	-	-	(11.31)
Fair valuation of investment in debt instruments (net)	-	-	-	-	-	-	124.00	-	124.00
Transfer from retained earnings	-	-	-	-	-	(11.47)	11.47	-	(0.00)
Profit for the year	-	-	-	-	-	3,000.51	-	-	3,000.51
Transfer to statutory reserve	-	-	600.10	-	-	(600.10)	-	-	-
Balance as at 31 March 2021	**8,342.06**	**8.11**	**842.48**	**66,097.26**	**399.71**	**2,742.71**	**135.47**	**-**	**78,567.80**
Changes in equity for the year ended 31 March 2022 (also refer note 8.1)									
Shares issued during the year	388.98	-	-	32,434.19	-	-	-	-	32,823.17
Share issue expenses	-	-	-	(7.68)	-	-	-	-	(7.68)
Stock Compensation expense during the year	-	-	-	-	78.49	-	-	-	78.49
Stock compensation expense - recoverable from related parties	-	-	-	-	234.71	-	-	-	234.71
Remeasurement of defined benefit liability	-	-	-	-	-	(1.86)	-	-	(1.86)
Fair valuation of investment in debt instruments (net)	-	-	-	-	-	-	173.84	-	173.84
Cash flow hedge reserve	-	-	-	-	-	-	-	(243.03)	(243.03)
Profit for the year	-	-	-	-	-	6,736.98	-	-	6,736.98
Transfer to statutory reserve	-	-	1,347.40	-	-	(1,347.40)	-	-	-
Balance as at 31 March 2022	**8,731.04**	**8.11**	**2,189.88**	**98,523.77**	**712.91**	**8,130.43**	**309.31**	**(243.03)**	**118,362.419**

The notes referred to above form an integral part of the Standalone Financial Statements

As per our report of even date attached

for **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No. 101248W/W-100022

S Sethuraman
Partner
Membership No: 203491

Place: Chennai
Date: 27 May 2022

For and on behalf of the Board of Directors of
Vivriti Capital Private Limited
CIN: U65929TN2017PTC117196

Vineet Sukumar
Managing Director
DIN: 06848801

Gaurav Kumar
Director
DIN: 07767248

B Srinivasaraghavan
Chief Financial Officer

Amritha Paitenkar
Company Secretary
Membership No: A49121

Place: Chennai
Date: 27 May 2022

Vivriti Capital Private Limited
Chennai
600 035

1 Corporate Information

Vivriti Capital Private Limited (the Company) is a private limited Company domiciled in India and incorporated on June 22, 2017 under the provisions of the Companies Act, 2013 ("the Act"). The Company is registered with the Reserve Bank Of India ('RBI') under Section 45 IA of the RBI Act, 1934 as Non-Banking Financial Company (Non Deposit Accepting or Holding) (NBFC-ND) with effect from January 5, 2018.The Company is a systematically important Non Banking Finance Company - Investment & Credit Company (ICC) pursuant to circular dated February 22, 2019, issued by the RBI, which is engaged in financing to various corporates through enterprise financing and retail financing through co-lending and supply chain financing.

2 Basis of preparation

2.1 Statement of compliance

These Standalone Financial Statements ("financial statements") have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time, notified under Section 133 of the Act, other relevant provisions of the Act and in compliance with RBI requirements in this regard.

These standalone financial statements were authorised for issue by the Company's Board of Directors on 27 May 2022.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to the existing accounting standard requires a change in the accounting policy hitherto in use.

Details of the Company's accounting policies are disclosed in note 3.

2.2 Presentation of financial statements

The Balance Sheet, the Statement of Profit and Loss, Statement of Changes in Equity, are presented in the format prescribed under Division III of Schedule III as amended from time to time, for Non-Banking Financial Company ('NBFC') that are required to comply with Ind AS. The statement of cash flows has been presented as per the requirements of Ind AS 7 Statement of Cash Flows. The Company presents its balance sheet in order of liquidity. An analysis regarding recovery or settlement within 12 months after the reporting date (current) and more than 12 months after the reporting date (non–current) is presented separately in the notes to these financial statements.

Financial assets and financial liabilities are generally reported gross in the balance sheet. They are only offset and reported net when, in addition to having an unconditional legally enforceable right to offset the recognised amounts without being contingent on a future event, the parties also intend to settle on a net basis.

2.3 Functional and presentational currency

These standalone financial statements are presented in Indian Rupees (INR), which is also the Company's functional currency. All amounts have been rounded-off to the nearest lakhs (two decimals), unless otherwise indicated.

2.4 Basis of measurement

The standalone financial statements have been prepared on the historical cost basis except for the following items:

Items	Measurement basis
Investments in Mutual Funds, Alternative Investment funds and Market Linked Debentures	Fair value
Liabilities for equity-settled share-based payment arrangements	Fair value
Net defined benefit (asset)/ liability	Fair value of plan assets less present value of defined benefit obligations

2.5 Use of estimates and judgements

The preparation of the financial statements in conformity with Ind AS requires management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. Accounting estimates could change from period to period. Actual results could differ from those estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

Estimation of uncertainties relating to the global health pandemic from novel coronavirus 2019 ('COVID-19'):
The Company has considered the possible effects that may result from the pandemic relating to COVID-19 on the carrying amounts of loans and fair value of investments. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, the Company, as at the date of approval of these financial statements has used internal and external sources of information including credit reports, related information and economic forecasts. The impact of COVID-19 on the Company's financial statements may differ from that estimated as at the date of approval of these standalone financial statements.

B S R & Co. LLP Chartered Accountants

Vivriti Capital Private Limited Chennai 600 035

2.5 Use of estimates and judgements (continued)

Information about judgements, estimates and assumptions made in applying accounting policies that have the most significant effects on the amounts recognised in the standalone financial statements is included in the following notes:

i) Business model assessment

Classification and measurement of financial assets depends on the results of business model test and the solely payments of principal and interest ('SPPI') test. The Company determines the business model at a level that reflects how groups of financial assets are managed together to achieve a particular business objective. This assessment includes judgement reflecting all relevant evidence including how the performance of the assets is evaluated and their performance measured, the risks that affect the performance of the assets and how these are managed and how the managers of the assets are compensated. The Company monitors financial assets measured at amortised cost or fair value through other comprehensive income or fair value through profit and loss that are derecognised prior to their maturity to understand the reason for their disposal and whether the reasons are consistent with the objective of the business for which the asset was held. Monitoring is part of the Company's continuous assessment of whether the business model for which the remaining financial assets are held continues to be appropriate and if it is not appropriate whether there has been a change in business model and so a prospective change to the classification of those assets.

ii) Fair value of financial instruments

The fair value of financial instruments is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e. an exit price) regardless of whether that price is directly observable or estimated using another valuation technique. When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be derived from active markets, they are determined using a variety of valuation techniques that include the use of valuation models. The inputs to these models are taken from observable markets where possible, but where this is not feasible, estimation is required in establishing fair values.

iii) Effective Interest Rate ('EIR') method

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

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

iv) Impairment of financial assets

The measurement of impairment losses across all categories of financial assets requires judgement, in particular, the estimation of the amount and timing of future cash flows and collateral values when determining impairment losses and the assessment of a significant increase in credit risk. These estimates are driven by a number of factors, changes in which can result in different levels of allowances.

The Company's expected credit loss ('ECL') calculations are outputs of complex models with a number of underlying assumptions regarding the choice of variable inputs and their interdependencies. Elements of the ECL models that are considered accounting judgements and estimates include :

a) The Company's criteria for assessing if there has been a significant increase in credit risk and so allowances for financial assets should be measured on a life time expected credit loss ('LTECL') basis.
b) Development of ECL models, including the various formulas and the choice of inputs.
c) Determination of associations between macroeconomic scenarios and economic inputs, such as consumer spending, lending interest rates and collateral values, and the effect on probability of default ('PD'), exposure at default ('EAD') and loss given default ('LGD').
d) Selection of forward-looking macroeconomic scenarios and their probability weightings, to derive the economic inputs into ECL models.

B S R & Co. LLP Chartered Accountants

Vivriti Capital Private Limited Chennai 600 035

v) Provisions and other contingent liabilities

The Company operates in a regulatory and legal environment that, by nature, has a heightened element of litigation risk inherent to its operations. As a result, it is involved in various litigation, arbitration and regulatory inspections in the ordinary course of the Company's business.

When the Company can reliably measure the outflow of economic benefits in relation to a specific case and considers such outflows to be probable, the Company records a provision against the case. Where the outflow is considered to be probable, but a reliable estimate cannot be made, a contingent liability is disclosed.

Given the subjectivity and uncertainty of determining the probability and amount of losses, the Company takes into account a number of factors including legal advice, the stage of the matter and historical evidence from similar incidents. Significant judgement is required to conclude on these estimates.

These estimates and judgements are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances. Management believes that the estimates used in preparation of the standalone financial statements are prudent and reasonable.

vi) Other assumptions and estimation uncertainities

Information about critical judgements in applying accounting policies, as well as estimates and assumptions that have the most significant effect to the carrying amounts of assets and liabilities within the next financial year are included in the following notes:
a) Measurement of defined benefit obligations: key actuarial assumptions;
b) Estimated useful life of property, plant and equipment and intangible assets;
c) Recognition of deferred taxes;
d) Upfront recognition of Excess Interest Spread (EIS) in relation to assignment transactions.

3 Significant accounting policies

3.1 Revenue Recognition

Revenue (other than for those items to which Ind AS 109 Financial Instruments are applicable) is measured at fair value of the consideration received or receivable. Ind AS 115 Revenue from contracts with customers outlines a single comprehensive model of accounting for revenue arising from contracts with customers and supersedes current revenue recognition guidance found within Ind ASs.

The Company recognises revenue from contracts with customers based on a five step model as set out in Ind AS 115 :

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

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

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

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

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

A. Recognition of interest income on loans

Under Ind AS 109, interest income is recorded using the effective interest rate ('EIR') method for all financial instruments measured at amortised cost, financial instrument measured at Fair value through other comprehensive income ('FVOCI') and financial instrument measured at Fair Value Through Profit and Loss ('FVTPL'). The EIR is the rate that exactly discounts estimated future cash receipts through the expected life of the financial instrument or, when appropriate, a shorter period, to the net carrying amount of the financial asset.

The EIR (and therefore, the amortised cost of the asset) is calculated by taking into account any discount or premium on acquisition, fees and costs that are an integral part of the EIR. The Company recognises interest income using a rate of return that represents the best estimate of a constant rate of return over the expected life of the financial instrument.

If expectations regarding the cash flows on the financial asset are revised for reasons other than credit risk, the adjustment is booked as a positive or negative adjustment to the carrying amount of the asset in the balance sheet with an increase or reduction in interest income. The adjustment is subsequently amortised through Interest income in the statement of profit and loss.

The Company calculates interest income by applying EIR to the gross carrying amount of financial assets other than credit impaired assets.

In case of the penal interest relating to the loans are accounted on the collection basis.

B. Interest income on deposits

Interest income on deposits is recognised on a time proportionate basis.

C. Fees and commission income

Arranger fees and advisory fees are recognised after the performance obligation in the contract is fulfilled and commission income such as guarantee commission, service income etc. are recognised on point in time or over the period basis, as applicable.

B S R & Co. LLP ★ Chartered Accountants ★

Vivriti Capital Private Limited Chennai 600 035 ★

D. Dividend income

Dividend income (including from FVOCI investments) is recognised when the Company's right to receive the payment is established, it is probable that the economic benefits associated with the dividend will flow to the Company and the amount of the dividend can be measured reliably.

E. Other income

All items of other income is recognized on an accrual basis, when there is no uncertainty in the ultimate realisation / collection.

F. Foreign Currency Transactions

The Company's financial statements are presented in Indian Rupees (INR) which is also the Company's functional currency. Transactions in foreign currencies are initially recorded by the Company at their respective functional currency spot rates at the date the transaction first qualifies for recognition. Income and expenses in foreign currencies are initially recorded by the Company at the exchange rates prevailing on the date of the transaction.

Foreign currency denominated monetary assets and liabilities are translated at the functional currency spot rates of exchange at the reporting date and exchange gains and losses arising on settlement and restatement are recognized in the statement of profit and loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognized in OCI or profit or loss are also recognized in OCI or profit or loss, respectively).

3.2 Financial instruments - Initial recognition

A. Date of recognition

Debt securities issued are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument.

B. Initial measurement of financial instruments

The classification of financial instruments at initial recognition depends on their contractual terms and the business model for managing the instruments. Financial instruments are initially measured at their fair value, except in the case of financial assets and financial liabilities recorded at FVTPL, transaction costs are added to, or subtracted from this amount.

C. Measurement categories of financial assets and liabilities

The Company classifies all of its financial assets based on the business model for managing the assets and the asset's contractual terms, measured at either:

i) Amortised cost

ii) Fair value through other comprehensive income ('FVOCI')

iii) Fair value through profit and loss ('FVTPL')

3.3 Financial assets and liabilities

A. Financial assets

Business model assessment

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

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

a) The performance of the business model and the financial assets held within that business model are evaluated and reported to the Company's key management personnel.

b) The risks that affect the performance of the business model (and the financial assets held within that business model) and, in particular, the way those risks are managed.

c) How managers of the business are compensated (for example, whether the compensation is based on the fair value of the assets managed or on the contractual cash flows collected).

d) The expected frequency, value and timing of sales are also important aspects of the Company's assessment.

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Sole Payments of Principal and Interest (SPPI) test

As a second step of its classification process, the Company assesses the contractual terms of financial assets to identify whether they meet SPPI test. 'Principal' for the purpose of this test is defined as the fair value of the financial asset at initial recognition and may change over the life of a financial asset (for example, if there are repayments of principal or amortisation of the premium/ discount). The most significant elements of interest within a lending arrangement are typically the consideration for the time value of money and credit risk. To make the SPPI assessment, the Company applies judgement and considers relevant factors such as the period for which the interest rate is set.

In contrast, contractual terms that introduce a more than *de minimis* exposure to risks or volatility in the contractual cash flows that are unrelated to a basic lending arrangement do not give rise to contractual cash flows that are solely payments of principal and interest on the amount outstanding. In such cases, the financial asset is required to be measured at FVTPL.

Accordingly, financial assets are measured as follows:

i) Financial assets carried at amortised cost (AC)

A financial asset is measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

ii) Financial assets at fair value through other comprehensive income (FVOCI)

A financial asset is measured at FVOCI if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Since the financial assets are held to sale and collect contractual cash flows, they are measured at FVOCI.

iii) Financial assets at fair value through profit or loss (FVTPL)

A financial asset which is not classified in any of the above categories is measured at FVTPL. The Company records investments in Alternative investment funds (AIF), mutual funds and market linked debentures at FVTPL.

iv) Investment in subsidiaries and associate

The Company has accounted for its investments in subsidiaries and associates at cost.

3.3 Financial assets and liabilities (continued)

B. Financial liability

i) Initial recognition and measurement

All financial liabilities are initially recognized at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial liability, which are not at fair valued through profit or loss, are adjusted to the fair value on initial recognition.

ii) Subsequent measurement

Financial liabilities are carried at amortized cost using the Effective Interest Rate Method.

3.4 Reclassification of financial assets and liabilities

If the business model under which the Company holds financial assets changes, the financial assets affected are reclassified. The classification and measurement requirements related to the new category apply prospectively from the first day of the first reporting period following the change in business model that result in reclassifying the Company's financial assets. During the current financial year and previous accounting period there was no change in the business model under which the Company holds financial assets and therefore no reclassifications were made.

3.5 Derecognition of financial assets and liabilities

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

The Company derecognises a financial asset, such as a loan to a customer, when the terms and conditions have been renegotiated to the extent that, substantially, it becomes a new loan, with the difference recognised as a de-recognition gain or loss, to the extent that an impairment loss has not already been recorded.

B. Derecognition of financial assets other than due to substantial modification

i) Financial Assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised when the contractual rights to the cash flows from the financial asset expires or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

On derecognition of a financial asset in its entirety, the difference between the carrying amount (measured at the date of derecognition) and the consideration received (including any new asset obtained less any new liability assumed) is recognised in the statement of profit and loss. Accordingly, gain on sale or derecognition of assigned portfolio are recorded upfront in the statement of profit and loss as per Ind AS 109.

ii) Financial Liability

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expires. Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability. The difference between the carrying value of the original financial liability and the consideration paid is recognised in the statement of profit and loss.

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3.6 Impairment of financial assets

A. Overview of Expected Credit Loss ('ECL') principles

In accordance with Ind AS 109, the Company uses ECL model, for evaluating impairment of financial assets other than those measured at fair value through profit and loss (FVTPL).

Expected credit losses are measured through a loss allowance at an amount equal to:

i) The 12-months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or

ii) Lifetime expected credit losses (LTECL) (expected credit losses that result from all possible default events over the life of the financial instrument)

Both LTECLs and 12 months ECLs are calculated on collective basis.

Based on the above, the Company categorises its financial assets into Stage 1, Stage 2 and Stage 3, as described below:

Stage 1:

When loans are first recognised, the Company recognises an allowance based on 12 months ECL. Stage 1 loans includes those loans where there is no significant credit risk observed.

Stage 2:

When a loan has shown a significant increase in credit risk since origination, the Company records an allowance for the life time ECL.

Stage 3:

Loans considered credit impaired are the loans which are past due for more than 90 days. The Company records an allowance for life time ECL.

B. Calculation of ECLs

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

PD:

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

EAD:

Exposure at Default ("EAD") is an estimate of the exposure at a future default date, taking into account expected changes in the exposure after the reporting date, including repayments of principal and interest, whether scheduled by contract or otherwise expected drawdowns on committed facilities and accrued interest from missed payments. In case of stage 3 loans, EAD represents exposure when the default occurred.

LGD:

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

The Company has calculated PD, EAD and LGD to determine impairment loss on the portfolio of loans and discounted at an approximation to the EIR. At every reporting date, the above calculated PDs, EAD and LGDs are reviewed and changes in the forward looking estimates are analysed.

The mechanics of the ECL method are summarised below:

Stage 1:

The 12 months ECL is calculated as the portion of LTECLs that represent the ECLs that result from default events on a financial instrument that are possible within the 12 months after the reporting date. The Company calculates the 12 months ECL allowance based on the expectation of a default occurring in the 12 months following the reporting date. These expected 12-months default probabilities are applied to a forecast EAD and multiplied by the expected LGD and discounted by an approximation to the original EIR.

Stage 2:

When a financial asset has shown a significant increase in credit risk since origination, the Company records an allowance for the LTECLs. The mechanics are similar to those explained above, but PDs and LGDs are estimated over the lifetime of the instrument. The expected cash shortfalls are discounted by an approximation to the original EIR.

Stage 3:

For financial assets considered credit-impaired, the Company recognises the lifetime expected credit losses for these financial assets.

C. Financial Assets measured at FVOCI

The ECLs for financial assets measured at FVOCI do not reduce the carrying amount of these financial assets in the balance sheet, which remains at fair value. Instead, an amount equal to the allowance that would arise if the assets were measured at amortised cost is recognised in OCI as an accumulated impairment amount with a corresponding charge to profit or loss. The accumulated loss recognised in OCI is recycled to the profit and loss upon derecognition of the assets.

D. Loan Commitment

When estimating LTECLs for undrawn loan commitments, the Company estimates the expected portion of the loan commitment that will be drawn down over its expected life. The ECL is then based on the present value of the expected shortfalls in cash flows if the loan is drawn down. The expected cash shortfalls are discounted at an approximation to the expected EIR on the loan. For an undrawn loan commitment, ECLs are calculated and presented under provisions.

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E. Forward looking information

The Company considers a broad range of forward looking information with reference to external forecasts of economic parameters such as GDP growth, unemployment rates etc., as considered relevant so as to determine the impact of macroeconomic factors on the Company's ECL estimates. The inputs and models used for calculating ECLs are recalibrated periodically through the use of available incremental and recent information. Further, internal estimates of PD, LGD rates used in the ECL model may not always capture all the characteristics of the market / external environment as at the date of the financial statements. To reflect this, qualitative adjustments or overlays are made as temporary adjustments to reflect the emerging risks reasonably.

3.7 Write-offs

The gross carrying amount of a financial asset is written off when there is no reasoable expectation of recovering the asset. If the amount to be written off is greater than the accumulated loss allowance, the difference is first treated as an addition to the allowance that is then applied against the gross carrying amount. Any subsequent recoveries are credited to impairment on financial instruments in the statement of profit and loss.

3.8 Determination of fair value

The Company measures financial instruments such as derivatives, investments etc at fair value at each Balance Sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company has taken into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

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

Level 2 financial instruments: Those where the inputs that are used for valuation and are significant, are derived from directly or indirectly observable market data available over the entire period of the instrument's life. Such inputs include quoted prices for similar assets or liabilities in active markets, quoted prices for identical instruments in inactive markets and observable inputs other than quoted prices such as interest rates and yield curves, implied volatilities, and credit spreads; and

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

3.9 Property, plant and equipment

i. Recognition and measurement

Items of property, plant and equipment are stated at cost, which includes capitalised borrowing costs, less accumulated depreciation and accumulated impairment losses, if any.

Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located. If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and

Any gain or loss on disposal of an item of property, plant and equipment is recognised in statement of profit or loss.

ii. Subsequent expenditure

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

iii. Depreciation

Depreciation is calculated on cost of items of property, plant and equipment less their estimated residual values over their estimated useful lives using the Straight Line method, and is generally recognised in the statement of profit and loss.

The Company follows estimated useful lives which are given under Part C of the Schedule II of the Companies Act, 2013. The estimated useful lives of items of property, plant and equipment are as follows:

Asset category	Estimated Useful life
Computers and accessories	3 years
Leasehold improvements	3 years
Servers	6 years
Office equipment	5 years
Furniture and fixtures	10 years

Leasehold improvements are depreciated on a straight line basis over the remaining period of lease or estimated useful life of the assets, whichever is lower.

Depreciation on additions (disposals) is provided on a pro-rata basis i.e. from (upto) the date on which asset is ready for use (disposed of).

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3.10 Intangible assets

i. Intangible assets

Intangible assets including those acquired by the Company are initially measured at cost. Such intangible assets are subsequently measured at cost less accumulated amortisation and any accumulated impairment losses.

ii. Subsequent expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on internally generated goodwill and brands, is recognised in statement of profit or loss as incurred.

iii. Amortisation

Amortisation is calculated to write off the cost of intangible assets less their estimated residual values over their estimated useful lives using the straight line method, and is included in depreciation and amortisation in statement of profit and loss.

Asset category	Estimated Useful life
Computer softwares	4 years

Amortisation method, useful lives and residual values are reviewed at the end of each financial year and adjusted if appropriate.

3.11 Investment property

Investment property represents property held to earn rentals or for capital appreciation or both. Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any.

Depreciation on building classified as investment property has been provided on the straight-line method over a period of 60 years based on the Company's estimate of their useful lives taking into consideration technical factors, which is the same as the period prescribed in Sch II to the Companies Act 2013.

Though the Company measures investment property using cost based measurement, the fair value of investment property is disclosed in the notes. Fair values are determined based on an annual evaluation performed by an external independent valuer applying valuation models. Investment properties are derecognised either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in the statement of profit and loss in the period of derecognition.

3.12 Impairment of non-financial assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or Group of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The Company bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Company's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year.

To estimate cash flow projections beyond periods covered by the most recent budgets/forecasts, the Company extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. In any case, this growth rate does not exceed the long-term average growth rate for the products, industries, or country or countries in which the entity operates, or for the market in which the asset is used. Impairment losses of continuing operations, are recognised in the statement of profit and loss.

For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit or loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

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3.13 Employee benefits

i. Post-employment benefits

Defined contribution plan

The Company's contribution to provident fund are considered as defined contribution plan and are charged as an expense as they fall due based on the amount of contribution required to be made and when the services are rendered by the employees.

Defined benefit plans

Gratuity

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

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

Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses and the effect of the asset ceiling (if any, excluding interest), are recognised in OCI. The Company determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability (asset), taking into account any changes in the net defined benefit liability (asset) during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in statement of profit or loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service ('past service cost' or 'past service gain') or the gain or loss on curtailment is recognised immediately in profit or loss. The Company recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

ii. Other long-term employee benefits

Compensated absences

The employees can carry forward a portion of the unutilised accrued compensated absences and utilise it in future service periods or receive cash compensation on termination of employment. Since the compensated absences do not fall due wholly within twelve months after the end of such period, the benefit is classified as a long-term employee benefit. The Company records an obligation for such compensated absences in the period in which the employee renders the services that increase this entitlement. The obligation is measured on the basis of independent actuarial valuation using the projected unit credit method.

iii. Short-term employee benefits

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognized during the year when the employees render the service. These benefits include performance incentive and compensated absences which are expected to occur within twelve months after the end of the year in which the employee renders the related service. The cost of such compensated absences is accounted as under :

(a) in case of accumulated compensated absences, when employees render the services that increase their entitlement of future compensated absences; and

(b) in case of non-accumulating compensated absences, when the absences occur.

iv. Share Based Payments

The Company operates an Employee Stock Option Scheme for its employees through a trust (ESOP Trust) formed for the purpose. Equity shares are issued to the trust on the basis of the Company's expectation of the number of options that may be exercised by employees. 'Stock options are granted to the employees under the stock option scheme. The costs of stock options granted to the employees (equity-settled awards) is determined by the fair value at the date when the grant is made using Black-Scholes option pricing valuation model. For each stock option, the measurement of fair value is performed on the grant date.

The grant date is the date on which the Company and the employees agree to the stock option scheme. The fair value so determined is revised only if the stock option scheme is modified in a manner that is beneficial to the employees. This cost is recognised, together with a corresponding increase in Employee Stock Option outstanding reserves in other equity, over the period in which the performance and/or service conditions are fulfilled in employee benefits expense. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Company's best estimate of the number of equity instruments that will ultimately vest.

The statement of profit and loss expense or credit for a period represents the movement in cumulative expense recognised as at the beginning and end of that period and is recognised in employee benefits expense. The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share. If the options vests in instalments (i.e. the options vest pro rata over the service period), then each instalment is treated as a separate share option grant because each installment has a different vesting period.

The balance equity shares not exercised and held by the ESOP Trust are disclosed as a reduction from the share capital and securities premium account with an equivalent adjustment to the subscription loan advanced to the Trust.

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3.14 Income tax

Income tax comprises current and deferred tax. It is recognised in statement of profit or loss except to the extent that it relates to a business combination or to an item recognised directly in equity or in other comprehensive income.

i. Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date.

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.
Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions when appropriate.

ii. Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax is also recognised in respect of carried forward tax losses and tax credits. Deferred tax is not recognised for:

- temporary differences arising on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss at the time of the transaction;
- temporary differences related to investments in subsidiaries, associates and joint arrangements to the extent that the Company is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future.

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which they can be used. The existence of unused tax losses is strong evidence that future taxable profit may not be available. Therefore, in case of a history of recent losses, the Company recognises a deferred tax asset only to the extent that it has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profit will be available against which such deferred tax asset can be realised. Deferred tax assets – unrecognised or recognised, are reviewed at each reporting date and are recognised/ reduced to the extent that it is probable/ no longer probable respectively that the related tax benefit will be realised.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

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

3.15 Leases

The Company as lessee:
The Company's lease asset classes primarily consist of leases for office premises. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration to assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

(i) the contract involves the use of an identified asset
(ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and
(iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee.
Certain lease arrangements include the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.
ROU assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

ROU assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset.
The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

Estimating the incremental borrowing rate

The Company cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Company would have to pay for its borrowings.

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3.16 Trade receivables

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition. The Company uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated for changes in the forward looking estimates.

3.17 Borrowing cost

Borrowing costs are interest and other costs incurred in connection with the borrowings of funds. Borrowing costs directly attributable to acquisition or construction of an asset which necessarily take a substantial period of time to get ready for their intended use are capitalized as part of the cost of the asset. Other borrowings costs are recognized as an expense in the statement of profit and loss account on an accrual basis using the Effective Interest Rate Method.

3.18 Hedge Accounting policy

The Company makes use of derivative instruments to manage exposures to interest rate and foreign currency. In order to manage particular risks, the Company applies hedge accounting for transactions that meet specific criteria.

At the inception of a hedge relationship, the Company formally designates and documents the hedge relationship to which the Company wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge. The documentation includes the Company's risk management objective and strategy for undertaking hedge, the hedging / economic relationship, the hedged item or transaction, the nature of the risk being hedged, hedge ratio and how the Company would assess the effectiveness of changes in the hedging instrument's fair value in offsetting the exposure to changes in the hedged item's fair value or cash flows attributable to the hedged risk. Such hedges are expected to be highly effective in achieving offsetting changes in fair value or cash flows and are assessed on an on-going basis to determine that they actually have been highly effective throughout the financial reporting periods for which they were designated

Cash flow hedges

A cash flow hedge is a hedge of the exposure to variability in cash flows that is attributable to a particular risk associated with a recognised asset or liability (such as all or some future interest payments on variable rate debt) or a highly probable forecast transaction and could affect profit and loss.

For designated and qualifying cash flow hedges, the effective portion of the cumulative gain or loss on the hedging instrument is initially recognised directly in OCI within equity (cash flow hedge reserve).
The ineffective portion of the gain or loss on the hedging instrument is recognised immediately in Finance Cost in the statement of profit and loss.

When the hedged cash flow affects the statement of profit and loss, the effective portion of the gain or loss on the hedging instrument is recorded in the corresponding income or expense line of the statement of profit and loss. When the forecast transaction subsequently results in the recognition of a non-financial asset or a non-financial liability, the gains and losses previously recognized in OCI are reversed and included in the initial cost of the asset or liability.

When a hedging instrument expires, is sold, terminated, exercised, or when a hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss that has been recognized in OCI at that time remains in OCI and is recognized when the hedged forecast transaction is ultimately recognised in the statement of profit and loss. When a forecast transaction is no longer expected to occur, the cumulative gain or loss that was reported in OCI is immediately transferred to the statement of profit and loss.

3.19 Cash and cash equivalents

Cash and cash equivalents comprises current account balances and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

3.20 Segment reporting- Identification of segments:

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses, whose operating results are regularly reviewed by the Company's Chief Operating Decision Maker (CODM) to make decisions for which discrete financial information is available. Based on the management approach as defined in Ind AS 108, the CODM evaluates the Company's performance and allocates resources based on an analysis of various performance indicators by business segments and geographic segments.

All activities of the Company revolve around the main business of financing. The Company does not have any separate geographic segment other than India. Therefore, there are no separate reportable segments as per Ind AS 108 on "Operating Segments".

3.21 Earnings per share

The Company reports basic and diluted earnings per equity share in accordance with Ind AS 33, Earnings Per Share. Basic earnings per equity share is computed by dividing net profit / loss after tax attributable to the equity share holders for the year by the weighted average number of equity shares outstanding during the year. Diluted earnings per equity share is computed and disclosed by dividing the net profit/ loss after tax attributable to the equity share holders for the year after giving impact of dilutive potential equity shares for the year by the weighted average number of equity shares and dilutive potential equity shares outstanding during the year, except where the results are anti-dilutive.

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3.22 Cash flow statement

Cash flows are reported using the indirect method, whereby profit after tax is adjusted for the effects of transactions of a non–cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from regular revenue generating, financing and investing activities of the Company are segregated. Cash flows in foreign currencies are accounted at the actual rates of exchange prevailing at the dates of the transactions.

3.23 Securities Premium Account

Securities premium is credited when shares are issued at premium. It can be used to issue bonus shares, to provide for premium on redemption of shares and issue expenses of securities which qualify as equity instruments.

3.24 Goods and Services Input Tax Credit

Input Tax Credit is accounted for in the books in the period when the underlying service / supply received is accounted to the extent permitted as per the applicable regulatory laws and when there is no uncertainty in availing / utilising the same. The ineligible input credit is charged off to the respective expense or capitalised as part of asset cost as applicable.

3.25 Provisions, Contingent Assets and Contingent Liabilities

Provisions are recognised only when:
(i) The Company has a present obligation (legal or constructive) as a result of a past event;
(ii) It is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and
(iii) A reliable estimate can be made of the amount of the obligation.

Provision is measured using the cash flows estimated to settle the present obligation and when the effect of time value of money is material, the carrying amount of the provision is the present value of those cash flows.

Contingent liability is disclosed in case of:
(i) A present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation; or
(ii) A present obligation arising from past events, when no reliable estimate is possible.

Where the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under such contract, the present obligation under the contract is recognised and measured as a provision.

Contingent assets are not recognised in the financial statements. Contingent assets are disclosed where an inflow of economic benefits is probable.

Provisions, contingent liabilities and contingent assets are reviewed at each Balance Sheet date.

3.26 Commitments

Commitments are future liabilities for contractual expenditure, classified and disclosed as follows:
a) Estimated amount of contracts remaining to be executed on capital account and not provided for;
b) Uncalled liability on shares and other investments partly paid; and
c) Other non-cancellable commitments, if any, to the extent they are considered material and relevant in the opinion of management.

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(All amounts are in Rupees lakhs, unless stated otherwise)

	Particulars	As at 31 March 2022	As at 31 March 2021
4	**Cash and cash equivalents**		
	Balances with banks		
	In current accounts	43,391.04	13,817.64
		43,391.04	**13,817.64**
5	**Bank balances other than cash and cash equivalents**		
	Bank balances other than cash and cash equivalents		
	- In deposit accounts - under lien*	31,894.68	9,511.80
		31,894.68	**9,511.80**

*These deposits are earmarked against the bank overdraft and borrowings availed by the Company stated in Note 17 and earns interest at fixed rate ranging from 2.75% p.a to 8.3% p.a.

	Particulars	As at 31 March 2022	As at 31 March 2021
6	**Receivables**		
	Trade receivables considered good - secured	-	-
	Trade receivables considered good - unsecured	423.41	438.01
	Trade receivables which have significant increase in credit risk	-	-
	Trade receivables credit impaired	196.24	141.55
		619.65	**579.56**
	Loss allowance		
	Less: Impairment loss allowance	(196.24)	(155.12)
	Net trade receivables	**423.41**	**424.44**
	Note:		
	Of the above, receivable from related parties are as below		
	Total receivables from related parties (refer note 36)	172.40	
	Less: Impairment loss allowance	-	-
	Net receivables from related parties	**172.40**	-

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(All amounts are in Rupees lakhs, unless stated otherwise)

	Particulars	As at 31 March 2022	As at 31 March 2021
7	**Loans (At Amortised cost)**		
A	**Based on nature**		
	Term loans	280,887.85	160,308.18
	Supply chain finance	17,809.14	3,319.45
	Others	234.65	64.47
	Total - Gross	**298,931.64**	**163,692.10**
	Less: Impairment loss allowance	(2,883.55)	(1,647.18)
		296,048.09	**162,044.92**
B	**Based on security**		
	(i) Secured*	212,147.41	145,128.93
	(ii) Unsecured	86,784.23	18,563.17
	Total - Gross	**298,931.64**	**163,692.10**
	Less: Impairment loss allowance	(2,883.55)	(1,647.18)
		296,048.09	**162,044.92**
C	**Based on region**		
	(i) Loans in India		
	(a) Public Sector	-	-
	(b) Others	298,931.64	163,692.10
	Total		
	(ii) Loans outside India	-	-
	Total - Gross	**298,931.64**	**163,692.10**
	Less: Impairment loss allowance	(2,883.55)	(1,647.18)
		296,048.09	**162,044.92**

*These loans are secured by way of hypothecation of underlying loan/book debts receivables.

Loans or advances in the nature of loans are granted to promoters, directors, Key managerial personnels (KMPs), and the related parties, either serverally or jointly with any other person.

Promoters	-	-
Directors	-	-
KMPs	-	-
Related parties (refer note 36)	-	-
	-	-

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(All amounts are in Rupees lakhs, unless stated otherwise)

	Particulars	As at 31 March 2022	As at 31 March 2021
8	**Investments**		
	Investment in subsidiaries at cost (Unquoted)		
	- Vivriti Asset Management Private Limited 1,68,92,746 Equity shares of INR 10 each fully paid up (As at 31 March 2021: 1,68,92,746 shares of INR 10 each)	2,751.00	2,751.00
	- Vivriti Asset Management Private Limited 28,03,738 Compulsorily convertible preference shares shares of INR 10 each fully paid up (As at 31 March 2021: Nil)	3,000.00	-
	Investment in associate at cost (Unquoted)		
	Credavenue Private Limited 5,00,10,000 Equity shares of INR 10 each fully paid up (As at 31 March 2021: 5,00,10,000 Equity shares of INR 10 each) (Credavenue Private Limited was a subsidiary till 20 September 2021) (Also refer note 8.1 below)	5,001.00	5,001.00
		10,752.00	**7,752.00**
	Investments in Alternate investment fund - FVTPL (Unquoted)		
	- Vivriti Samarth Bond Fund - 2,500 Class A units (31 March 2021 :1,000 units)	342.73	99.49
	- Vivriti Short Term Bond Fund - Nil (31 March 2021 : 4,625 units)	-	462.50
	- Vivriti India Impact Bond Fund - 12,686.08 units (31 March 2021: 3,353.79 units)	1,421.84	351.02
	- Vivriti Emerging Corporate Bond Fund - 34,054.32 Class A1 units (31 March 2021: Nil)	7,964.00	-
	- Vivriti Alpha debt fund enhanced - 3,930.83 Class B1 units (31 March 2021: Nil)	391.51	-
	- Vivriti Alpha debt fund enhanced - 1472.97 Class B1 units (31 March 2021: Nil)	146.71	-
	- Vivriti Promising lenders fund - 203,000 Class B units (31 March 2021: Nil)	2,021.88	-
		12,288.67	**913.01**
	Investments in Mutual Funds - FVTPL (Quoted)		
	IDFC Overnight Fund Direct plan - Growth 88,461.68 units (31 March 2021: Nil)	1,002.96	-
	Axis Overnight Fund Direct Plan - Growth 89,508.18 units (As at 31 March 2021: Nil)	1,005.93	-
	Nippon India Overnight Fund Direct Plan - Growth 8,77,472.17 units (As at 31 March 2021: Nil)	1,001.95	-
		3,010.85	-
	Aggregate book value of quoted investments	3,005.29	-
	Aggregate market value of quoted investments	3,010.85	-
	Aggregate amount of fair value changes in investments	5.56	-
	Investments in Market Linked Debentures - FVTPL (Unquoted)	20,155.04	640.00
	Others - Unquoted - FVOCI		
	- Non convertible debentures	22,496.10	11,245.29
	- Pass through certificates	29,841.50	8,847.55
		98,544.16	**29,397.85**

All investments disclosed above represents investments made in India.

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8.1 Change in ownership interests in Credavenue Private Limited (CAPL)

A. Shareholder related transactions

On 12 August 2021, the Company had received an offer for subscribing to the rights issue of 13,336,000 equity shares of its then wholly owned subsidiary "Credavenue Private Limited" ("CAPL") at an issue price of INR 15 per share. The management of CAPL had obtained a fair valuation report from a registered valuer with value of INR 15 per share and a fairness opinion from another independent chartered accountant firm on the aforesaid report.

In view of its strategic outlook and regulatory aspects, the Company did not seek to subscribe to such rights and renounced the rights entitlement on the aforesaid date in favor of Vineet Sukumar and Gaurav Kumar, in their capacity as founder shareholders of the Company ("Founder shareholders") without any consideration (to be received by VCPL) for the rights renunciation. This has been approved / ratified subsequently by the Board of directors including the investor shareholders of the Company.

Subsequently, on 13 August 2021, the founder shareholders subscribed to the rights issue of equity shares of CAPL and consequently, the holding in CAPL reduced from 100% to 80%.

During the same time, CAPL was also in discussion with various external investors for its first round of fund raising and subsequently, during September 2021, concluded the fund raise through issue of Series A CCPS at an issue price of INR 351 per share (also refer note B below).

The Company has evaluated the aforesaid shareholder transactions forming part of equity and believes that there are no material financial reporting / tax implications arising therefrom.

B. Loss / Dilution of control

CAPL did its first round of fund raise of INR 66,100 lakhs in September 2021 through issue of 19,115,999 number of Series A CCPS shares to various external investors at an issue price of INR 351 (including a premium of INR 301 per share). Consequent to the Series A funding in CAPL, VCPL's shareholding on a fully diluted basis, reduced to 58% and on the basis of the shareholders' agreement dated 20 September 2021, VCPL did not retain control over CAPL. As a consequence, CAPL became an associate of VCPL with effect from such date. Accordingly, the Company has elected to continue measuring its investment in CAPL at cost.

Further, on 6 March 2022, CAPL did another round of fund raise of INR 102,800 lakhs, through issue of 10,590,170 number of Series B CCPS to various external investors at an issue price per of INR 971 (including a premium of INR 921 per share). Consequent to the Series B funding, VCPL's shareholding on a fully diluted basis, has further reduced to 51%

		As at 31 March 2022	As at 31 March 2021
9	**Other financial assets**		
	Security deposits	257.74	255.42
	Dues from related parties	1,303.34	30.16
	Receivable from assigned loans	9.86	12.00
	Other advances	250.28	-
		1,821.22	**297.58**
10	**Current tax assets (net)**		
	Advance income tax (net of provisions)	1,859.81	943.23
		1,859.81	**943.23**
11	**Investment Property**		
	Investment Property	948.61	-
		948.61	**-**

The Fair value of the investment property is based on the valuation by registered valuer as defined under rule 2 of Companies (Registered Valuer and Valuations) Rules, 2017. All the title deeds of immovable property are held in the name of the Company.

(All amounts are in Rupees lakhs, unless stated otherwise)

6.1 The ageing schedule of Trade receivables is as follows

i) As at 31 March 2022

Particulars	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
		Outstanding for following periods from due date of payment					
(i) Undisputed Trade receivables – considered good	-	423.41	-	-	-	-	423.41
(ii) Undisputed Trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	28.98	167.26	-	196.24
(iv) Disputed Trade Receivables – considered good	-	-	-	-	-	-	-
(v) Disputed Trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
	-	**423.41**	-	**28.98**	**167.26**	-	**619.65**
Impairment loss allowance							(196.24)
Total Receivables							**423.41**

ii) As at 31 March 2021

Particulars	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
		Outstanding for following periods from due date of payment					
(i) Undisputed Trade receivables – considered good	-	438.01	-	-	-	-	438.01
(ii) Undisputed Trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	141.55	-	-	141.55
(iv) Disputed Trade Receivables – considered good	-	-	-	-	-	-	-
(v) Disputed Trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
	-	**438.01**	-	**141.55**	-	-	**579.56**
Impairment loss allowance							(155.12)
Total Receivables							**424.44**

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(All amounts are in Rupees lakhs, unless stated otherwise)

12.1 Property, plant and equipment

Particulars	Leasehold improvements	Furniture and fixtures	Office equipments	Computers and accessories	Total
Cost					
Balance as at 31 March 2020	**364.98**	**346.60**	**128.65**	**355.85**	**1,196.08**
Additions	56.34	16.32	-	136.84	209.50
Disposals	-	-	-	(232.05)	(232.05)
Balance as at 31 March 2021	**421.32**	**362.92**	**128.65**	**260.64**	**1,173.53**
Additions	-	477.57	29.77	198.69	706.03
Adjustments*	38.19	11.79	29.62	28.06	107.66
Disposals	(459.51)	(374.71)	(158.27)	(10.20)	(1,002.69)
Balance as at 31 March 2022	-	**477.57**	**29.77**	**477.19**	**984.53**
Accumulated depreciation					
Balance as at 31 March 2020	**210.38**	**69.00**	**54.16**	**133.03**	**466.57**
Additions	107.69	38.09	29.55	75.91	251.24
Disposals	-	-	-	(72.10)	(72.10)
Balance as at 31 March 2021	**318.07**	**107.09**	**83.71**	**136.84**	**645.71**
Additions	-	26.31	3.80	65.80	95.91
Adjustments*	36.51	11.97	14.68	40.71	103.87
Disposals	(354.58)	(119.06)	(98.39)	(8.34)	(580.37)
Balance as at 31 March 2022	-	**26.31**	**3.80**	**235.02**	**265.12**
Net block					
As at 31 March 2021	**103.25**	**255.83**	**44.94**	**123.80**	**527.82**
As at 31 March 2022	-	**451.26**	**25.97**	**242.17**	**719.41**

*Adjustments represents the presentation of the gross block and accumulated depreciation of fully depreciated assets as per asset category wise details maintained in the fixed asset register.

Notes

1. The Company has not revalued any of its property, plant and equipment.

12.2 Right of use assets ('ROUA')

Particulars	Office premises	Total
Gross block value		
Balance as at 31 March 2020	**1,587.32**	**1,587.32**
Additions	-	-
Deletions	-	-
Balance as at 31 March 2021	**1,587.32**	**1,587.32**
Additions	1,575.43	1,575.43
Deletions	(2,453.27)	(2,453.27)
Balance as at 31 March 2022	**709.48**	**709.48**
Accumulated depreciation		
Balance as at 31 March 2020	**322.67**	**322.67**
Additions	389.93	389.93
Deletions	-	-
Balance as at 31 March 2021	**712.61**	**712.61**
Additions	309.40	309.40
Deletions	(915.51)	(915.51)
Balance as at 31 March 2022	**106.49**	**106.49**
Net block value		
As at 31 March 2021	**874.71**	**874.71**
As at 31 March 2022	**602.98**	**602.98**

Note : The Company has not revalued any of its right of use assets.

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(All amounts are in Rupees lakhs, unless stated otherwise)

12.3 Intangible assets under development

Particulars	Software under development	Total
Balance as at 31 March 2020	**35.12**	**35.12**
Additions	13.84	13.84
Capitalized during the year	-	-
Balance as at 31 March 2021	**48.96**	**48.96**
Additions	14.06	14.06
Capitalized during the year	48.96	48.96
Balance as at 31 March 2022	**14.06**	**14.06**

As at 31 March 2022

CWIP Amount	Amount in Intangible asset under development for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	14.06	-	-	-	14.06
Projects suspended	-	-	-	-	-

As at 31 March 2021

CWIP Amount	Amount in Intangible asset under development for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	48.96	-	-	-	48.96
Projects suspended	-	-	-	-	-

The Company does not have any intangibles under development which is overdue or has exceeded its cost compared to its original plan and hence completion schedule is not applicable.

12.4 Intangible Assets

Particulars	Softwares and websites	Total
Cost		
Balance as at 31 March 2020	**165.52**	**165.52**
Additions	0.12	0.12
Disposals	-	-
Balance as at 31 March 2021	**165.64**	**165.64**
Additions	310.33	310.33
Disposals	-	-
Balance as at 31 March 2022	**475.97**	**475.97**
Accumulated depreciation		
Balance as at 31 March 2020	**33.14**	**33.14**
Additions	39.21	39.21
On disposals	-	-
Balance as at 31 March 2021	**72.35**	**72.35**
Additions	81.77	81.77
Adjustments*	3.86	3.86
On disposals	-	-
Balance as at 31 March 2022	**157.98**	**157.98**
Net block		
As at 31 March 2021	**93.29**	**93.29**
As at 31 March 2022	**317.99**	**317.99**

*Refer note under 12.1 above.

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(All amounts are in Rupees lakhs, unless stated otherwise)

	Particulars	As at 31 March 2022	As at 31 March 2021
13	**Others non financial assets**		
	Prepaid expenses	152.06	227.35
	Advance to vendors	654.71	133.69
	Balance with Government authorities	273.68	134.18
	Deferred lease rentals	27.67	26.88
		1,108.13	**522.10**
14	**Derivative Financial Instruments**		
	Currency derivatives		
	Cross currency interest rate swaps - Refer Note 44	382.00	-
		382.00	-
15	**Trade payables**		
	- Total outstanding dues of micro enterprises and small enterprises - Refer Note 37	-	1.72
	- Total outstanding dues of creditors other than micro enterprises and small enterprises	954.58	821.11
		954.58	**822.83**

15.1 The ageing schedule of Trade payables is as follows

i) As at 31 March 2022

Particulars	Outstanding for following periods from due date of payment					Total
	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed dues						
(i) MSME	-	-	-	-	-	-
(ii) Others	-	585.52	-	-	-	585.52
Disputed dues						
(i) MSME	-	-	-	-	-	-
(ii) Others	-	-	-	-	-	-
Unbilled dues	369.06	-	-	-	-	369.06
	369.06	**585.52**	-	-	-	**954.58**

ii) As at 31 March 2021

Particulars	Outstanding for following periods from due date of payment					Total
	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed dues						
(i) MSME	-	1.72	-	-	-	1.72
(ii) Others	-	565.08	-	-	-	565.08
Disputed dues						
(i) MSME	-	-	-	-	-	-
(ii) Others	-	-	-	-	-	-
Unbilled dues	256.03	-	-	-	-	-
	256.03	**566.80**	-	-	-	**566.80**

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(All amounts are in Rupees lakhs, unless stated otherwise)

	Particulars	As at 31 March 2022	As at 31 March 2021
16	**Debt securities**		
	Measured at amortised cost		
	Redeemable Non-convertible debentures	98,693.74	39,953.41
	Commercial papers	8,357.61	-
	Total debt securities	**107,051.35**	**39,953.41**
	Debt securities in India	107,051.35	39,953.41
	Debt securities outside India	-	-
	Total	**107,051.35**	**39,953.41**

16.1 Security

(i) Redeemable Non-convertible debentures are secured by way of exclusive charge over identified loan portfolio.
(ii) The Company has not defaulted in the repayment of dues to its lenders during the current or previous period

(iii) Details of repayment such as date of repayment, interest rate and amount to be paid have been disclosed in note 16.2 based on the Contractual terms basis.
(iv) Quarterly returns and statements of current assets (identified loan portfolio) provided by the Company with the respective financial institutions are in agreement with the books of accounts.

16.2 Details of terms of redemption / repayment provided in respect of debt securities:

Debt Reference	Remaining maturity	Due date of redemption	Terms of repayment	As at 31 March 2022	As at 31 March 2021
11.50% Vivriti Capital Private Limited	NA	16-Aug-21	Principal is Quarterly payment and Interest is Monthly payment	-	1,004.46
Market Linked Debentures - II	NA	13-Aug-21	Principal and interest is Bullet payment	-	603.04
10.00% Vivriti Capital Private Limited	< 1 year	16-Jun-21	Principal is Quarterly payment and Interest is Monthly payment	1,002.79	3,996.84
10.75% Vivriti Capital Private Limited	NA	31-Jul-23	Principal and interest is Half yearly payment	-	2,500.25
10.48% Vivriti Capital Private Limited	NA	31-Jul-23	Principal is Quarterly payment and Interest is Monthly payment	-	1,923.38
Market Linked Debentures - III	1-2 years	27-Nov-22	Principal and interest is Bullet payment	1,135.81	1,023.46
10.25% Vivriti Capital Private Limited	1-2 years	16-Jun-22	Principal is Quarterly payment and Interest is Monthly payment	1,997.66	1,995.58
10.71% Vivriti Capital Private Limited	1-2 years	5-Jul-22	Principal is bullet payment and interest is monthly payment	4,011.74	3,972.53
9.90% Vivriti Capital Private Limited	1-2 years	25-Aug-22	Principal is monthly payment and interest in monthly payment	2,479.88	7,500.00
10.50% Vivriti Capital Private Limited	1-2 years	25-Aug-22	Principal is bullet payment and interest in monthly payment	3,004.04	-
9.25% Vivriti Capital Private Limited	1-2 years	28-Feb-23	Principal and interest in Bullet payment	7,973.85	-
9.40% Vivriti Capital Private Limited	1-2 years	6-Jan-23	Principal and interest in Bullet payment	5,204.36	-
9.40% Vivriti Capital Private Limited	1-2 years	6-Feb-23	Principal and interest in Bullet payment	5,205.74	-
10.39% Vivriti Capital Private Limited	1-2 years	30-Dec-22	Principal is bullet payment and interest in monthly payment	5,495.74	-
8.90% Vivriti Capital Private Limited	1-2 years	3-Apr-23	Principal and interest in Bullet payment	5,049.47	-
9.00% Vivriti Capital Private Limited	1-2 years	24-Apr-23	Principal and interest in Bullet payment	5,046.45	-
8.65 % Vivriti Capital Private Limited	1-2 years	4-Jun-23	Principal and interest in monthly payment	9,870.17	-
10.39 % Vivriti Capital Private Limited	1-2 years	28-Feb-23	Principal and interest in Bullet payment	3,027.23	-
8.50% Vivriti Capital Private Limited	1-2 years	14-Jul-23	Principal and interest in Bullet payment	9,852.61	-
8.50% Vivriti Capital Private Limited	1-2 years	14-Jul-23	Principal and interest in Bullet payment	9,645.24	-
12.96% Vivriti Capital Private Limited	NA	3-Mar-23	Principal is bullet payment and interest is monthly payment	-	2,541.54

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(All amounts are in Rupees lakhs, unless stated otherwise)

Debt Reference	Remaining maturity	Due date of redemption	Terms of repayment	As at 31 March 2022	As at 31 March 2021
12.12% Vivriti Capital Private Limited	1-2 years	26-Aug-22	Principal is Bullet payment and Interest is Half yearly payment	2,022.66	2,036.25
10.57% Vivriti Capital Private Limited	2-3 years	10-Feb-24	Principal is Quarterly payment and Interest is Monthly payment	675.21	1,013.19
Market Linked Debentures - IV	1-2 years	29-Jul-22	Principal and interest is Bullet payment	5,519.46	4,947.58
Market Linked Debentures - V	1-2 years	16 Oct 22	Principal and interest is Bullet payment	5,179.08	4,895.33
9.78% Vivriti Capital Private Limited	2-3 years	30-Sep-24	Principal and Interest is Quarterly payment	4,994.55	-
Commercial Paper I	< 1 year	28-Apr-22	Principal in Bullet Payment	993.86	-
Commercial Paper II	< 1 year	10-Aug-22	Principal in Bullet Payment	2,425.06	-
Commercial Paper V	< 1 year	23-May-22	Principal in Bullet Payment	987.57	-
Commercial Paper VI	< 1 year	23-May-22	Principal in Bullet Payment	2,967.38	-
Commerical Paper VII	< 1 year	30-Jun-22	Principal in Bullet Payment	983.74	-
Total				**107,051.35**	**39,953.41**

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(All amounts are in Rupees lakhs, unless stated otherwise)

	Particulars	As at 31 March 2022	As at 31 March 2021
17	**Borrowings (Other than Debt Securities)**		
	Measured at amortised cost		
	(i) Term loans (secured) (Refer note 17.1 and 17.2)		
	From banks	159,606.23	58,882.55
	From other parties	59,081.86	26,734.63
		218,688.09	**85,617.18**
	(ii) Loans repayable on demand (secured) (Refer note 17.1 and 17.2)		
	- From Banks (Overdrafts)	24,273.94	7,247.46
	- Working capital demand loan from banks (Cash credit)	5,000.00	4,000.00
		29,273.94	**11,247.46**
		247,962.03	**96,864.64**
	Borrowings in India	240,322.35	96,864.64
	Borrowings outside India	7,639.68	-
		247,962.03	**96,864.64**

17.1 Security

(i) Loans from banks and financial institutions are secured by first ranking and exclusive charge over identified receivables and guaranteed by directors of the Company.

(ii) The Company has not defaulted in the repayment of principal and interest to its lenders during the current or previous period

(iii) Rate of interest payable on bank overdraft is 3.3% p.a (31 March 2021: 3.05% p.a to 3.4% p.a). The Company has taken bank overdraft against the deposit balances (also refer note 5)

(iv) Rate of interest payable on cash credit loans is 7.00-7.80% p.a. (31 March 2021: 10.30% p.a.)

(v) Quarterly returns and statements of current assets (identified loan portfolio) provided by the Company with the respective financial institutions are in agreement with the books of accounts.

B S R & Co. LLP * Chartered Accountants *

Vivriti Capital Private Limited Chennai 600 035 *

(All amounts are in Rupees lakhs, unless stated otherwise)

17.2 Details of terms loans - Contractual repayment values

Particulars	Period	Rate of Interest	Maturity Date	Terms of repayment - principal	Terms of repayment - Interest	As at 31 March 2022	As at 31 March 2021
Term Loan 1	< 1 year	11.50%	1-Feb-22	Monthly	Monthly	0.00	419.51
Term Loan 2	< 1 year	12.00%	20-Feb-22	Monthly	Monthly	-	730.80
Term Loan 3	< 1 year	10.50%	28-Mar-23	Monthly	Monthly	3,319.16	6,907.67
Term Loan 4	< 1 year	10.90%	30-Jun-22	Monthly	Monthly	199.82	996.52
Term Loan 5	< 1 year	11.25%	28-Jul-22	Monthly	Monthly	453.04	1,808.33
Term Loan 6	< 1 year	9.95%	3-Oct-22	Monthly	Monthly	733.58	1,986.03
Term Loan 7	1-2 years	10.30%	29-Sep-23	Monthly	Monthly	1,003.00	1,658.51
Term Loan 8	2-3 years	10.30%	22-Mar-25	Monthly	Quarterly	3,406.41	3,964.91
Term Loan 9	< 1 year	9.60%	27-Oct-22	Monthly	Monthly	729.47	1,989.17
Term Loan 10	< 1 year	7.80%	2-Feb-21	Bullet	Monthly	2,508.15	1,500.00
Term Loan 11	< 1 year	9.50%	21-Dec-22	Monthly	Monthly	935.98	2,188.46
Term Loan 12	2-3 years	10.25%	30-Apr-24	Monthly	Quarterly	1,863.16	2,475.96
Term Loan 13	1-2 years	11.35%	31-Dec-23	Monthly	Monthly	1,484.75	2,358.08
Term Loan 14	< 1 year	10.30%	30-Dec-21	Monthly	Annualy	2,447.09	2,466.00
Term Loan 15	< 1 year	9.65%	21-Dec-21	Monthly	Quarterly	-	538.88
Term Loan 16	< 1 year	9.85%	10-Dec-22	Monthly	Monthly	748.52	1,761.30
Term Loan 17	< 1 year	9.85%	14-Dec-22	Monthly	Monthly	374.04	878.89
Term Loan 18	< 1 year	10.30%	31-Jan-23	Monthly	Monthly	623.38	1,367.83
Term Loan 19	2-3 years	11.15%	3-May-24	Monthly	Monthly	3,528.90	4,886.36
Term Loan 20	< 1 year	10.75%	15-Feb-23	Monthly	Monthly	622.48	1,438.78
Term Loan 21	< 1 year	10.00%	3-Mar-23	Monthly	Monthly	753.57	1,503.18
Term Loan 22	1-2 years	11.70%	15-Mar-24	Monthly	Monthly	981.74	1,503.52
Term Loan 23	1-2 years	9.90%	12-Mar-24	Monthly	Monthly	1,759.40	2,505.95
Term Loan 24	2-3 years	10.45%	28-Feb-25	Quarterly	Monthly	7,543.93	9,926.21
Term Loan 25	< 1 year	10.75%	24-Mar-23	Monthly	Monthly	528.22	1,049.19
Term Loan 26	1-2 years	10.30%	31-Aug-23	Monthly	Monthly	605.32	1,000.28
Term Loan 27	1-2 years	9.45%	13-Jul-23	Quarterly	Monthly	3,925.23	-
Term Loan 28	< 1 year	5.75%	10-Jun-22	Quarterly	Monthly	5,016.65	-
Term Loan 29	1-2 years	10.00%	31-Jan-24	Quarterly	Monthly	1,992.73	-
Term Loan 30	2-3 years	9.90%	18-Aug-24	Quarterly	Monthly	2,499.25	-
Term Loan 31	1-2 years	9.95%	31-Aug-23	Monthly	Monthly	1,411.03	-
Term Loan 32	1-2 years	9.00%	30-Sep-23	Monthly	Monthly	1,142.77	-
Term Loan 33	2-3 years	9.50%	24-Sep-24	Monthly	Monthly	4,160.61	-
Term Loan 34	1-2 years	9.95%	24-Sep-23	Monthly	Monthly	1,492.63	-
Term Loan 35	2-3 years	9.35%	30-Sep-24	Monthly	Monthly	4,139.70	-
Term Loan 36	1-2 years	9.73%	30-Sep-23	Monthly	Monthly	4,479.98	-
Term Loan 37	2-3 years	11.15%	30-Jan-25	Monthly	Monthly	883.63	-
Term Loan 38	2-3 years	9.00%	30-Sep-24	Monthly	Monthly	4,011.89	-
Term Loan 39	2-3 years	10.00%	31-Oct-24	Monthly	Monthly	997.34	-
Term Loan 40	1-2 years	9.90%	3-Nov-23	Monthly	Monthly	2,508.04	-
Term Loan 41	2-3 years	11.15%	3-Jan-25	Monthly	Monthly	2,086.58	-
Term Loan 42	1-2 years	9.25%	15-Nov-23	Monthly	Monthly	2,514.06	-
Term Loan 43	2-3 years	9.70%	8-Dec-24	Monthly	Monthly	2,503.92	-
Term Loan 44	2-3 years	10.65%	10-Dec-24	Monthly	Monthly	2,492.68	-
Term Loan 45	3-4 years	10.45%	31-Mar-26	Monthly	Monthly	3,760.34	-
Term Loan 46	< 1 year	10.45%	27-Dec-22	Bullet	Monthly	997.07	-
Term Loan 47	2-3 years	9.00%	31-Dec-24	Monthly	Monthly	4,536.72	-
Term Loan 48	1-2 years	9.25%	27-Dec-23	Monthly	Monthly	670.02	-
Term Loan 49	1-2 years	9.75%	8-Feb-24	Monthly	Monthly	2,349.83	-
Term Loan 50	2-3 years	9.25%	28-Feb-25	Monthly	Monthly	2,408.09	-
Term Loan 51	1-2 years	9.40%	24-Feb-24	Monthly	Monthly	7,198.79	-
Term Loan 52	1-2 years	10.15%	25-Feb-24	Monthly	Monthly	1,945.56	-
Term Loan 53	1-2 years	9.95%	25-Feb-24	Monthly	Monthly	1,908.44	-
Term Loan 54	1-2 years	9.90%	28-Dec-23	Monthly	Monthly	1,464.21	-
Term Loan 55	1-2 years	9.30%	8-Mar-24	Monthly	Monthly	6,160.50	-
Term Loan 56	2-3 years	9.75%	22-Mar-25	Monthly	Monthly	10,444.79	-
Term Loan 57	3-4 years	9.75%	30-Mar-26	Monthly	Monthly	5,869.27	-
Term Loan 58	2-3 years	7.75%	10-Mar-25	Monthly	Monthly	11,989.10	-
Term Loan 59	2-3 years	7.75%	10-Mar-25	Monthly	Monthly	14,989.10	-
Term Loan 60	1-2 years	9.40%	31-Mar-24	Monthly	Monthly	2,491.81	-
Term Loan 61	2-3 years	10.00%	1-Dec-24	Monthly	Monthly	2,693.09	-
Term Loan 62	< 1 year	11.25%	27-Apr-22	Bullet	Monthly	1,499.80	-
Term Loan 63	< 1 year	8.41%	27-Feb-22	Bullet	Monthly	-	-
Term Loan 64	< 1 year	9.95%	24-Feb-23	Monthly	Monthly	913.22	1,902.74
Term Loan 65	1-2 years	9.50%	26-Nov-23	Monthly	Monthly	2,206.65	-

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(All amounts are in Rupees lakhs, unless stated otherwise)

17.2 Details of terms loans - Contractual repayment values

Particulars	Period	Rate of Interest	Maturity Date	Terms of repayment - principal	Terms of repayment - Interest	As at 31 March 2022	As at 31 March 2021
Term Loan 66 - External commercial borrowing from outside India	3-4 years	9.70%	30-Nov-26	Half Yearly	Half yearly	7,639.68	-
Term Loan 67	1-2 years	10.40%	28-Feb-24	Monthly	Monthly	1,412.42	-
Term Loan 68	< 1 year	11.30%	1-Dec-22	Monthly	Monthly	428.79	-
Term Loan 69	< 1 year	11.50%	28-Feb-22	Monthly	Monthly	0.00	689.43
Term Loan 70	1-2 years	11.00%	30-Jun-23	Half Yearly	Monthly	2,620.59	-
Term Loan 71	2-3 years	10.50%	30-Sep-24	Monthly	Monthly	2,563.33	-
Term Loan 72	2-3 years	12.75%	31-Mar-25	Monthly	Monthly	1,800.00	-
Term Loan 73	1-2 years	11.00%	28-Dec-23	Monthly	Monthly	529.41	789.13
Term Loan 74	2-3 years	9.60%	19-Jun-24	Monthly	Monthly	3,711.10	-
Term Loan 75	< 1 year	7.00%	31-Mar-21	Bullet	Monthly	4,000.00	-
Term Loan 76	< 1 year	11.10%	23-Dec-22	Monthly	Monthly	131.15	306.91
Term Loan 77	< 1 year	11.10%	23-Dec-22	Monthly	Monthly	103.02	241.28
Term Loan 78	< 1 year	11.10%	23-Dec-22	Monthly	Monthly	131.40	306.91
Term Loan 79	< 1 year	11.10%	23-Dec-22	Monthly	Monthly	103.11	241.28
Term Loan 80	< 1 year	11.10%	23-Dec-22	Monthly	Monthly	131.40	306.49
Term Loan 81	< 1 year	11.10%	23-Dec-22	Monthly	Monthly	103.07	240.87
Term Loan 82	< 1 year	11.10%	23-Dec-22	Monthly	Monthly	131.23	306.49
Term Loan 83	< 1 year	11.10%	23-Dec-22	Monthly	Monthly	103.11	240.87
Term Loan 84	1-2 years	10.90%	25-Sep-23	Monthly	Monthly	2,255.77	-
Term Loan 85	< 1 year	11.25%	25-Jun-21	Monthly	Monthly	-	41.65
Term Loan 86	< 1 year	11.25%	25-Jun-21	Monthly	Monthly	-	41.65
Term Loan 87	< 1 year	11.25%	25-Jun-21	Monthly	Monthly	-	41.65
Term Loan 88	< 1 year	11.25%	25-Jun-21	Monthly	Monthly	-	41.65
Term Loan 89	< 1 year	11.25%	25-Jun-21	Monthly	Monthly	-	41.65
Term Loan 90	< 1 year	11.25%	25-Jun-21	Monthly	Monthly	-	41.65
Term Loan 91	< 1 year	11.50%	24-Dec-21	Monthly	Monthly	-	93.51
Term Loan 92	< 1 year	11.50%	24-Dec-21	Monthly	Monthly	-	93.51
Term Loan 93	< 1 year	11.50%	24-Dec-21	Monthly	Monthly	-	93.51
Term Loan 94	< 1 year	11.50%	24-Dec-21	Monthly	Monthly	-	93.51
Term Loan 95	< 1 year	11.25%	20-Sep-21	Monthly	Monthly	-	114.64
Term Loan 96	< 1 year	11.25%	20-Sep-21	Monthly	Monthly	-	116.64
Term Loan 97	< 1 year	11.25%	20-Sep-21	Monthly	Monthly	-	116.64
Term Loan 98	< 1 year	11.25%	20-Sep-21	Monthly	Monthly	-	116.64
Term Loan 99	< 1 year	11.25%	20-Sep-21	Monthly	Monthly	-	116.64
Term Loan 100	< 1 year	11.25%	20-Sep-21	Monthly	Monthly	-	116.64
Term Loan 101	< 1 year	11.25%	20-Sep-21	Monthly	Monthly	-	116.64
Term Loan 102	< 1 year	11.25%	20-Sep-21	Monthly	Monthly	-	116.64
Term Loan 103	< 1 year	11.25%	20-Sep-21	Monthly	Monthly	-	116.64
Term Loan 104	< 1 year	11.25%	20-Sep-21	Monthly	Monthly	-	116.64
Term Loan 105	< 1 year	11.50%	19-Mar-22	Monthly	Monthly	0.00	187.39
Term Loan 106	< 1 year	11.50%	19-Mar-22	Monthly	Monthly	0.00	187.39
Term Loan 107	< 1 year	11.50%	19-Mar-22	Monthly	Monthly	0.00	187.39
Term Loan 108	< 1 year	11.50%	19-Mar-22	Monthly	Monthly	0.00	187.39
Term Loan 109	< 1 year	11.25%	24-Jun-22	Monthly	Monthly	44.00	216.81
Term Loan 110	< 1 year	11.25%	24-Jun-22	Monthly	Monthly	34.35	170.35
Term Loan 111	< 1 year	11.25%	24-Jun-22	Monthly	Monthly	30.07	216.81
Term Loan 112	< 1 year	11.25%	24-Jun-22	Monthly	Monthly	34.35	170.35
Term Loan 113	< 1 year	11.25%	24-Jun-22	Monthly	Monthly	43.83	216.81
Term Loan 114	< 1 year	11.25%	24-Jun-22	Monthly	Monthly	46.57	170.35
Term Loan 115	< 1 year	11.25%	24-Jun-22	Monthly	Monthly	45.04	216.81
Term Loan 116	< 1 year	11.25%	24-Jun-22	Monthly	Monthly	34.37	170.35
Term Loan 117	< 1 year	11.10%	20-Sep-22	Monthly	Monthly	88.07	262.21
Term Loan 118	< 1 year	11.10%	20-Sep-22	Monthly	Monthly	69.04	206.02
Term Loan 119	< 1 year	11.10%	20-Sep-22	Monthly	Monthly	88.07	262.21
Term Loan 120	< 1 year	11.10%	20-Sep-22	Monthly	Monthly	70.10	206.02
Term Loan 121	< 1 year	11.10%	20-Sep-22	Monthly	Monthly	88.07	262.21
Term Loan 122	< 1 year	11.10%	20-Sep-22	Monthly	Monthly	68.96	206.02
Term Loan 123	< 1 year	11.10%	20-Sep-22	Monthly	Monthly	88.07	262.21
Term Loan 124	< 1 year	11.10%	20-Sep-22	Monthly	Monthly	69.32	206.02
Term Loan 125	< 1 year	11.10%	10-Feb-23	Monthly	Monthly	169.91	336.69
Term Loan 126	< 1 year	11.10%	10-Feb-23	Monthly	Monthly	139.10	288.76
Term Loan 127	< 1 year	11.10%	10-Feb-23	Monthly	Monthly	45.85	97.10
Term Loan 128	< 1 year	11.10%	10-Feb-23	Monthly	Monthly	164.99	336.69
Term Loan 129	< 1 year	11.10%	10-Feb-23	Monthly	Monthly	138.22	288.46
Term Loan 130	< 1 year	11.10%	10-Feb-23	Monthly	Monthly	45.85	96.70
Term Loan 131	< 1 year	11.10%	10-Feb-23	Monthly	Monthly	168.25	336.88

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(All amounts are in Rupees lakhs, unless stated otherwise)

17.2 Details of terms loans - Contractual repayment values

Particulars	Period	Rate of Interest	Maturity Date	Terms of repayment - principal	Terms of repayment - Interest	As at 31 March 2022	As at 31 March 2021
Term Loan 132	< 1 year	11.10%	10-Feb-23	Monthly	Monthly	138.22	288.46
Term Loan 133	< 1 year	11.10%	10-Feb-23	Monthly	Monthly	45.85	95.57
Term Loan 134	< 1 year	11.10%	10-Feb-23	Monthly	Monthly	161.09	335.16
Term Loan 135	< 1 year	11.10%	10-Feb-23	Monthly	Monthly	138.22	287.23
Term Loan 136	< 1 year	11.10%	10-Feb-23	Monthly	Monthly	48.64	95.57
Term Loan 137	1-2 years	11.00%	23-Jun-23	Monthly	Monthly	233.99	-
Term Loan 138	1-2 years	11.00%	23-Jun-23	Monthly	Monthly	233.99	-
Term Loan 139	1-2 years	11.00%	23-Jun-23	Monthly	Monthly	233.99	-
Term Loan 140	1-2 years	11.00%	23-Jun-23	Monthly	Monthly	234.41	-
Term Loan 141	1-2 years	11.00%	23-Jun-23	Monthly	Monthly	234.41	-
Term Loan 142	1-2 years	11.00%	23-Jun-23	Monthly	Monthly	234.41	-
Term Loan 143	1-2 years	11.00%	23-Jun-23	Monthly	Monthly	234.41	-
Term Loan 144	1-2 years	11.00%	23-Jun-23	Monthly	Monthly	234.32	-
Term Loan 145	1-2 years	11.00%	23-Jun-23	Monthly	Monthly	234.32	-
Term Loan 146	1-2 years	11.00%	23-Jun-23	Monthly	Monthly	234.32	-
Term Loan 147	1-2 years	11.00%	23-Jun-23	Monthly	Monthly	234.32	-
Term Loan 148	1-2 years	11.00%	23-Jun-23	Monthly	Monthly	233.97	-
Term Loan 149	1-2 years	10.65%	20-Dec-23	Monthly	Monthly	306.65	-
Term Loan 150	1-2 years	10.65%	20-Dec-23	Monthly	Monthly	306.65	-
Term Loan 151	1-2 years	10.65%	20-Dec-23	Monthly	Monthly	307.58	-
Term Loan 152	1-2 years	10.65%	20-Dec-23	Monthly	Monthly	307.58	-
Term Loan 153	1-2 years	10.65%	20-Dec-23	Monthly	Monthly	305.89	-
Term Loan 154	1-2 years	10.65%	20-Dec-23	Monthly	Monthly	309.61	-
Term Loan 155	1-2 years	10.65%	20-Dec-23	Monthly	Monthly	306.65	-
Term Loan 156	1-2 years	10.65%	20-Dec-23	Monthly	Monthly	306.65	-
Term Loan 157	1-2 years	10.65%	20-Dec-23	Monthly	Monthly	315.31	-
Term Loan 158	1-2 years	10.65%	20-Dec-23	Monthly	Monthly	317.22	-
Term Loan 159	1-2 years	10.65%	20-Dec-23	Monthly	Monthly	322.02	-
Term Loan 160	1-2 years	10.65%	20-Dec-23	Monthly	Monthly	132.58	-
Term Loan 161	1-2 years	10.40%	9-Feb-24	Monthly	Monthly	2,871.54	-
Term Loan 162	< 1 year	11.25%	20-Sep-21	Monthly	Monthly	-	111.20
Term Loan 163	< 1 year	11.25%	20-Sep-21	Monthly	Monthly	-	111.20
Term Loan 164	< 1 year	11.25%	20-Sep-21	Monthly	Monthly	-	111.20
Term Loan 165	< 1 year	11.25%	20-Sep-21	Monthly	Monthly	-	111.20
Term Loan 166	< 1 year	11.25%	20-Sep-21	Monthly	Monthly	-	111.20
Term Loan 167	2-3 years	10.30%	1-Jan-25	Quartely	Monthly	2,992.84	-
Term Loan 168	1-2 years	11.25%	1-Sep-23	Quarterly	Monthly	1,501.60	2,518.47
Term Loan 169	< 1 year	12.00%	31-Jul-22	Monthly	Monthly	166.54	498.73
Term Loan 170	1-2 years	11.40%	30-Nov-23	Monthly	Monthly	921.33	1,350.33
Term Loan 171	2-3 years	11.75%	31-Jan-25	Quarterly	Monthly	1,279.92	-
Term Loan 172	< 1 year	11.75%	3-Jun-21	Monthly	Monthly	-	296.98
Term Loan 173	< 1 year	11.50%	30-Apr-22	Monthly	Monthly	113.80	638.74
Term Loan 174	1-2 years	10.75%	22-Aug-23	Monthly	Monthly	1,817.02	-
Term Loan 175	< 1 year	10.50%	31-Mar-23	Monthly	Monthly	649.12	1,194.66
Term Loan 176	1-2 years	10.10%	5-Oct-23	Monthly	Monthly	1,653.67	-
Term Loan 177	1-2 years	10.10%	5-Oct-23	Monthly	Monthly	566.68	-
Term Loan 178	1-2 years	10.10%	5-Oct-23	Monthly	Monthly	246.00	-
Term Loan 179	< 1 year	11.00%	15-Jan-22	Monthly	Monthly	-	722.45
Term Loan 180	< 1 year	10.50%	30-Nov-22	Monthly	Monthly	399.57	995.85
Term Loan 181	< 1 year	9.85%	2-May-21	Monthly	Monthly	-	229.00
Term Loan 182	< 1 year	11.25%	30-Jun-21	Monthly	Monthly	-	218.48
Term Loan 183	< 1 year	9.75%	30-Sep-21	Monthly	Monthly	-	2,336.43
Term Loan 184	< 1 year	6.57%	10-Apr-21	Monthly	Monthly	-	280.92
Term Loan 185	< 1 year	12.80%	20-Feb-22	Monthly	Monthly	-	738.96
Term Loan 186	< 1 year	11.00%	23-Feb-22	Monthly	Monthly	-	2,816.15
					Total	**223,688.09**	**89,617.18**

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Vivriti Capital Private Limited Chennai 600 035 ★

(All amounts are in Rupees lakhs, unless stated otherwise)

	Particulars	As at 31 March 2022	As at 31 March 2021
18	**Other financial liabilities**		
	Lease Liability	620.63	1,038.49
	Employee benefits payable	286.78	250.00
	Advances received against loan agreements	259.83	27.36
	Dues to partners towards collections from co-lending loans	588.66	-
	Remittances payable on assets derecognised	0.23	189.27
	Payable to capital creditors	-	12.38
		1,756.13	**1,517.50**
19	**Provisions**		
	Provision for employee benefits		
	- Gratuity (refer note 34)	34.64	18.08
	- Compensated absences	104.48	59.42
	Provision on non-fund exposure	52.37	392.34
		191.49	**469.84**
20	**Other non financial liabilities**		
	Statutory dues payable	372.11	173.18
		372.11	**173.18**

BSR & Co. LLP
Chartered Accountants

Vivriti Capital Private Limited
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(All amounts are in Rupees lakhs, unless stated otherwise)

	Particulars	As at 31 March 2022	As at 31 March 2021
21	**Equity share capital**		
	Authorised		
	20,900,000 (As at 31 March 2021: 15,900,000 shares) Equity Shares of Rs 10 each	2,090.00	1,590.00
		2,090.00	**1,590.00**
	Issued, subscribed and fully paid up		
	16,326,754 (As at 31 March 2021: 15,641,010 shares) Equity shares of Rs. 10 each	1,632.67	1,564.10
	Less: Shares held under Vivriti ESOP trust	(380.43)	(417.71)
		1,252.24	**1,146.39**

A. Reconciliation of number of equity shares outstanding at the beginning and at the end of the reporting period

Particulars	As at 31 March 2022		As at 31 March 2021	
	Number	Amount	Number	Amount
As at the beginning of the year	15,641,010	1,564.10	14,489,700	1,448.97
Issued during the year	685,744	68.57	1,151,310	115.13
As at the end of the year	**16,326,754**	**1,632.67**	**15,641,010**	**1,564.10**

Equity shares held by the trust

Particulars	As at 31 March 2022		As at 31 March 2021	
	Number	Amount	Number	Amount
As at the beginning of the year	4,177,060	417.71	3,189,500	318.95
Issued during the year	-	-	987,560	98.76
Transferred during the year	(372,735)	(37.27)	-	-
As at the end of the year	**3,804,325**	**380.43**	**4,177,060**	**417.71**

B. Details of shareholders holding more than 5 percent shares in the Company are given below:

Particulars	As at 31 March 2022		As at 31 March 2021	
	Number	%	Number	%
Vineet Sukumar	4,900,000	30.01%	4,900,000	31.33%
Gaurav Kumar	4,900,000	30.01%	4,900,000	31.33%
Vivriti ESOP Trust	3,934,425	24.10%	4,177,060	26.71%

C. Details of shares held by the promoter at the end of the year

Particulars	As at 31 March 2022		As at 31 March 2021	
	Number	%	Number	%
Vineet Sukumar	4,900,000	30.01%	4,900,000	31.33%
Gaurav Kumar	4,900,000	30.01%	4,900,000	31.33%

As per records of the Company, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.

D. Terms/Rights attached to equity shares:

The Company has a single class of equity shares. Accordingly, all equity shares rank equally with regard to dividends and share in the Company's residual assets. The equity shares are entitled to receive dividend as declared from time to time subject to payment of dividend to preference shareholders. Dividend proposed by the board of directors, if any, is subject to the approval of the shareholders at the Annual General Meeting, except in the case of interim dividend.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

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(All amounts are in Rupees lakhs, unless stated otherwise)

	Particulars	As at 31 March 2022	As at 31 March 2021
21A	**Convertible preference share capital**		
	Authorised		
	87,937,063 (As at 31 March 2021: 83,437,063) Compulsorily convertible preference shares of Rs. 10 each	8,793.71	8,343.71
	850,000 (As at 31 March 2021: 850,000 shares) Optionally convertible redeemable preference shares of Rs. 60 each	510.00	510.00
		9,303.71	**8,853.71**
	Issued, subscribed and fully paid up		
	87,310,410 (As at 31 March 2021: 83,420,634) 0.001% Compulsorily convertible preference shares of Rs. 10 each	8,731.04	8,342.06
	Issued, subscribed and partially paid up		
	811,402 (As at 31 March 2020: 811,402) Optionally convertible redeemable preference shares of INR 60 each (Amount paid up INR 1 per share)	8.11	8.11
		8,739.15	**8,350.17**

A. Reconciliation of number of convertible preference shares outstanding at the beginning and at the end of the reporting period

i. Compulsorily convertible preference shares

Particulars	As at 31 March 2022		As at 31 March 2021	
	Number	Amount	Number	Amount
As at the beginning of the year	83,420,634	8,342.06	77,623,698	7,762.37
Issued during the year	3,889,776	388.98	5,796,936	579.69
As at the end of the year	**87,310,410**	**8,731.04**	**83,420,634**	**8,342.06**

ii. Optionally convertible redeemable preference shares

Particulars	As at 31 March 2022		As at 31 March 2021	
	Number	Amount	Number	Amount
As at the beginning of the year	811,402	8.11	811,402	8.11
Issued during the year	-	-	-	-
As at the end of the year	**811,402**	**8.11**	**811,402**	**8.11**

B. Details of convertible preference shareholders holding more than 5 percent shares in the Company are given below:

i. Compulsorily convertible preference shares

Particulars	As at 31 March 2022		As at 31 March 2021	
	Number	%	Number	%
Creation Investments LLC	64,124,177	73.44%	63,266,409	75.84%
Lightrock Growth Fund I S.A (Formerly known as Lightstone Fund SA)	11,593,166	13.28%	10,077,112	12.08%
Financial Investments SPC (affiliate of Lightrock Growth Fund I S.A., SICAV-RAIF)	11,593,067	13.28%	10,077,113	12.08%

ii. Optionally convertible redeemable preference shares

Particulars	As at 31 March 2022		As at 31 March 2021	
	Number	%	Number	%
Vineet Sukumar	405,701	50.00%	405,701	50.00%
Gaurav Kumar	405,701	50.00%	405,701	50.00%

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C. Details of convertible preference shares held by the promoters at the beginning and at end of the reporting period

i. Compulsorily convertible preference shares
Promoters do not hold any compulsorily convertible preference shares.

ii. Optionally convertible redeemable preference shares

Particulars	As at 31 March 2022		As at 31 March 2021	
	Number	%	Number	%
Vineet Sukumar	405,701	50.00%	405,701	50.00%
Gaurav Kumar	405,701	50.00%	405,701	50.00%

D. Terms/rights attached to convertible preference shares
i. Compulsorily convertible preference shares
During the year ended, the Company has issued 38,89,776, 0.001% Compulsorily Convertible Preference Shares ("CCPS") of face value Rs. 10/- aggregating Rs. 388.98 Lakhs which are convertible into equity shares at the option of CCPS holder during the conversion period.

Conversion of CCPS into equity shares will be as per the respective shareholders agreement and are treated pari-passu with equity shares on all voting rights. The CCPS if not converted by the preference shareholders shall be compulsorily converted into equity shares upon any of the following events:
a. In connection with an IPO, immediately prior to the filing of red herring prospectus (or equivalent document, by whatever name called) with the competent authority or such later date as may be permitted under applicable law at the relevant time; and
b. By delivering a Conversion Notice at any time during the relevant Conversion Period as per the respective shareholders agreement.
The CCPS holders have a right to receive dividend, prior to the Equity shareholders and will be cumulative if preference dividend is not declared or paid in any year.

Lightstone Fund SA has changed its name to Lightrock Growth Fund I S.A., SICAV-RAIF, with effective from March 9, 2021.

ii. Optionally convertible redeemable preference shares ('OCRPS')
The OCRPS shall not carry any voting rights, until such OCRPS is converted into Equity Share(s) in accordance with the terms of the OCRPS. The right to convert OCRPS shall be exercisable by the holder at any time during the Conversion Period by delivering to the Company a notice in writing, subject to payment of balance subscription price. The OCRPS, shall be entitled to divided equivalent to 0.001% per annum of the paid-up portion of such OCRPS.

As at the balance sheet date, these OCRPS held by the promoters have been paid up to the extent of INR 1 per share. Subsequent to the year end, these OCRPS have been fully paid up on 26 April 2022. Further, these 811,402 OCRPS of face value INR 60 per share are converted into 4,227,828 equity shares of INR 10 per share ranking pari passu with existing fully paid-up equity shares of the Company.

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(All amounts are in Rupees lakhs, unless stated otherwise)

	Particulars	As at 31 March 2022	As at 31 March 2021
22	**Other Equity**		
	Statutory reserve	2,189.88	842.48
	Share options outstanding account	712.91	399.71
	Securities premium	98,523.77	66,097.26
	Other comprehensive income	66.28	135.47
	Retained earnings	8,130.43	2,742.71
		109,623.27	**70,217.63**
i	**Statutory reserve**		
	Balance at the beginning of the year	842.48	242.38
	Add: Transfer from retained earnings	1,347.40	600.10
	Balance at the end of the year	**2,189.88**	**842.48**
ii	**Employee stock options outstanding account**		
	Balance at the beginning of the year	399.71	84.46
	Add: Share based payment expenses incurred during the year	78.49	138.40
	Add: Stock compensation expense - recoverable from related parties (also refer note 36)	234.71	176.85
	Balance at the end of the year	**712.91**	**399.71**
iii	**Securities premium**		
	Balance at the beginning of the year	66,097.26	56,753.60
	Add: Premium on shares issued during the year	32,067.44	11,371.50
	Add: Stock compensation expenses (refer note 31.2)	366.75	-
	Less: Utilised during the year for share issue expenses	(7.68)	(154.72)
	Less: Premium on shares issued to Vivriti ESOP trust	-	(1,873.12)
	Balance at the end of the year	**98,523.77**	**66,097.26**
iv	**Other Comprehensive Income**		
	Balance at the beginning of the year	135.47	-
	Add/ (Less) : Fair valuation of investment in debt instruments (net)	255.58	124.00
	Add/ (Less) : Cash flow hedge reserve	(324.77)	-
	Add: Transfer from retained earnings perraining to prior years	-	11.47
	Balance at the end of the year	**66.28**	**135.47**
v	**Retained earnings**		
	Balance at the beginning of the year	2,742.71	365.09
	Add : Profit/ (Loss) for the year	6,736.98	3,000.51
	Add/ (Less) : Remeasurement of net defined benefit liability	(1.86)	(11.31)
	Add/ (less) : Transfer to other comprehensive income	-	(11.47)
	Less: Transfer to statutory reserve	(1,347.40)	(600.10)
	Balance at the end of the year	**8,130.43**	**2,742.71**
	Also refer Note 8.1		

Statutory Reserve u/s. 45-IA of the Reserve Bank of India Act, 1934 ("the RBI Act, 1934")

Reserve u/s. 45-IA of RBI Act, 1934 is created in accordance with section 45 IC(1) of the RBI Act, 1934. As per Section 45 IC(2) of the RBI Act, 1934, no appropriation of any sum from this reserve fund shall be made by the non-banking financial company except for the purpose as may be specified by RBI.

Securities premium

Securities premium is used to record the premium on issue of shares. The reserve can be utilised only for limited purposes such as issue bonus shares, to provide for premium on redemption of shares or debentures, write-off equity related expenses like underwriting costs, etc in accordance with the provisions of the Companies Act, 2013.

Employee stock option outstanding account

The Company has stock option schemes under which options to subscribe for the Company's shares have been granted to eligible employees and key management personnel. The share-based payment reserve is used to recognise the value of equity-settled share-based payments.

Other comprehensive income

a. The Company has elected to recognise changes in the fair value of investments in other comprehensive income. These changes are accumulated within the FVOCI reserve within equity - financial instruments through OCI.

b. The Company has applied hedge accounting for designated and qualifying cash flow hedges, the effective portion of the cumulative gain or loss on the hedging instrument is initially recognised directly in OCI within equity as cash flow hedge reserve.

Retained earnings

Surplus in the statement of profit and loss is the accumulated available profit of the Company carried forward from earlier years. This reserve is free reserves which can be utilised for any purpose as may be required

(All amounts are in Rupees lakhs, unless stated otherwise)

23 Interest income

	Year ended 31 March 2022			
	On financial assets measured at			
	Amortised cost	FVOCI	FVTPL	Total
Interest on loans	28,634.13	-	-	28,634.13
Interest income from investments	1,713.68	1,550.30	-	3,263.98
Interest on deposits	445.98	-	-	445.98
	30,793.79	1,550.30	-	32,344.09

	Year ended 31 March 2021			
	On financial assets measured at			
	Amortised cost	FVOCI	FVTPL	Total
Interest on loans	17,192.40	-	-	17,192.40
Interest income from investments	1,785.62	517.10	-	2,302.72
Interest on deposits	629.14	-	-	629.14
	19,607.16	**517.10**	-	**20,124.26**

	Year ended 31 March 2022	Year ended 31 March 2021
24 Fee and commission income		
Fee and commission income	1,359.31	1,728.03
	1,359.31	**1,728.03**
25 Net gain on fair value changes		
Net gain on financial instruments at fair value through profit or loss		
On alternative investment funds	656.27	12.92
On mutual funds investments	73.80	-
Profit on sale of investments in NCD's and PTC's	9.64	60.98
	739.71	**73.90**
Fair value changes		
Realised	430.64	60.98
Unrelaised	309.07	12.92
	739.71	**73.90**
26 Other income		
Gain/Loss on sale of fixed assets	222.44	-
Gain on termination of finance leases	220.65	-
Rental income (refer note 36)	104.30	171.10
Interest on rental deposit	1.95	12.43
Interest on income tax refund	-	11.43
Reimbursement of expenses (refer note 36)	130.38	379.09
	679.72	**574.05**
27 Finance costs		
Interest on borrowings	13,303.39	5,745.42
Interest on debt securities	6,107.58	3,377.59
Interest on bank overdraft	324.78	164.56
Interest on lease liability	164.76	135.67
Finance cost on rental deposit	5.04	11.98
	19,905.55	**9,435.22**
28 Impairment on financial instruments		
Impairment loss allowance on		
- Loans	1,236.37	582.67
- Investments	256.94	53.05
- Guarantees	(72.05)	392.34
- Receivables	41.12	79.20
Write off on		
- Loans	-	950.51
- Investments	-	389.86
- Guarantees	-	542.11
Less: Recovery		-
	1,462.38	**2,989.74**

		Year ended 31 March 2022	Year ended 31 March 2021
29	**Employee benefits expenses**		
	Salaries and bonus	2,075.91	3,423.99
	Contribution to provident and other funds	41.70	80.04
	Staff training and welfare expenses	98.88	17.72
	Gratuity expenses	14.09	8.78
	Share based payments to employees	78.49	138.40
		2,309.07	**3,668.93**
30	**Depreciation and amortisation expense**		
	Depreciation and amortisation expense		
	Property, plant and equipment	95.91	251.24
	Right of use assets	309.40	389.93
	Intangible assets	81.77	39.21
		487.07	**680.38**
31	**Other expenses**		
	Information technology cost	196.28	375.43
	Maintenances of premises	148.11	181.62
	Professional fees (refer note 31.2)	922.69	523.93
	Auditor's remuneration (refer note 31.1)	60.00	44.65
	Communication Expenses	34.36	49.83
	Director sitting fees	21.80	26.16
	Corporate social responsibility expenditure (refer note 31.3)	44.00	10.94
	Insurance	78.33	93.16
	Rates and Taxes	59.07	20.71
	Recruitment related Fees	34.63	47.71
	Subscription expenses	12.20	7.98
	Administrative expenses	5.08	6.82
	Travelling expenses	152.35	109.46
	Miscellaneous expenses	169.89	173.05
		1,938.79	**1,671.45**
31.1	**Auditors' Remuneration**		
	Statutory audit including limited review	57.00	22.00
	Tax audit	-	2.00
	Other services and reimbursement of expenses	3.00	20.65
		60.00	**44.65**

31.2 Stock compensation expenses

Professional fees for year ended 31 March 2022 includes share based payment of INR 407.50 lakhs to one advisor by allotment of Series 1C shares in May 2021considering the fair value on the date of such allotment.

31.3	**Details of expenditure on corporate social responsibility (CSR)**		
	(a) Gross amount required to be spent by the Company during the year	37.94	10.94
	(b) Amount approved by the Board to be spent during the year	38.00	-
	(c) Amount spent during the year (in cash):		
	(i) Construction/ acquisition of any asset	-	-
	(ii) On purposes other than (i) above	44.00	8.11
	(d) Contribution to related parties	-	-
	(e) Excess amount spent / Shortfall	**(6.06)**	**2.83**

	As at 31 March 2022	As at 31 March 2021
Opening balance	2.83	-
Amount required to be spent during the year	37.94	10.94
Amount spent during the year	(44.00)	(8.11)
Closing balance	**(3.23)**	**2.83**

Nature of CSR activities

The expenditure on CSR activities are spent through contributing towards Bhumi Foundation and Care Earth Trust.

32	**Income tax**		
	The component of income tax expenses:		
	Current tax	1,882.70	1,481.97
	Deferred tax relating to origination and reversal of temporary differences	444.37	(415.96)
		2,327.07	**1,066.01**

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32.1 Reconciliation of total tax expenses

The tax charge shown in the statement of profit and loss differs from the tax charge that would apply if all profits had been charged at India corporate tax rate. A reconciliation between the tax expense and the accounting profit multiplied by India's domestic tax rate for the years March 31, 2022 and 2021 are, as follows:

	Year ended 31 March 2022	Year ended 31 March 2021
Accounting profit before tax	9,064.05	4,066.52
Applicable tax rate	25.17%	25.17%
Computed tax expense	2,281.42	1,023.54
Tax effect of :		
Permanent differences	45.65	42.47
Income tax expense recognised in statement of profit and loss excluding change in estimates relating to previous years	**2,327.07**	**1,066.01**
Effective tax rate	**25.67%**	**26.21%**

32.2 Deferred tax

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

Components of deferred tax asset (liability)	As at 31 March 2021	Statement of profit and loss	Other comprehensive income	As at 31 March 2022
Deferred tax asset/ (liability) in relation to -				
Fixed assets	52.96	(64.49)	-	(11.53)
Impairment on financial assets	534.82	190.03	-	724.85
Provision for employee benefits	82.42	24.77	0.62	107.81
Unamortised processing fee income (net)	300.36	(639.40)	-	(339.04)
Others	40.68	44.72	23.27	108.67
	1,011.24	**(444.37)**	**23.89**	**590.76**

Components of deferred tax asset (liability)	As at 31 March 2020	Statement of profit and loss	Other comprehensive income	As at 31 March 2021
Deferred tax asset/ (liability) in relation to -				
Fixed assets	21.15	31.81	-	52.96
Impairment on financial assets	235.38	299.44	-	534.82
Provision for employee benefits	46.80	31.81	3.81	82.42
Unamortised processing fee income (net)	288.03	12.33	-	300.36
Others	41.82	40.57	(41.71)	40.68
	633.18	**415.96**	**(37.90)**	**1,011.24**

33 Earnings per share

	Year ended 31 March 2022	Year ended 31 March 2021
Profit for the year	**6,736.98**	**3,000.51**
Weighted average number of equity shares outstanding during the year for calculation of basic EPS	12,485,534	15,420,211
Effect of dilutive potential equity shares:		
Convertible preference shares	71,402,633	65,773,841
Employee stock options	2,909,817	2,790,515
Weighted average number of equity shares outstanding during the year for calculation of diluted EPS	86,797,984	83,984,567
Face value per share	10.00	10.00
Earnings per share (in Rs.)		
- Basic	53.96	19.46
- Diluted	7.76	3.57

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34 Employee benefits

34.01 Defined contribution plan

The Company makes specified monthly contributions towards employee provident fund to Government administered provident fund scheme which is a defined contribution plan. The Company's contribution is recognized as an expenses in the statement of profit and loss during the period in which the employee renders the related service. The company has recognised Rs.41.70 Lakhs (As at 31 March 2021 : Rs. 80.04 Lakhs) as contribution to provident fund in the statement of profit and loss account.

34.02 Defined benefit plans

The Company's gratuity benefit scheme is a defined benefit plan. The Company's net obligation in respect of a defined benefit plan is calculated by estimating the amount of future benefit that employees have earned in return for their services in the current and prior periods; that benefit is discounted to determine its present value. Any unrecognised past services and the fair value of any plan assets are deducted. The Calculation of the Company's obligation under the plan is performed annually by a qualified actuary using the projected unit credit method.

Risks associated with defined benefit plan
Gratuity is a defined benefit plan and company is exposed to the following risks:
Interest rate risk: A fall in the discount rate, which is linked to the Government Securities rate, will increase the present value of the liability requiring higher provision. A fall in the discount rate generally increases the mark to market value of the assets depending on the duration of asset.

Salary Risk: The present value of the defined benefit plan liability is calculated by reference to the future salaries of members. As such, an increase in the salary of the members more than assumed level may increase the plan's liability.

Investment Risk: The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds.

If the return on plan asset is below this rate, it will create a plan deficit. Currently, for the plan in India, it has a relatively balanced mix of investments in government securities, and other debt instruments.

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

Mortality risk: Since the benefits under the plan is not payable for life time and payable till retirement age only, plan does not have any longevity risk.

	Year ended 31 March 2022	Year ended 31 March 2021
A. Change in present value defined benefit of obligations		
Change in defined benefit obligations during the year		
Present value of defined benefit obligation at the beginning of the year	18.08	35.82
Current service cost	12.81	6.25
Interest cost	1.28	2.53
Acquisitions/Divestures/Transfer	-	(41.63)
Benefits paid	-	-
Actuarial loss / (gain) recognised in other comprehensive income	2.48	15.12
Present value of defined benefit obligation at the end of the year	**34.64**	**18.08**
B. Change in fair value of plan assets during the year		
Fair value of plan assets at the beginning of the year	-	-
Expected return on plan assets	-	-
Employer contributions	-	-
Benefits paid	-	-
Actuarial loss / (gain) recognised in other comprehensive income	-	-
Fair value of plan assets at the end of the year	-	-
C. Actual return on plan assets		
Expected return on plan assets	-	-
Actuarial gain / (loss) on plan assets	-	-
Actual return on plan assets	-	-
D. Reconciliation of present value of the defined benefit obligation and the fair value of the plan assets		
Present value of defined benefit obligations at the end of the year	34.64	18.08
Fair value of plan assets	-	-
Net liability recognised in balance sheet	**34.64**	**18.08**
The liability in respect of the gratuity plan comprises of the following non-current and current		
Current	1.61	0.04
Non-current	33.03	18.03
	34.64	**18.08**

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	Year ended 31 March 2022	Year ended 31 March 2021
E. Expense recognised in statement of profit and loss		
Current service cost	12.81	6.25
Interest cost	1.28	2.53
Expected return on plan assets	-	-
Net cost recognized in the statement of profit and loss	**14.09**	**8.78**
F. Remeasurements recognised in other comprehensive income		
Actuarial loss / (gain) on defined benefit obligation	2.48	15.12
Return on plan assets excluding interest income	-	-
	2.48	**15.12**

G. Assumptions as at balance sheet date	As at 31 March 2022	As at 31 March 2021
Discount rate (refer note (b))	7.50%	6.79%
Interest rate (rate of return on assets)	-	-
Future salary increase (refer note (a))	8.00%	3.00%
Mortality table	2 - 12.5%	0.9 - 3.82%
Attrition rate (refer note (a))	15.00%	5.00%

Notes:

a) The estimate of future salary increase takes into account inflation, seniority, promotion and other relevant factors. Further, the Management re-visits the assumptions such as attrition rate, salary escalation etc., taking into account, the business conditions, various external / internal factors affecting the Company.

b) Discount rate is based on the prevailing market yields of Indian Government Bonds as at the balance sheet date for the estimated term of the obligation.

c) Experience adjustments:

	As at 31 March 2022	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019	As at 31 March 2018
Defined benefit obligation	34.64	18.08	35.82	27.57	4.97
Fair value of plan assets	-	-	-	-	-
Surplus / (deficit)	(34.64)	(18.08)	(35.82)	(27.57)	(4.97)
Experience adjustments on plan	-	-	-	-	-
Experience adjustments on plan assets -	-	-	-	-	-

d) **Sensitivity analysis**

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below:

	As at 31 March 2022	As at 31 March 2021
Discount rate		
-1% increase	(3.51)	-1.91
-1% decrease	4.17	2.26
Future salary growth		
-1% increase	3.13	2.23
-1% decrease	(2.76)	-1.91
Employee Turnover		
-1% increase	(0.42)	0.33
-1% decrease	0.43	(0.43)

Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown.

34.03 Note on Social Security code

The Code on Social Security, 2020 (' The Code') relating to employee benefits during employment and post-employment benefits, received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified. The Ministry of Labour and Employment has also released draft rules thereunder on 13 November 2020 and has invited suggestions from stakeholders, which are under consideration by the Ministry. The Company will evaluate the rules, assess the impact, if any, and account for the same once the rules are notified and become effective.

35 Segment information

The Company has been operating only in one segment viz, financing activities and the operations being only in India, the disclosure requirements of Ind AS 108 is not applicable.

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36 Related Party information

36.1 Names of related parties and nature of relationship

Subsidiary Companies	Vivriti Asset Management Private Limited
Associate	Credavenue Private Limited (Subsidiary till September 20, 2021 - also refer note 8.1)
Key Managerial Personnel	Mr. Vineet Sukumar, Managing Director Mr. Gaurav Kumar, Non Executive Director (w.e.f. August 5, 2021) Mr. John Tyler Day, Nominee Director Mr. Kenneth Dan Vander Weele, Nominee Director Ms. Namrata Kaul, Independent Director Mr. Kartik Srivatsa, Nominee Director Ms. Anita P Belani, Independent Director (w.e.f May 07, 2021) Mr. Sridhar Srinivasan, Independent Director (resigned on August 28, 2020)
Entity in which KMP is a Director	**Mr. Vineet Sukumar** Managing Director, Vivriti Asset Management Private Limited Director, Credavenue Private Limited **Mr. Gaurav Kumar** Director, Vivriti Asset Management Private Limited Managing Director, Credavenue Private Limited

36.2 Transactions during the year

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Interest Income		
Vivriti Asset Management Private Limited	20.46	201.65
Rent income		
Vivriti Asset Management Private Limited	13.92	2.48
Credavenue Private Limited	84.00	168.62
Reimbursement of expenses		
Vivriti Asset Management Private Limited	1,605.05	3.36
Credavenue Private Limited	655.78	374.62
Platform fees expense:		
Credavenue Private Limited	2,811.69	396.84
Sale of fixed assets		
Vivriti Asset Management Private Limited	4.93	-
Credavenue Private Limited	640.80	159.95
Transfer of Provision for Employee Benefits		
Credavenue Private Limited	-	329.51
Employee share option recoverable		
Vivriti Asset Management Private Limited	40.14	16.25
Credavenue Private Limited	194.59	160.60
Fees and commission income:		
Vivriti Asset Management Private Limited	33.30	11.45
Credavenue Private Limited	1,136.09	69.71
Rental Deposit recoverable		
Credavenue Private Limited	150.00	-
Loan Given		
Vivriti Asset Management Private Limited	550.00	500.00
Loans repaid		
Vivriti Asset Management Private Limited	550.00	1,400.00
Debt Securities		
Credavenue Private Limited	7,930.07	-

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Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Equity contribution		
Vivriti Asset Management Private Limited	3,000.00	2,750.00
Credavenue Private Limited	-	5,001.00
Directors Sitting fees		
Mr. Sridhar Srinivasan	-	8.25
Ms. Namrata Kaul	11.00	13.80
Ms. Anita P Belani	9.00	-
Remuneration paid		
Mr. Vineet Sukumar	292.19	194.69
Mr. Gaurav Kumar	241.35	194.69

Also refer Note 8.1 for renunciation of rights

Note:
Managerial remuneration above does not include gratuity and compensated absences, since the same are provided on actuarial basis for the company as a whole and the amount attributable to the key managerial personnel cannot be ascertained separately.

36.3	**Balances as at the year-end:**		
	Loan outstanding		
	Vivriti Asset Management Private Limited	-	-
	Interest accrued but not due on loan		
	Vivriti Asset Management Private Limited	-	-
	Debt Securities		
	Credavenue Private Limited	7,930.07	-
	Trade payables		
	Credavenue Private Limited	535.42	131.09
	Receivables from related parties receivables		
	Credavenue Private Limited	172.40	
	Other financial assets		
	Vivriti Asset Management Private Limited	874.88	298.56
	Credavenue Private Limited	428.46	-

Notes:
1. There are no provision for doubtful debts/ advances or amounts written off or written back for debts due from/ due to related parties.
2. The transactions disclosed above are exclusive of GST.

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37 Micro,small and Medium enterprises

The Ministry of Micro, Small and Medium Enterprises has issued an office memorandum dated August 26, 2008 which recommends that the Micro and Small Enterprises should mention in their correspondence with its customers the Entrepreneurs Memorandum Number as allocated after filing of the Memorandum in accordance with the Micro, Small and Medinm Enterprise Development Act, 2006 ('MSMED Act, 2006'). Accordingly, the disclosure in respect of the amounts payable to such enterprises as at 31 March 2022 has been made in the financial statements based on information received and available with the Company. Further in view of the Management, the impact of interest, if any, that may be payable in accordance with the provisions of the Act is not expected to be material. The Company has not received any claim for interest from any supplier as at the balance sheet date.

	As at 31 March 2022	As at 31 March 2021
The principal amount and the interest due thereon (to be shown separately) remaining unpaid to any supplier as at the end of each accounting year		
- Principal	-	1.72
- Interest	-	-
The amount of interest paid by the buyer in terms of Section 16, of the MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the period) but without adding the interest specified under the MSMED Act, 2006	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year; and	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under Section 23 of the MSMED Act, 2006.	-	-

38 Contingent Liabilities and Commitments	As at 31 March 2022	As at 31 March 2021
38.1 Contingent liabilities		
Guarantees issued to third party	4,156.80	4,946.13
38.2 Commitments		
Capital commitments	1,171.11	98.83
Undrawn committed sanctions to borrowers	6,905.17	325.00
38.3 Pending litigations		
Suits filed by the Company against counterparties	1,553.20	592.52

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39 Employee Stock Option Scheme (ESOS)

The Company constituted the Vivriti ESOP Trust (the Trust) to administer the Employee Stock Options (ESOP) scheme and allotted 6,81,000 (31 March 2021: 15,19,000) equity shares to Trust. The Trust has granted 6,81,000 (31 March 2021: 15,19,000) options under the Employee Stock Option Scheme to employees spread over a vesting period of 2 to 5 years. The details of which are as follows;

Plan	Grant date	Number of options	Exercise price in Rs.	Vesting period	Vesting condition
Scheme 1	30-Jun-18	745,250	10.00	2 to 5 years	Time based vesting
Scheme 2	19-Jul-19	246,700	47.48	1 to 5 years	Time based vesting
Scheme 3	18-Nov-19	47,500	71.67	1 to 5 years	Time based vesting
Scheme 4	15-Dec-19	5,000	71.67	1 to 5 years	Time based vesting
Scheme 5	18-Nov-19	188,700	47.48	4 Years	Time based vesting
Scheme 6	30-Sep-20	465,625	71.67	4 Years	Time based vesting
Scheme 7	31-Dec-20	1,772,740	173.66	4 Years	Time based vesting

39.1 Reconciliation of outstanding options

The details of options granted under the above schemes are as follows.

Particulars	As at 31 March 2022		As at 31 March 2021	
	Weighted average exercise price per option	Number of options	Weighted average exercise price per option	Number of options
Outstanding at beginning of year	85.97	3,983,750	38.85	2,905,900
Forfeited during the year	109.80	(558,000)	108.11	(314,500)
Exercised during the year	48.17	(635,235)	27.11	(126,650)
Granted during the year	173.66	681,000	173.66	1,519,000
Outstanding as at end of year	**107.48**	**3,471,515**	**85.97**	**3,983,750**
Vested and exercisable as at end of year	**82.73**	**651,915**	**66.94**	**350,375**

39.2 Fair value methodology

The fair value of the options is estimated on the date of the grant using the Black-Scholes option pricing model, with the following assumptions:

	As at 31 March 2022	As at 31 March 2021
Share price on Grant date (In Rs.)	10.00 - 356.89	10.00 - 173.66
Exercise price (In Rs.)	10.00 - 173.66	10.00 - 173.66
Fair value of options at grant date	2.40 - 230.80	2.40 - 59.98
Expected dividends*	Nil	Nil
Option term	2 - 6 years	2 - 6 years
Risk free interest rate	4.09%- 8.32%	4.09%- 8.32%
Expected volatility**	14.70%- 33.04%	14.70%- 31.75%
Weighted average remaining contractual life (in years)	3.10	3.73

* Company has not paid any dividend till date.

** Company is a unlisted entity and having no listed peer companies, so volatility of BSE Finance Index for the historical period as per the time to maturity in each vesting has been considered.

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(All amounts are in Rupees lakhs, unless stated otherwise)

40 Leases

The disclosures as required under Ind AS 116 are as follows;

(i) Measurement of Lease Liabilities

Particulars	As at 31 March 2022	As at 31 March 2021
Lease Liabilities	620.63	1,038.49

The Company has considered weighted average rate of borrowings for discounting.

The Company has entered into leasing arrangements for premises. ROU has been included after the line 'Property, Plant and Equipment' and Lease liability has been included under 'Other Financial Liabilities' in the Balance Sheet.

(ii) Amounts recognised in the Balance sheet

Particulars	As at 31 March 2022	As at 31 March 2021
a) Right-of-use assets (net)	602.98	874.73
b) Lease liabilities		
Current	97.64	422.46
Non-current	522.99	616.03
Total Lease liabilities	**620.63**	**1,038.49**
c) Additions to the Right-of-use assets	1,575.43	-

(iii) Amounts recognised in the Statement of Profit and Loss

Particulars	As at 31 March 2022	As at 31 March 2021
a) Depreciation charge for right-of-use assets	309.40	389.93
b) Interest expense (included in finance cost)	164.76	135.67
c) Expense relating to short-term leases	2.51	0.30

(iv) Cash Flows

Particulars	As at 31 March 2022	As at 31 March 2021
The total cash outflow of leases	395.10	843.07

(v) Maturity analysis of undiscounted lease liabilities

Particulars	As at 31 March 2022	As at 31 March 2021
Not later than one year	158.03	546.19
Later than one year and not later than five years	632.84	1,757.14
Later than five years	-	-

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41 Financial Instruments

A Fair value measurement

Valuation principles

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions i.e, exit price. This is regardless of whether that price is directly observable or estimated using a valuation technique.

Financial instruments by category

The carrying value and fair value of financial instruments measured at fair value as of 31 March 2022 were as follows

	Carrying amount		Fair value			
Particulars	**FVTPL**	**FVOCI**	**Level 1**	**Level 2**	**Level 3**	**Total**
Financial assets:						
Investments	-	-	-	-	-	-
- Pass-through certificates	-	29,841.50	-	-	29,841.50	29,841.50
- Non convertible debentures	-	22,496.10	-	-	22,496.10	22,496.10
- Alternative Investment Funds	12,288.67	-	-	-	12,288.67	12,288.67
-Market linked debentures	20,155.04	-	-	20,155.04	-	20,155.04
- Mutual funds	3,010.85	-	3,010.85	-	-	3,010.85
Financial liabilities:						
Derivative financial instruments	-	382.00	-	382.00	-	382.00

The carrying value and fair value of financial instruments measured at fair value as of 31 March 2021 were as follows

	Carrying amount		Fair value			
Particulars	**FVTPL**	**FVOCI**	**Level 1**	**Level 2**	**Level 3**	**Total**
Financial assets:						
Investments						
- Pass-through certificates	-	8,847.55	-	-	8,847.55	8,847.55
- Non convertible debentures	-	11,885.29	-	-	11,885.29	11,885.29
- Alternative Investment Funds	913.01	-	-	-	913.01	913.01
-Market linked debentures	640.00	-	-	640.00	-	640.00
- Mutual funds	-	-	-	-	-	-

Reconciliation of fair value measurement is as follows

Particulars	**Year ended 31 March 2022**	**Year ended 31 March 2021**
Financial assets measured at FVOCI		
Balance at the beginning of the year	97.28	14.91
Total gains/(losses) measured through OCI	107.11	82.37
Balance at the end of the year	**204.39**	**97.28**
Financial assets measured at FVTPL		
Fair value adjustment	309.07	12.92

Sensitivity analysis - Increase/ decrease of 100 basis points

Particulars	**As at 31 March 2022**		**As at 31 March 2021**	
	Increase	**Decrease**	**Increase**	**Decrease**
Financial assets:				
Investments				
- Pass through certificates	(161.10)	158.18	(2.72)	95.63
- Non convertible debentures	(514.99)	494.00	(93.00)	194.63
- Alternative Investment Funds	122.89	(122.89)	17.43	8.42
- Market linked debentures	201.55	(201.55)	6.40	(6.40)
- Mutual funds	30.11	(30.11)	-	-
Financial liabilities:				
Derivative Financial instruments	3.82	(3.82)	-	-

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A Fair value measurement (continued)

The carrying value of other financial instruments by categories as of 31 March 2022 were as follows:

Particulars	Carrying Value Amortised cost	Level 1	Level 2	Level 3	Total
Financial assets not measured at fair value:					
Cash and cash equivalents	43,391.04				-
Bank balances other than cash and cash equivalents	31,894.68				-
Trade receivables	423.41				-
Loans	296,048.09				-
Investments	10,752.00				-
Other financial assets	1,821.22				-
Financial liabilities not measured at fair value:					
Trade payables					
-total outstanding dues of micro and small enterprises	-				-
-total outstanding dues of creditors other than micro and small enterprises	954.58				-
Debt securities	107,051.35				-
Borrowings (Other than debt securities)	247,962.03				-
Other financial liabilities	1,756.13				-

The carrying value of financial instruments by categories as of 31 March 2021 were as follows:

Particulars	Carrying Value Amortised cost	Level 1	Level 2	Level 3	Total
Financial assets not measured at fair value:					
Cash and cash equivalents	13,817.64				-
Bank balances other than cash and cash equivalents	9,511.80				-
Trade receivables	424.44				-
Loans	162,044.92				-
Investments	7,752.00				-
Other financial assets	30.16				-
Financial liabilities not measured at fair value:					
Trade payables					
-total outstanding dues of micro and small enterprises					
-total outstanding dues of creditors other than micro and small enterprises	1,072.85				-
Debt securities	39,953.41				-
Borrowings (Other than debt securities)	96,864.64				-
Other financial liabilities	1,267.50				-

For all the financial assets and liabilities which are not carried at fair value, disclosure of fair value is not required as the carrying amounts approximates the fair values.

Note:

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments, traded bonds and mutual funds that have quoted price. The fair value of all equity instruments (including bonds) which are traded in the stock exchanges is valued using the closing price as at the reporting period. The mutual funds are valued using the closing NAV

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

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities, contingent consideration and indemnification asset included in level 3.

The carrying amounts of trade receivables, trade payables, capital creditors and cash and cash equivalents are considered to be the same as their fair values, due to their short-term nature.

B Measurement of fair values

Valuation methodologies of financial instruments not measured at fair value

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

Short-term financial assets and liabilities

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

Borrowings

The debt securities, borrowings and subordinated liabilities are primarily variable rate instruments. Accordingly, the fair value has been assumed to be equal to the carrying amount.

Loans

The Loans are primarily variable rate instruments. Accordingly, the fair value has been assumed to be equal to the carrying amount.

Transfers between levels I and II

There has been no transfer in between level I and level II. The fair value of a financial instrument on initial recognition is normally the transaction price (fair value of the consideration given or received). Subsequent to initial recognition, the Company determines the fair value of financial instruments that are quoted in active markets using the quoted bid prices (financial assets held) or quoted ask prices (financial liabilities held) and using valuation techniques for other instruments. Valuation techniques include discounted cash flow method, market comparable method, recent transactions happened in the company and other valuation models.
The Company measures financial instruments, such as investments (other than equity investments in Subsidiaries, etc.) at fair value. The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data is available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

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42 Capital management

The Company maintains an actively managed capital base to cover risks inherent in the business and is meeting the capital adequacy requirements of the local banking supervisor, Reserve Bank of India (RBI) of India. The adequacy of the Company's capital is monitored using, among other measures, the regulations issued by RBI.The Company has complied in full with all its externally imposed capital requirements over the reported period.

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

The company monitors capital using adjusted net debt (total borrowings net of cash and cash equivalents) to equity ratio.

Particulars	As at 31 March 2022	As at 31 March 2021
Total Debt*	329,960.31	136,818.05
Total equity	119,614.66	79,714.19
Debt equity ratio	2.76	1.72

* Debt-equity ratio is (Debt Securities+Borrowings (Other than debt securities) - Bank overdrafts - Unamoritzed issues expenses) / net worth i.e. Equity share capital + Other equity + Convertible preference share capital

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest bearing loans and borrowings that define capital structure requirements. Breaches in financial covenants would permit the bank to immediately call loans and borrowings.

The Company manages its capital structure and makes adjustments to it according to changes in economic conditions and the risk characteristics of its activities. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividend payment to shareholders, return capital to shareholders or issue capital securities. No changes have been made to the objectives, policies and processes from the previous years. However, they are under constant review by the Board.

42.1 Regulatory Capital

The Company has to mandatorily comply with the capital adequacy requirements stipulated by Reserve Bank of India from time to time. Capital adequacy ratio or capital-to-risk weighted assets ratio (CRAR) is computed by dividing company's Tier I and Tier II capital by risk weighted assets.

Tier I capital comprised of share capital, share premium, retained earnings including current year profit and Tier II capital comprises of provision on standard assets. Risk weighted assets represents the weighted sum of company's credit exposures based on their risk. Also refer note 47

42.2 Financial risk management objectives and policies

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

42.2.1 Risk Management structure

The Company's board of directors and risk management committee has overall responsibility for the establishment and oversight of the Company's risk management framework. The board of directors and risk management committee along with the top management are responsible for developing and monitoring the Company's risk management policies.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Company's risk management committee oversees how management monitors compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company.

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

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

The company has put in place a robust risk management framework to promote a proactive approach in reporting, evaluating and resolving risks associated with the business. Given the nature of the business, the company is engaged in, the risk framework recognizes that there is uncertainty in creating and sustaining value as well as in identifying opportunities. Risk management is therefore made an integral part of the company's effective management practice.

42.2.2 Risk Measurement and reporting systems

The Company's risks are measured using a method that reflects both the expected loss likely to arise in normal circumstances and unexpected losses, which are an estimate of the ultimate actual loss based on statistical models. The models make use of probabilities derived from historical experience, adjusted to reflect the economic environment. The Company also runs worst-case scenarios that would arise in the event that extreme events which are unlikely to occur do, in fact, occur.

Monitoring and controlling risks is primarily performed based on limits established by the Company. These limits reflect the business strategy and market environment of the Company as well as the level of risk that the Company is willing to accept, with additional emphasis on selected industries. In addition, the Company's policy is to measure and monitor the overall risk-bearing capacity in relation to the aggregate risk exposure across all risk types and activities.

Information compiled from all the businesses is examined and processed in order to analyse, control and identify risks on a timely basis. This information is presented and explained to the Board of Directors, the Risk Committee, and the head of each business division. The report includes aggregate credit exposure, credit metric forecasts, hold limit exceptions, VaR, liquidity ratios and risk profile changes. On a monthly basis, detailed reporting of industry, customer and geographic risks takes place. Senior management assesses the appropriateness of the allowance for credit losses on a monthly basis. The Board receives a comprehensive risk report once a quarter which is designed to provide all the necessary information to assess and conclude on the risks of the Company.

At all levels of the Company's operations, specifically tailored risk reports are prepared and distributed in order to ensure that all business divisions have access to extensive, necessary and up–to–date information.

It is the Company's policy that a monthly briefing is given to the Board of Directors and all other relevant members of the Company on the utilisation of market limits, analysis of VaR, proprietary investments and liquidity, plus any other risk developments.

Stress testing is a fundamental pillar of the Company's risk management toolkit, to simulate various economic stress scenarios to help the Company set and monitor risk appetite and to ensure that the Company maintains a conservative risk profile. The outcome of tests is embedded into the individual credit, liquidity and funding risk profiles through limits and mitigation contingency plans and includes both financial and regulatory measures.

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

42.3 Credit Risk

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

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

The Company has established a credit quality review process to provide early identification of possible changes in the creditworthiness of counterparties, including regular collateral revisions. Counterparty limits are established by the use of a credit risk classification system, which assigns each counterparty a risk rating. Risk ratings are subject to regular revision. The credit quality review process aims to allow the Company to assess the potential loss as a result of the risks to which it is exposed and take corrective actions.

42.3.1 Impairment assessment

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

Grouping

As per Ind AS 109, the Company is required to group the portfolio based on the shared risk characteristics. The Company has assessed the risk and its impact on the various portfolios and has divided the portfolio into following groups namely Loans, investments in pass through securities, investment in non-convertible debentures, colending and partial guarantees towards pooled bond & loan issuances.

Expected Credit Loss("ECL")

ECL on financial assets is an unbiased probability weighted amount based out of possible outcomes after considering risk of credit loss even if probity is low. ECL is calculated based on the following components: a. Marginal probability of default ("MPD") b. Loss given default ("LGD") c. Exposure at default ("EAD") d. Discount factor ("D")

Expected Credit Losses are measured via a combination of Monte Carlo Simulations across three major cohorts of exposure and the losses across these three cohorts are then added and loss distribution is used to arrive at Expected Credit Loss (ECL)

• 12 month expected credit losses (basis defaults in Monte Carlo simulation) across the financial instruments on Stage I assets

• Lifetime expected credit losses (basis defaults in Monte Carlo simulation) across the financial instruments which have either become NPA (Stage III) or have displayed significant increase in credit risk (Stage II assets)

• Partial Guarantee product losses wherein a partial guarantee is extended to a pool of issuers- in this case; the entire EAD of all the issuances is considered to arrive at expected credit losses.

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42.3.1 Impairment assessment (continued)

a) Marginal probability of default: PD is defined as the probability of whether borrowers will default on their obligations in the future PD is derived from the external rating of the borrower by following steps:

1) To arrive at the PD, the annual default study published by rating agencies is relied upon The default numbers published against each rating category in different studies are then aggregated to arrive at internal PD matrix for each rating category

2) The PD numbers published are on an annual scale and since the exposure of the instruments are on monthly basis, the monthly PD is then interpolated on a monthly basis by fitting the data points from annual PD curve using cubic splines

3) Finally, the Through the Cycle (TTC) PDs are converted to Point in Time (PIT) PDs using forward looking variables (GDP etc) using combinations of correlation of underlying sectors asset quality and Pluto Tasche model

4) The PDs derived from the methodology described above, are the cumulative PDs, stating that the borrower can default in any of the given years, however to compute the loss for any given year, these cumulative PDs have to be converted to 12 month marginal PDs Marginal PDs is probability that the obligor will default in a given year, conditional on it having survived till the end of the previous year

b) Loss Given Default (LGD): LGD is an estimate of the loss from a transaction given that a default occurs Under Ind AS 109, lifetime LGD's are defined as a collection of LGD's estimates applicable to different future periods Various approaches are available to compute the LGD

The formula for the computation is as below:
The Company has considered an LGD of 65% on unsecured exposures and 50% on secured exposures as recommended by the Foundation Internal Ratings Based (FIRB) approach under Basel II guidelines issued by RBI

c) Exposure at Default (EAD): As per Ind AS 109, EAD is estimation of the extent to which the financial entity may be exposed to counterparty in the event of default and at the time of counterparty's default The Group has modelled EAD based on the contractual and behavioural cash flows till the lifetime of the loans considering the expected prepayments

The Company has considered outstanding expected future cash flows (including interest cashflows) , SLCE for all the loans at DPD bucket level for each of the risk segments, which was used for computation of ECL Moreover, the EAD comprised of principal component, accrued interest and also the future interest for the outstanding exposure So discounting was done for computation of expected credit loss

EAD is taken as the gross exposure under a facility upon default of an obligor The amortized principal and the interest accrued is considered as EAD for the purpose of ECL computation
The advances have been bifurcated into following three stages:
Stage I – Advances with low credit risk and where there is no significant increase in credit risk. Hence, the advances up to 0 to 29 days are classified as Stage I
Stage II – Advances with significant increase in credit risk Hence the advances from 30 to 89 days are classified as Stage II
Stage III – Advances that have defaulted / Credit impaired advances Hence the advances with 90 days past due or Restructured Advances are classified as Stage III Another loan of the same borrower whether in Stage I or Stage II is also considered as Stage III loan

The Company had provided moratorium on the payment of all principal amounts and/or interest, as applicable, falling due between March 1, 2020 and August 31, 2020 to all eligible borrowers The Company has recognised for interest on interest for the moratorium cases

d) Discounting Factor: As per Ind AS 109, ECL is computed by estimating the timing of the expected credit shortfalls associated with the defaults and discounting them using effective interest rate which is obtained from the underlying yield (inclusive of processing fee) for each instrument
Additionally, the model also uses correlation matrix for deriving correlation in events of stress between different borrowers in same segment
Correlation Matrix: This provides correlation between different entities/sectors which are present in the structure When defaults are simulated on the portfolio, these entities in same or different sectors default together to the extent of strength of correlation The correlation between two entities is derived as follows:

- Inherently, the entire NBFC sector carries a bit of correlation in terms of liquidity risk- in event of stress, we see the liquidity vanishing from NBFC sector very quickly
- There is slight overlap between entities operating in the same sector- for example event like GST and demonetization did impact all small business loans establishments, although to a varying extent
- For microfinance sector, since the loans are more homogenous, geopolitical, and social issues do tend to dominate majority of stress events and hence geographically exclusivity will help
- Occupation profiles of the underlying borrowers served by entities

ECL computation: Conditional ECL at DPD pool level was computed with the following method: Conditional ECL for year (yt) = EAD (yt) * conditional PD (yt) * LGD (yt) * discount factor (yt)

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42.3.1 Impairment assessment (continued)

The calculation is based on provision matrix which considers actual historical data adjusted appropriately for the future expectations and probabilities. Proportion of expected credit loss provided for across the stage is summarised below:

Particulars	Provisions	As at 31 March 2022	As at 31 March 2021
Stage 1	12 month provision	1,749.30	1,418.46
Stage 2	Life time provision	876.52	-
Stage 3	Life time provision	842.11	855.02
Amount of expected credit loss provided for		**3,467.93**	**2,273.48**

The loss rates are based on actual credit loss experience over past years. These loss rates are then adjusted appropriately to reflect differences between current and historical economic conditions and the Company's view of economic conditions over the expected lives of the loan receivables. Movement in provision of expected credit loss has been provided in below note.

Analysis of changes in the gross carrying amount of loans:

Particulars	As at 31 March 2022				As at 31 March 2021			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
As at the beginning of the year	**163,099.58**	-	**592.52**	**163,692.10**	**82,595.45**	-	**592.52**	**83,187.97**
New assets originated *	435,440.73	-	-	435,440.73	220,626.49	-	-	220,626.49
Asset derecognised or repaid	(300,190.03)	-	(11.16)	(300,201.19)	(139,163.77)	-	-	(139,163.77)
Transfer from stage 1	-	1,569.55	510.33	2,079.88	-	-	958.59	958.59
Transfer from stage 2	(1,569.55)	-	-	(1,569.55)	-	-	-	-
Transfer from stage 3	(510.33)	-	-	(510.33)	(958.59)	-	-	(958.59)
Write offs	-	-	-	-	-	-	(958.59)	(958.59)
As at the end of the year	**296,270.40**	**1,569.55**	**1,091.69**	**298,931.64**	**163,099.58**	-	**592.52**	**163,692.10**

* New assets originated are those assets which have originated during the year

As at the balance sheet date, the parties are repaying the principal amounts, as stipulated, and are also regular in payment of interest, except for the following:

Extent of delay	Number of customers / borrowers	Amount (INR Lakhs)	Due Date
Upto 30 days	8	366.72	Various due dates
31 – 89 days	6	1,569.55	Various due dates
More than 90 days	9	1,091.69	Various due dates

Analysis of changes in the ECL allowance

Particulars	As at 31 March 2022				As at 31 March 2021			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
As at the beginning of the year	**1,418.46**	-	**855.02**	**2,273.48**	**675.52**	-	**495.97**	**1,171.49**
Additions	409.08	870.33	255.01	1,534.42	748.21	-	2,241.54	2,989.75
Reversals	(72.05)		-	(72.05)	-	-	-	-
Transfer from stage 1		-	-	-	-	-	5.27	5.27
Transfer from stage 2	(6.19)		-	(6.19)	-		-	-
Transfer from stage 3	-	6.19	-	6.19	(5.27)	-	-	(5.27)
Write offs	-	-	(267.92)	(267.92)	-	-	(1,887.76)	(1,887.76)
As at the end of the year	**1,749.30**	**876.52**	**842.11**	**3,467.93**	**1,418.46**	-	**855.02**	**2,273.48**

Collateral and other credit enhancements

The amount and type of collateral required depends on an assessment of the credit risk of the counterparty. Guidelines are in place covering the acceptability and valuation of each type of collateral. The main types of collateral obtained are, vehicles, loan portfolios and mortgaged properties based on the nature of loans. Management monitors the market value of collateral and will request additional collateral in accordance with the underlying agreement.

Exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure is the total of the carrying amount of the aforesaid balances.

Investments

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The exposure to credit risk for investments is to other non-banking finance companies and financial institutions.

The risk committee has established a credit policy under which each new investee pool is analysed individually for creditworthiness before the Company's standard payment and delivery terms and conditions are offered. The Company's review includes external ratings, if they are available, financial statements, credit agency information, industry information etc. For investments the collateral is the underlying loan pool purchased from the financial institutions.

An impairment analysis is performed at each reporting date based on the facts and circumstances existing on that date to identify expected losses on account of time value of money and credit risk. For the purposes of this analysis, the investments are categorised into groups based on days past due. Each group is then assessed for impairment using the Expected Credit Loss (ECL) model as per the provisions of Ind AS 109 - financial instruments. Further, the risk management committee periodically assesses the credit rating information.

Cash and cash equivalent and Bank deposits

Credit risk on cash and cash equivalent and bank deposits is limited as the Company generally invests in term deposits with banks.

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42.4 Market Risk

Market Risk is the possibility of loss arising from changes in the value of a financial instrument as a result of changes in market variables such as interest rates, exchange rates and other asset prices The company's exposure to market risk is a function of asset liability management activities The company is exposed to interest rate risk and liquidity risk

The Company continuously monitors these risks and manages them through appropriate risk limits. The Asset Liability Management Committee (ALCO) reviews market-related trends and risks and adopts various strategies related to assets and liabilities, in line with the company's risk management framework ALCO activities are in turn monitored and reviewed by a board sub-committee

42.5 Operational Risk

Operational risk is the risk of loss resulting from inadequate or failed internal processes, people or systems, or from external events

The operational risks of the company are managed through comprehensive internal control systems and procedures and key backup processes In order to further strengthen the control framework and effectiveness, the company has established risk control self assessment at branches to identify process lapses by way of exception reporting This enables the management to evaluate key areas of operational risks and the process to adequately mitigate them on an ongoing basis

The company also undertakes Risk based audits on a regular basis across all business units / functions While examining the effectiveness of control framework through self-assessment, the risk-based audit would assure effective implementation of self-certification and internal financial controls adherence, thereby, reducing enterprise exposure

The company has put in place a robust Disaster Recovery (DR) plan, which is periodically tested. Business Continuity Plan (BCP) is further put in place to ensure seamless continuity of operations including services to customers, when confronted with adverse events such as natural disasters, technological failures, human errors, terrorism, etc Periodic testing is carried out to address gaps in the framework, if any DR and BCP audits are conducted on a periodical basis to provide assurance regarding the effectiveness of the company's readiness

42.6 Liquidity Risk

Liquidity risk is defined as the risk that the company will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. Liquidity risk arises because of the possibility that the company might be unable to meet its payment obligations when they fall due as a result of mismatches in the timing of the cash flows under both normal and stress circumstances Such scenarios could occur when funding needed for illiquid asset positions is not available to the company on acceptable terms. To limit this risk, management has arranged for diversified funding sources and adopted a policy of availing funding in line with the tenor and repayment pattern of its receivables and monitors future cash flows and liquidity on a daily basis. The company has developed internal control processes and contingency plans for managing liquidity risk This incorporates an assessment of expected cash flows and the availability of unencumbered receivables which could be used to secure funding by way of assignment if required The company also has lines of credit that it can access to meet liquidity needs

Refer Note No 43 for the summary of maturity profile of undiscounted cashflows of the company's financial assets and financial liabilities as at reporting period

42.7 Interest Risk

Interest rate risk arises from the possibility that changes in interest rates will affect future cash flows or the fair values of financial instruments The core business of the company is providing loans The Company borrows through various financial instruments to finance its core lending activity These activities expose the company to interest rate risk

Interest rate risk is measured through earnings at risk from an earnings perspective and through duration of equity from an economic value perspective Further, exposure to fluctuations in interest rates is also measured by way of gap analysis, providing a static view of the maturity and re-pricing characteristic of Balance sheet positions An interest rate sensitivity gap report is prepared by classifying all rate sensitive assets and rate sensitive liabilities into various time period categories according to contracted/behavioural maturities or anticipated re-pricing date. The difference in the amount of rate sensitive assets and rate sensitive liabilities maturing or being re-priced in any time period category, gives an indication of the extent of exposure to the risk of potential changes in the margins on new or re-priced assets and liabilities. The interest rate risk is monitored through above measures on a quarterly basis Substantially all loans reprice frequently, with interest rates reflecting current market pricing

The following table demonstrates the sensitivity to a reasonably possible change in interest rates (all other variables being considered as constant) of the Company's statement of profit and loss and equity

42.8 Foreign currency risk

Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates Foreign currency risk for the Company arises majorly on account of foreign currency borrowings The Company manages this foreign currency risk by entering into cross currency interest rate swaps. When a derivative is entered into for the purpose of being as hedge, the Company negotiates the terms of those derivatives to match with the terms of the hedge exposure. The Company's policy is to fully hedge its foreign currency borrowings at the time of drawdown and remain so till repayment

The Company holds derivative financial instruments such as cross currency interest rate swap to mitigate risk of changes in exchange rate in foreign currency and floating interest rate. The counterparty for these contracts is generally a bank. These derivative financial instruments are valued based on quoted prices for similar assets and liabilities in active markets or inputs that are directly or indirectly observable in market place

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43 Maturity analysis of assets and liabilities

The table below shows an analysis of assets and liabilities analysed according to when they are expected to be recovered or settled. Derivatives have been classified to mature and/ or be repaid within 12 months, regardless of the actual contractual maturities of the products. With regard to loans and advances to customers, the Company uses the same basis of expected repayment behaviour as used for estimating the EIR.

Particulars	As at 31 March 2022			As at 31 March 2021		
	Within 12 Months	After 12 Months	Total	Within 12 Months	After 12 Months	Total
Assets						
Cash and cash equivalents	43,391.04	-	43,391.04	13,817.64	-	13,817.64
Bank balances other than cash and cash equivalents	29,482.68	2,412.00	31,894.68	7,287.91	2,223.89	9,511.80
Receivables	423.41	-	423.41	424.44	-	424.44
Loans	208,851.06	87,197.03	296,048.09	107,781.14	54,263.79	162,044.93
Investments	51,443.27	47,100.88	98,544.16	11,394.70	18,003.15	29,397.85
Other financial assets	1,672.37	148.85	1,821.22	42.16	255.42	297.58
Current tax assets (net)	-	1,859.81	1,859.81	-	943.23	943.23
Deferred tax assets (net)	-	590.76	590.76	-	1,011.24	1,011.24
Investment Property	-	948.61	948.61	-	-	-
Property, plant and equipment	-	719.41	719.41	-	527.82	527.82
Right of use asset	-	14.06	14.06	-	48.96	48.96
Intangible assets under development	-	602.98	602.98	-	874.73	874.73
Other intangible assets	-	317.99	317.99	-	93.28	93.28
Other non- financial assets	1,080.46	27.67	1,108.13	495.22	26.88	522.10
Total assets	**336,344.29**	**141,912.39**	**478,284.35**	**141,243.21**	**78,272.39**	**219,515.59**
Liabilities						
Derivative financial instruments	-	382.00	382.00	-	-	-
Trade payables	-	-	-	-	-	-
-total outstanding dues of micro and small enterprises	-	-	-	1.72	-	1.72
-total outstanding dues of creditors other than micro and small	954.58	-	954.58	821.11	-	821.11
Debt securities	63,020.52	44,030.83	107,051.35	11,746.22	28,207.19	39,953.41
Borrowings (Other than debt securities)	133,607.22	114,354.81	247,962.03	56,480.82	40,383.82	96,864.64
Other financial liabilities	1,233.14	522.99	1,756.13	1,517.50	-	1,517.50
Provisions	191.49	-	191.49	469.84	-	469.84
Other non-financial liabilities	372.11	-	372.11	173.18	-	173.18
Total Liabilities	**199,379.06**	**159,290.63**	**358,669.69**	**71,210.39**	**68,591.01**	**139,801.40**
Total equity			**119,614.66**			**79,714.19**

43A Change in Liabilities arising from financing activities

Particulars	As at 1 April 2021	Cash flows	Exchange difference	Others*	As at 31 March 2022
Debt Securities	39,953.41	63,640.19	-	3,457.75	107,051.35
Borrowings (other than debt securities)	96,864.64	150,166.67	71.78	858.94	247,962.03

Particulars	As at 1 April 2020	Cash flows	Exchange difference	Others*	As at 31 March 2021
Debt Securities	30,446.55	6,068.30	-	3,438.56	39,953.41
Borrowings (other than debt securities)	47,218.16	51,152.27	-	(1,505.79)	96,864.64

*Others includes effect of amortisation of processing fee and interest accruals

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44 **Impact of hedging activities**

Disclosure of effects of hedge accounting on financial position:

As at 31 March 2022								
Type of hedge risks	Nominal Value		Carrying amount of hedging instrument		Maturity Date	Changes in fair value of hedging instrument	Change in the value of hedged item as the basis for recognising hedge effectiveness	Line item in Balance Sheet
Cash flow hedge	Assets	Liabilities	Assets	Liabilities				
Cross currency interest rate swaps	-	7,639.68	-	382.00	30-Nov-26	382.00	57.23	Borrowings other than debt securities

As at 31 March 2021								
Type of hedge risks	Nominal Value		Carrying amount of hedging instrument		Maturity Date	Changes in fair value of hedging instrument	Change in the value of hedged item as the basis for recognising hedge effectiveness	Line item in Balance Sheet
Cash flow hedge	Assets	Liabilities	Assets	Liabilities				
Cross currency interest rate swaps	-	-	-	-	-	-	-	-

Disclosure of effects of hedge accounting on financial performance:

For the year ended 31 March 2022				
Type of hedge Cash flow hedge	Change in value of the hedging instrument recognised in other comprehensive income	Hedge ineffectiveness recognised in statement of profit and loss	Amount reclassified from cash flow hedge reserve to statement of profit and loss	Line item affected in statement of profit and loss because of the reclassification
Cross currency interest rate swaps	(324.77)	-	-	Not applicable

For the year ended 31 March 2021				
Type of hedge Cash flow hedge	Change in value of the hedging instrument recognised in other comprehensive income	Hedge ineffectiveness recognised in statement of profit and loss	Amount reclassified from cash flow hedge reserve to statement of profit and loss	Line item affected in statement of profit and loss because of the reclassification
Cross currency interest rate swaps	-	-	-	Not applicable

45 **Additional Regulatory Information**

i) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
ii) The Company does not have any transactions with companies struck off.
iii) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
iv) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.
v) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
vi) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
(b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,
vii) The Company does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961

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Balance sheet disclosure as required under Master Direction - Non-banking Financial Company -Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016

The following disclosures are made pursuant to Reserve Bank of India Master Direction DNBR. PD. 008/03.10.119/2016-17 dated September 01, 2016 (as amended), to the extent applicable to the Company.

46 Gold loan portfolio

The Company has not provided loan against gold during the year ended 31 March 2022 and 31 March 2021.

47 Disclosures Pursuant to Reserve Bank of India Guidelines on Liquidity Risk Management RBI/2019-20/88 DOR.NBFC (PD) CC.No.102/03/.10.001/2019-20 dated November 4, 2019

A As per the Guidelines on Liquidity Risk Management Framework for NBFCs issued by RBI vide notification no. RBI/2019-20/88 DOR.NBFC (PD) CC. No.102/03.10.001/2019-20, all non-deposit taking NBFCs with asset size more than INR 5,000 crores are required to maintain Liquidity Coverage Ratio (LCR) from December 1, 2020, with the minimum LCR to be 30%, progressively increasing, till it reaches the required level of 100%, by December 1, 2024. The Company has not crossed the threshold limit for asset size of more INR 5,000 crores as at 31 March 2022. Therfore, the requirement of this disclosure is not applicable.

B Capital adequacy ratio

The Company's capital adequacy ratio, calculated in accordance with the Reserve Bank of India guidelines, is as follows:

Particulars	Tier I capital/ Tier 2 capital/Total Capital	Risk weighted assets	Current period	Previous reporting period	Variance	Reasons for variance (if above 25%)
As at 31 March 2022						
CRAR	120,466.32	407,202.41	29.57%	40.31%	-10.74%	-
Tier I Capital	118,236.67	407,202.41	29.03%	39.70%	-10.68%	-
Tier II Capital	2,229.65	407,202.41	0.54%	0.61%	-0.06%	-
As at 31 March 2021						
CRAR	79,049.94	196,087.45	40.31%	64.48%	-24.17%	-
Tier I Capital	77,860.24	196,087.45	39.70%	64.13%	-24.43%	-
Tier II Capital	1,189.70	196,087.45	0.61%	0.35%	0.26%	-

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48 Investments

Particulars	As at 31 March 2022	As at 31 March 2021
Value of investment		
Gross value of investments		
- In India	98,544.16	29,397 85
- Outside India	-	-
Provisions for investments		
- In India	-	-
- Outside India	-	
Net value investments		
- In India	98,544 16	29,397.85
- Outside India	-	-
Movement of provisions held towards investments		
Opening balance	-	-
Add: Provisions made during the year	-	-
Less: Write off/ write back/ reversal of provision during the year	-	-
Closing balance	-	-

49 Derivatives

a) Forward Rate Agreement (FRA) / Interest Rate Swap (IRS)

Particulars	As at 31 March 2022	As at 31 March 2021
The notional principal of swap agreements	7,500 00	-
Losses which would be incurred if counterparties failed to fulfil their obligations under the agreemer	-	-
Collateral required by the Company upon entering into swaps	-	-
Concentration of credit risk arising from the swaps	-	-
The fair value of the swap book (Asset / (Liability))	-	-

b) Exchange Traded Interest Rate (IR) Derivatives

The Company has not entered into any exchange traded derivative

c) Disclosures on Risk Exposure in Derivatives

Qualitative Disclosures

The Company undertakes the derivatives transaction to prudently hedge the risk in context of a particular borrowing and to maintain fixed and floating borrowing mix. The Company does not indulge into any derivative trading transactions. The Company reviews, the proposed transaction and outline any considerations associated with the transaction, including identification of the benefits and potential risks (worst case scenarios); an independent analysis of potential savings from the proposed transaction. The Company evaluates all the risks inherent in the transaction viz., counter party risk, Market Risk, Operational Risk, basis risk etc.

Credit risk is controlled by restricting the counterparties that the Company deals with, to those who either have banking relationship with the Company or are internationally renowned or can provide sufficient information. Market/Price risk arising from the fluctuations of interest rates and foreign exchange rates or from other factors shall be closely monitored and controlled. Normally transaction entered for hedging, will run over the life of the underlying instrument, irrespective of profit or loss. Liquidity risk is controlled by restricting counterparties to those who have adequate facility, sufficient information, and sizable trading capacity and capability to enter into transactions in any markets around the world.

The respective functions of trading, confirmation and settlement should be performed by different personnel. The front office and back-office role is well defined and segregated All the derivatives transactions are quarterly monitored and reviewed. All the derivative transactions have to be reported to the board of directors on every quarterly board meetings including their financial positions.

Quantitative Disclosures

Particulars	31 March 2022		31 March 2021	
	Currency Derivatives*	Interest Rate Derivatives	Currency Derivatives	Interest Rate Derivatives
Derivatives (Notional Principal Amount)	-	7,639.68	-	-
- For hedging				
Marked to Market Positions	-	382.00	-	-
(a) Asset [+] Estimated gain				
(b) Liability [-] Estimated loss				
Credit exposure	-	-	-	-
Unhedged Exposures	-	-	-	[illegible]

* Cross currency interest rate swap

(All amounts are in Rupees lakhs, unless stated otherwise)

50 Disclosure of frauds reported during the year ended 31 March 2022

Nature of Fraud	No of Cases	Amount of fraud	Amount written off
Cash misappropriation by employee	-	-	-
Fraudulent representation by customers	-	-	-

The above summary with respect to fraud is based on the information available with the Company which has been relied upon by the auditors.

51 Exposure to real estate sector

Particulars	As at 31 March 2022	As at 31 March 2021
A. Direct Exposure		
i. Residential Mortgages (refer note below)		
(Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented)	730.80	553.09
ii. Commercial Real Estate –		
(Lending secured by mortgages on commercial real estates (office buildings, retail space, multipurpose commercial premises, multi-family residential buildings, multi-tenanted commercial premises, industrial or warehouse space, hotels, land acquisition, development and construction, etc.). Exposure would also include non-fund based (NFB) limits)	-	-
iii. Investments in Mortgage Backed Securities (MBS) and other securitised exposures –		
a) Residential (refer note below)		
b) Commercial Real Estate	-	-
b. Indirect Exposure		
Fund and non fund based exposure to housing finance companies	4,173.85	8,090.25
Total exposure to real estate sector		

52 Exposure to capital market

Particulars	As at 31 March 2022	As at 31 March 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	-	-
(ii) Advances against shares / bonds / debentures or other securities or on clean basis to individuals for investment in shares (including IPO's/ESOP's), convertible bonds, convertible debentures and units of equity oriented mutual funds	-	-
(iii) Advances for any other purposes where shares or convertible bonds or convertible debentures or units of equity oriented mutual funds are taken as primary security ;	-	-
(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)	-	-

53 Disclosures relating to Securitisation

53.1 Details of assignment transactions undertaken

Particulars	As at 31 March 2022	As at 31 March 2021
Number of Accounts	15.00	10.00
Aggregate value of account sold	1,682.95	844.95
Aggregate consideration	1,508.40	760.45
Additional consideration realised in respect of accounts transferred in earlier years	-	-
Aggregate gain/(loss) over net book value	-	-

53.2 Details of securitisation transactions undertaken

Particulars	As at 31 March 2022	As at 31 March 2021
No of SPVs sponsored by the NBFC for securitisation transactions	-	2.00
Total amount of securitised assets as per books of the SPVs sponsored by the NBFC	-	5,248.33
Total amount of exposures retained by the NBFC to comply with MRR		738.16
a) Off-balance sheet exposures		
* First loss		-
* Others		-
b) On-balance sheet exposures		
* First loss		738.16
* Others - over collateral		-

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53.3 Details of securitisation transactions undertaken (Continued)

Particulars	As at 31 March 2022	As at 31 March 2021
Amount of exposures to securitisation transactions other than MRR		361.01
i) Exposure to own securitisations		
* First loss	-	-
* Others - corporate guarantee	-	-
ii) Exposure to third party securitisations		
* First loss	-	-
* Others	-	-
b) On-balance sheet exposures		
i) Exposure to own securitisations		
* First loss - cash collateral	-	-
* Others	-	-
ii) Exposure to third party securitisations		
* First loss	-	-
* Others	-	-

54 Details of non- performing financial assets purchases / sold

The Company has neither purchased nor sold any non- performing financial assets during the year

55 Details of financing of Parent Company products

There are no such transactions of this nature in the current and previous year

56 Details of Single Borrower Limits (SBL)/ Group Borrower Limits (GBL) exceeded

The Company has not exceeded the borrower limit as set by Reserve Bank of India for the year ended 31 March 2022 and 31 March 2021

57 Unsecured advances

The Company has unsecured advances amounting to INR 86,784.23 lakhs as at 31 March 2022 (31 March 2021 - INR 18,563.17)

58 Advances against intangible securities

The Company has not financed any unsecured advances against intangible securities such as rights, licenses, authority etc as collateral security

59 Registration/ licence/ authorisation obtained from financial sector regulators :

Registration / Licence	Authority issuing the registration / license	Registration / Licence reference
Certificate of Registration	Reserve Bank of India	N - 07.00836 dated 5 January 2018

60 Penalties imposed by RBI and other regulators

No penalties have been imposed by RBI and Other Regulators during the financial year ended 31 March 2022 (FY 2020-21 - Nil)

61 Ratings assigned by credit rating agencies and migration of ratings during the year

Particulars	Rating agency	As at 31 March 2022	As at 31 March 2021
Bank Term Loans	ICRA	A- (Positive)	A- (Stable)
Non Convertible Debentures	ICRA	A- (Positive)	A- (Stable)

62 Provisions and contingencies (Break up of 'provisions and contingencies' shown under the head expenditure)

	As at 31 March 2022	As at 31 March 2021
Provisions for depreciation on Investment	-	-
Provision towards NPA including write off	249.59	2,241.53
Provision made towards current income taxes	1,882.70	1,481.97
Other Provision and Contingencies	-	-
Provision for Standard assets	1,212.79	748.21

63 Draw down from reserves

The Company has not made any drawdown from existing reserves

64 Concentration of advances

Total advances to twenty largest borrowers	56,692.00	49,640.64
Percentage of advances to twenty largest borrowers to total advances	18.96%	30.34%

65 Concentration of exposures

Total Exposure to twenty largest borrowers / customers	100,597.67	53,945.73
Percentage of Exposures to twenty largest borrowers / customers to Total Exposure of the applicable NBFC on borrowers / customers	26.21%	29.17%

66 Concentration of NPA Contracts*

Total Exposure to top four NPA accounts (Gross exposure)	955.48	592.52

67 Sector-wise NPAs (Percentage of NPA's to total advances in that sector)

Agriculture & allied activities	0.00%	0.00%
MSME	0.86%	1.80%
Corporate borrowers	0.00%	0.00%
Services	0.00%	0.00%
Unsecured personal loans	0.00%	0.00%
Auto loans	0.00%	0.00%
Other loans	0.77%	0.00%

The above Sector-wise NPA and advances are based on the data available with the Company which has been relied upon by the auditors. NPA contracts represents the Stage 3 contracts (net of write offs). Also refer note 79

(All amounts are in Rupees lakhs, unless stated otherwise)

	Particulars	As at 31 March 2022	As at 31 March 2021
68	**Movement of Non-Performing Assets (NPA's)**		
(a)	**Net NPAs to net advances (%)**		
	(Net of provision for NPAs)	0.07%	0.00%
(b)	**Movement of gross NPAs**		
	Opening balance	592.52	619.96
	Additions during the year	499.17	-
	Reductions during the year	-	27.44
	Closing balance	**1,091.69**	**592.52**
(c)	**Movement of net NPAs**		
	Opening balance	-	123.99
	Additions during the year	249.59	-
	Reductions during the year	-	123.99
	Closing balance	**249.59**	**-**
(d)	**Movement of provisions for NPAs (excluding contingent provisions against standard assets)**		
	Opening balance	592.52	495.97
	Additions during the year	249.59	96.55
	Reductions during the year	-	-
	Closing balance	**842.11**	**592.52**

Note : NPA represents financial instrument classified as stage 3 (net of write offs) and the NPA Provision represents the Loss allowance on Stage 3 assets. Also refer note 79

69 Movement of provisions held towards guarantees

	As at 31 March 2022	As at 31 March 2021
Opening balance	392.34	120.93
Add: Provisions made during the year	-	271.41
Less: Write off/ write back/ reversal of provision during the year	(72.05)	-
Less: Paid during the year	(267.92)	-
Closing balance	**52.37**	**392.34**

70	**Overseas assets (for those with joint ventures and subsidiaries abroad)**		
	There are no overseas asset owned by the Company	-	-
71	**Off-balance sheet SPVs sponsored**		
	There are no SPVs which are required to be consolidated as per accounting norms	-	-
72	**Customer complaints**		
	No. of complaints pending at the beginning of the year	-	-
	No. of complaints received during the year	3,061	124
	No. of complaints redressed during the year	3,061	124
	No. of complaints pending at the end of the year	-	-

The above details are based on the information available with the Company regarding the complaints received from the customers which has been relied upon by the auditors

73 Disclosure pursuant to Reserve Bank of India Circular DOR.No.BP.BC.63/21.04.048/2019-20 dated April 17, 2020 pertaining to Asset Classification and Provisioning in terms of COVID19 Regulatory Package

Particulars	As at 31 March 2022	As at 31 March 2021
Respective amounts in SMA/overdue categories, where the moratorium/deferment was extended	-	-
Respective amount where asset classification benefits is extended	-	-
General provision made	-	-
General provision adjusted during the period against slippages and the residual provisions	-	-

74 Disclosure under clause 28 of the Listing Agreement for Debt Securities

Particulars	As at 31 March 2022	As at 31 March 2021
Loans and advances in the nature of loans to subsidiaries	-	-
Loans and advances in the nature of loans to associates	-	-
Loans and advances in the nature of loans where there is -	-	-
(i) no repayment schedule or repayment beyond seven years	-	-
(ii) no interest or interest below section 186 of Companies Act, 2013	-	-
Loans and advances in the nature of loans to firms/companies in which directors are interested	-	-

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(All amounts are in Rupees lakhs, unless stated otherwise)

75 Schedule to the Balance Sheet of a non deposit taking Non-Banking Financial Company (Pursuant to paragraph 19 of Master Direction - Non-Banking Financial Company –Systemically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016):

S.N. Particulars	As at 31 March 2022		As at 31 March 2021	
	Amount Outstanding	Amount Overdue	Amount Outstanding	Amount Overdue
Liabilities side:				
1 Loans and Advances availed by the NBFC inclusive of interest accrued				
(a) Debentures				
'- Secured (net of unamortised borrowing cost)	98,693.74	-	39,953.41	-
'- Unsecured (net of unamortised borrowing cost)	-	-	-	-
(other than falling within the meaning of public deposits)	-	-	-	-
(b) Deferred Credits	-	-	-	-
(c) Term Loans (net of unamortised borrowing cost)	247,962.03	-	96,864.64	-
(d) Inter-Corporate Loans and Borrowings	-	-	-	-
(e) Commercial Paper	8,357.61	-	-	-
(f) Public Deposits	-	-	-	-
(g) Other Loans (net of unamortised borrowing cost)	-	-	-	-
(Represents Working Capital Demand Loans and Cash Credit from Banks)	-	-	-	-
2 Break-up of (1)(f)above (outstanding public deposits inclusive of interest				
(a) In the form of Unsecured debentures	-	-	-	-
(b) In the form of partly secured debentures i e debentures where there is a	-	-	-	-
(c) Other public deposits	-	-	-	-

Particulars	As at 31 March 2022	As at 31 March 2021
Assets side:		
3 Break-up of Loans and Advances * including Bills Receivables [other than those included in (4) below]:		
(a) Secured	212,147.41	145,128.93
(b) Unsecured	86,784.23	18,563.17
(Excludes loss allowance and includes unamortised fee)		
4 Break up of Leased Assets and Stock on Hire and Other Assets counting towards AFC activities		
(i) Lease Assets including Lease Rentals Accrued and Due:		
a) Financial Lease	-	-
b) Operating Lease	-	-
(ii) Stock on Hire including Hire Charges under Sundry Debtors:		
a) Assets on Hire	-	-
b) Repossessed Assets	-	-
(iii) Other Loans counting towards AFC Activities		
a) Loans where Assets have been Repossessed	-	-
b) Loans other than (a) above	-	-

75.1 Disclosure Pursuant to paragraph 19 of Master Direction - Non-Banking Financial Company –Systemically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016: (continued)

Particulars	As at 31 March 2022	As at 31 March 2021
5 Break-up of Investments (net of provision for diminution in value):		
Current Investments:		
I. Quoted:		
i Shares		
a) Equity	-	-
b) Preference	-	-
ii Debentures and bonds		
iii Units of Mutual Funds	3,010.85	-
iv Government Securities		
v Others		
a) commercial paper	-	-

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(All amounts are in Rupees lakhs, unless stated otherwise)

Particulars	As at 31 March 2022	As at 31 March 2021
II. Unquoted:		
i Shares	-	-
a) Equity	-	-
b) Preference	-	-
ii Debentures and Bonds	-	-
iii Units of Mutual Funds	-	-
iv Government Securities	-	-
v Others		
a) pass through certificates	-	-
b) units of alternative investment fund	-	-
Long Term Investments:		
I. Quoted:		
i Shares	-	-
a) Equity	-	-
b) Preference	-	-
ii. Debentures and Bonds		
iii Units of Mutual Funds	-	-
iv Government Securities	-	-
v Others (please specify)	-	
II. Unquoted:		
i Shares		
a) Equity	7,752.00	7,752.00
b) Preference	3,000.00	-
ii Debentures and Bonds	42,651.14	11,885.29
iii Units of Mutual Funds	-	-
iv Government Securities	-	-
v Others		
a) pass through certificates	29,841.50	8,847.55
b) units of alternative investment fund	12,288.67	913.01
c) share warrants	-	-

6 **Borrower Group-wise Classification of Assets Financed as in (3) and (4) above:**

Category	As at 31 March 2022 (Net of provision for NPA)		As at 31 March 2021 (Net of provision for NPA)	
	Secured	Unsecured	Secured	Unsecured
1. Related parties				
(a) Subsidiaries	-		-	
(b) Companies in the same group	-	-	-	-
(c) Other related parties	-	-	-	-
2. Other than related parties	209,611.00	86,437.09	143,481.75	18,563.17

75.2 Disclosure Pursuant to paragraph 19 of Master Direction - Non-Banking Financial Company –Systemically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016: (continued)

7 **Investor Group-wise Classification of all Investments (Current and Long Term) in Shares and Securities (both Quoted and Unquoted)**

Category	Market Value / Break up Value or Fair Value or Net Asset Value as on 31 March 2022	Book Value as on 31 March 2022 (Net of provisions)	Market Value / Break up Value or Fair Value or Net Asset Value as on 31 March 2021	Book Value as on 31 March 2021 (Net of provisions)
1. Related Parties				
(a) Subsidiaries	-	5,751.00	-	7,752.00
(b) Companies in the same Group	-	5,001.00	-	-
(c) Other related parties	-	-	-	-
2. Other than related parties	-	87,792.16	-	21,645.85
	-	**98,544.16**	-	**29,397.85**

8 **Other Information (Also refer note xx)**

Particulars	As at 31 March 2022		As at 31 March 2021	
	Related Parties	Other than Related Parties	Related Parties	Other than Related Parties
(i) Gross Non-Performing Assets	-	1,091.69	-	[illegible]
(ii) Net Non-Performing Assets	-	249.59	-	-
(iii) Assets acquired in satisfaction of debt	-	900.00	-	-

Note : NPA contracts represents the Stage 3 contracts (net of write offs) Also this excludes the impact of the fair value changes on the financial asset. Also refer note 79

(All amounts are in Rupees lakhs, unless stated otherwise)

76 Disclosure under clause 16 of the Listing Agreement for Debt Securities

The Debentures are secured by way of an exclusive hypothecation of loans, investment in pass through certificates and investment in debentures

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

As at 31 March 2022

Asset Classification as per RBI norms	Asset Classification as per IND AS 109	Gross Carrying amount as per IND AS	Loss Allowances (Provisions) as required under Ind AS 109	Net Carrying amount	Provisions required as per IRACP norms	Difference between Ind AS 109 provisions and IRACP norms
(1)	(2)	(3)	(4)	(5) = (3)-(4)	(6)	(7) = (4)-(6)
Performing Assets						
Standard	Stage 1	381,202 52	1,500.69	379,701 83	1,531 00	846 22
	Stage 2	1,546 46	876 52	669 94		
Subtotal for Standard		**382,748.98**	**2,377.21**	**380,371.76**	**1,531.00**	**846.22**
Non Performing Assets (NPA)						
Substandard	Stage 3	499 17	249 59	249 59	74 88	174 71
Doubtful - upto 1 year	Stage 3	-	-	-	-	-
1 - 3 years	Stage 3	-	-	-	-	-
More than 3 years	Stage 3	-	-	-	-	-
Loss	Stage 3	592 52	592 52	-	592 52	-
Subtotal for NPA		**1,091.69**	**842.11**	**249.59**	**667.40**	**174.71**
Other items such as guarantees, loan commitment etc , which are in the scope of Ind AS 109 but not covered under Income Recognition, Asset Classification and Provisioning (IRACP) norms	Stage 1	11,061 97	52 37	11,009.60	-	52 37
	Stage 2	-	-		-	-
	Stage 3	-	-	-	-	-
Subtotal						
	Stage 1	392,264 49	1,553 06	390,711 42	1,531 00	898 59
Total	**Stage 2**	1,546 46	876 52	669 94	-	-
	Stage 3	1,091 69	842 11	249 59	667 40	174 71
		394,902.64	**3,271.69**	**391,630.95**	**2,198.39**	**1,073.30**

As at 31 March 2021

Asset Classification as per RBI norms	Asset Classification as per IND AS 109	Gross Carrying amount as per IND AS	Loss Allowances (Provisions) as required under Ind AS 109	Net Carrying amount	Provisions required as per IRACP norms	Difference between Ind AS 109 provisions and IRACP norms
(1)	(2)					
Performing Assets						
Standard	Stage 1	184,745.43	1,137 51	183,607 92	738 98	398 53
	Stage 2	-	-	-		
Subtotal for Standard		**184,745.43**	**1,137.51**	**183,607.92**	**738.98**	**398.53**
Non Performing Assets (NPA)						
Substandard	Stage 3	-	-	-	-	-
Doubtful - upto 1 year	Stage 3	-	-	-	-	-
1 - 3 years	Stage 3	-	-	-	-	-
More than 3 years	Stage 3	-	-	-	-	-
Loss	Stage 3	592 52	592 52	-	592 52	-
Subtotal for NPA		**592.52**	**592.52**	-	**592.52**	-
Other items such as guarantees, loan commitment etc , which are in the scope of Ind AS 109 but not covered under Income Recognition, Asset Classification and Provisioning (IRACP) norms	Stage 1	5,271 13	392 34	4,878 79	-	392.34
	Stage 2	-	-	-	-	-
	Stage 3	-	-	-	-	-
Subtotal		**5,271.13**	**392.34**	**4,878.79**	-	**392.34**
	Stage 1	190,016 56	1,529 85	188,486 71	738 98	790 87
Total	**Stage 2**	-	-	-	-	-
	Stage 3	592 52	592 52	-	592 52	-
		190,609.08	**2,122.37**	**188,486.71**	**1,331.50**	**790.87**

In terms of the requirement as per RBI notifications no RBI/2019-20/170 DOR (NBFC) CC PD No 109/22 10 106/2019-20 dated March 13, 2020 on implementation of Indian accounting standards, Non-Banking Financial Companies (NBFCs) are required to create an impairment reserve for any shortfall in impairment allowances under Ind AS 109 and Income recognition, Asset Classification and Provisioning (IRACP) Norms (including provision on standard assets) The impairment allowances under Ind AS 109 made by the Company exceeds the total provision required under IRACP (including standard asset provisioning) as at 31 March 2022 and accordingly, no amount is required to be transferred to impairment reserve Also refer note 79

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(All amounts are in Rupees lakhs, unless stated otherwise)

78 Asset Liability Management

Maturity Pattern of certain items of Assets and Liabilities:

As at 31 March 2022

Particulars	1 day to 30/31 days (1 Month)	Over 1 month to 2 months	Over 2 months upto 3 months	Over 3 months upto 6 months	Over 6 months to 1 year	Over 1 year to 3 years	Over 3 years to 5 years	Over 5 years	Total
Liabilities									
Borrowings from banks and others	35,559.60	9,253.31	15,170.67	22,679.53	50,944.12	106,406.26	7,948.55	-	**247,962.03**
Debt Securities	1,292.64	4,306.86	4,252.73	18,562.20	34,606.08	44,030.83	-	-	**107,051.34**
Assets									
Advances	40,765.02	32,228.11	28,101.45	41,593.32	66,163.16	83,394.96	2,865.12	936.95	**296,048.09**
Investments	16,538.74	2,705.11	3,620.05	8,906.78	19,672.60	12,152.38	5,402.44	29,546.07	**98,544.16**

As at 31 March 2021

Particulars	1 day to 30/31 days (1 Month)	Over 1 month to 2 months	Over 2 months upto 3 months	Over 3 months upto 6 months	Over 6 months to 1 year	Over 1 year to 3 years	Over 3 years to 5 years	Over 5 years	Total
Liabilities									
Borrowings from banks and others	13,437.99	4,666.70	4,354.30	12,341.70	21,680.30	36,263.70	4,119.95	-	**96,864.64**
Debt Securities	274.15	1,062.90	1,519.50	3,672.40	5,217.27	28,207.19	-	-	**39,953.41**
Assets									
Advances	13,549.24	12,521.69	14,069.56	28,258.23	39,382.62	50,644.93	3,137.28	481.37	**162,044.92**
Investments	1,110.81	1,189.69	1,043.95	3,018.96	5,031.29	3,714.03	6,537.12	7,752.00	**29,397.85**

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79 Impact of COVID-19

The impact of COVID-19 including the economic and social consequences continues to be uncertain and the extent to which the ongoing COVID-19 pandemic will impact the Company's financial performance including the Company's estimates of impairment and fair valuation of financial instruments, are dependent on such future developments, the severity and duration of the pandemic, that are highly uncertain.

In respect of accounts where moratorium benefit have been granted, the staging of those accounts is based on the days past due status considering the benefit of moratorium period in accordance with the Reserve Bank of India Covid-19 Regulatory Package.

The Company has considered the aforesaid context of the pandemic in applying the assumptions used to determine the impairment and fair valuation of financial instruments. The Company has recognized impairment of financial instruments (including write offs) aggregating to INR 1,462.38 lakhs and INR 2,989.74 lakhs for the year ended 31 March 2022 and 31 March 2021 respectively. The impact assessment of COVID-19 is a continuing process. Given its uncertainty in nature and duration, this may have corresponding impact in the financial position and performance of the Company. The Company will continue to monitor any material changes to the future economic conditions.

80 Subsequent events

There are no subsequent events other than those disclosed in the financial statements that have occurred after the reporting period till the date of approval of these standalone financial statements.

81 Previous period's figures have been regrouped / reclassified wherever necessary, to conform with the current period presentation.

As per our report of even date attached

for **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No. 101248W/W-100022

S Sethuraman
Partner
Membership No: 203491

Place: Chennai
Date: 27 May 2022

For and on behalf of the Board of Directors of
Vivriti Capital Private Limited
CIN: U65929TN2017PTC117196

Vineet Sukumar
Managing Director
DIN: 06848801

Gaurav Kumar
Director
DIN: 07767248

B Srinivasaraghavan
Chief Financial Officer

Amritha Paitenkar
Company Secretary
Membership No: A49121

Place: Chennai
Date: 27 May 2022

Vivriti Capital Private Limited
Chennai
600 035

B S R & Co. LLP
Chartered Accountants

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Independent Auditor's Report

To the Members of Vivriti Capital Private Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of **Vivriti Capital Private Limited** (hereinafter referred to as the "Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), its associates, which comprise the consolidated balance sheet as at 31 March 2022, and the consolidated statement of profit and loss (including other comprehensive income), consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of other auditors on separate financial statements/financial information of an associate as were audited by the other auditors, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group and its associates as at 31 March 2022, of its consolidated profit and other comprehensive income, consolidated changes in equity and consolidated cash flows for the year then ended.

Basis for Opinion

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

Emphasis of matter

As more fully described in Note 50 to the consolidated financial statements, the extent to which the COVID-19 pandemic will have impact on the Group's financial performance is dependent on future developments, which are highly uncertain.

Our opinion is not modified in respect of the above matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment and based on the consideration of report of other auditors on separate financial statements of the component audited by them, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter	How the matter was addressed in our audit
Impairment of loans and advances including off balance sheet elements Charge: INR 1,462.38 lakhs for year ended 31 March 2022 Provision: INR 3,132.16 lakhs as at 31 March 2022	
Refer Notes 3.6, 7, 19, 30 and 50 to the consolidated financial statements	
Under Ind AS 109 - Financial Instruments, credit loss assessment is based on expected credit loss (ECL) model. The Company's impairment allowance is derived from estimates including the historical default and loss ratios. Management exercises judgement in determining the quantum of loss based on a range of factors. Further, in relation to COVID-19 pandemic, judgements and assumptions include the extent and duration of the pandemic, the impacts of actions of governments and other authorities, and the responses of businesses and consumers in different industries, along with the associated impact on the economy The determination of impairment loss allowance is inherently judgmental and relies on managements' best estimate due to the following: • Segmentation of loans given to the customer. • Criteria selected to identify significant increase in credit risk, specifically in respect of moratorium benefit given to eligible borrowers, as per the Holding Company's board approved policy, read with the Reserve Bank of India (RBI) COVID 19 regulatory package.	In view of the significance of the matter, we applied the following key audit procedures, among others to obtain sufficient appropriate audit evidence: • Performed process walkthroughs to identify the controls used in the impairment allowance processes. • Assessed the design and implementation of controls in respect of the Holding Company's impairment allowance process such as the timely recognition of impairment loss, the completeness and accuracy of reports used in the impairment allowance process and management review processes over the calculation of impairment allowance. • Obtained understanding of management's revised processes, compliance with the RBI circulars pertaining to impairment loss allowance, systems and controls implemented in relation to impairment allowance process, specifically in view of providing moratorium as per board approved policy read with RBI COVID-19 regulatory package including management rationale for determination of criteria of significant increase in credit risk. • Evaluated whether the methodology applied by the Holding Company is compliant with the requirements of the relevant accounting standards and confirmed that the calculations are performed in accordance with the approved methodology, including checking mathematical accuracy of the workings.

Key audit matter	How the matter was addressed in our audit
• Increased level of data inputs for capturing the historical data to calculate the Probability of Default ('PDs') and Loss Given Default ("LGD") and the completeness and accuracy of that data. • Use of management overlay for considering the forward looking macro-economic factors, economic environment and timing of cash flows. The underlying forecasts and assumptions used in the estimates of impairment loss allowance are subject to uncertainties which are often outside the control of the Holding Company. Given the size of loan portfolio relative to the balance sheet and the impact of impairment loss allowance on the consolidated financial statements, we have considered this as a key audit matter.	• Tested the periods considered for capturing underlying data as base to PD and LGD calculations are in line with Holding Company's recent experience of past observed periods. • Tested the accuracy of the key inputs used in the calculation and independently evaluated the reasonableness of the assumptions made. • Challenged completeness and validity of impairment allowance including the management overlays, particularly in response to the pandemic with assistance of our financial risk modelling experts by critically evaluating the risks that have been addressed by management. • Performed test of details, on a sample basis, on underlying data relating to segmentation, staging as at 31 March 2022 and other key inputs for computation of ECL. • Assessed whether the disclosures on key judgements, assumptions and quantitative data with respect to impairment loss allowance in the consolidated financial statements are appropriate and sufficient.

Key audit matter	How the matter was addressed in our audit
Investment of the Holding Company in subsidiaries and associates *Refer notes 3.3, 8, 22, 28, 37 and 40 to the consolidated financial statements.*	
Credavenue Private Limited ('CAPL') was a subsidiary of the Holding Company as at the beginning of the financial year. During the year, there were various shareholder transactions in respect of CAPL. These shareholder transactions included two rounds of fund raise at CAPL, renunciation of rights entitlement by the Holding Company in favour of founders in their capacity as founder shareholders etc. Such transactions and other shareholder arrangements resulted in dilution and loss of control of the Holding Company in respect of its investment in CAPL. Thus, CAPL became an associate.	In view of the significance of the matter, we applied the following key audit procedures, among others to obtain sufficient appropriate audit evidence: • Performed process walkthroughs to identify the controls used over identification, compliance and disclosure of shareholder and investment related transactions/arrangements. • Evaluated the design and tested the operating effectiveness of controls over identification, compliance and disclosure of such transactions/arrangements. • Obtained and reviewed the shareholders agreements.

Key audit matter	How the matter was addressed in our audit
Upon loss of control and subsequent dilution of its investment in CAPL, the Holding Company recorded an aggregate gain on loss of control / dilution of INR 200,680 lakhs in the consolidated statement of profit and loss in accordance with Ind AS 110 – 'Consolidated Financial Statements'. The resultant deferred tax charge on aforesaid gains has also been created aggregating to INR 46,287 lakhs. We identified assessing the accounting of investment in subsidiaries and associate as a key audit matter because of the degree of complexity involved in financial reporting, judgements and estimates involved in valuation at various points in time, assessing loss / dilution of control, implications of related party transactions, tax considerations, disclosures etc.	• Inquired with those charged with governance, the substance and sequence of events/transactions and board decisions etc. • Obtained and confirmed the approvals / ratification of Audit Committee / Board of Directors on the shareholder / related party transactions. • Obtained and read the valuation reports, fairness opinion etc received by the Company from CAPL in connection with the related transactions and the timing thereof. • Obtained and reviewed the computation of gain on loss / dilution of control. • Reviewed management's evaluation of the financial reporting aspects of shareholder transactions and implications thereof to be within equity. • Obtained and read the legal opinion on the tax implications, if any, with respect to the Company together with founder shareholder support arrangements. • Assessed whether appropriate accounting and adequate disclosures regarding fund raise at CAPL, renunciation of rights to founders in their capacity as shareholders, dilution/loss of control etc have been made in the consolidated financial statements. • Communicated the key implications of the shareholder transactions / arrangements to those charged with governance.

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

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

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

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.

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

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

The Holding Company's Management and Board of Directors are responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Act that give a true and fair view of the consolidated state of affairs, consolidated profit/ loss and other comprehensive income, consolidated statement of changes in equity and consolidated cash flows of the Group including its associates and joint ventures and joint operations in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. The respective Management and Board of Directors of the companies included in the Group and of its associates, joint ventures and joint operations are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of each company and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Management and Board of Directors of the Holding Company, as aforesaid.

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

The respective Board of Directors of the companies included in the Group and of its associates, joint ventures and joint operations are responsible for overseeing the financial reporting process of each company.

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

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

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting in preparation of consolidated financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the appropriateness of this assumption. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its associates and joint ventures and joint operations to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial statements/financial information of such entities or business activities within the Group and its associates to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements/financial information 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. Our responsibilities in this regard are further described in paragraph (a) of the section titled "Other Matters" in this audit report.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

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

Other Matters

(a) The consolidated financial statements also include the Group's share of net profit (and other comprehensive income) of Rs. 71.93 lakhs for the year ended 31 March 2022, 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 sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid associate is based solely on the reports of the other auditors.

(b) The consolidated financial statements of the Group for the year ended 31 March 2021 were audited by the predecessor auditor who had expressed an unmodified opinion vide their report dated 28 April 2021.

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

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of Section 143 (11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2 (A) As required by Section 143(3) of the Act, based on our audit and on the consideration of reports of the other auditors on separate financial statements of an associate as were audited by other auditors, as noted in the "Other Matters" paragraph, we report, to the extent applicable, that:

   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.

   b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.

c) The consolidated balance sheet, the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of changes in equity and the consolidated statement of cash flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

d) In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act.

e) On the basis of the written representations received from the directors of the Holding Company as on 31 March 2022 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies and associate companies, none of the directors of the Group and its associate is disqualified as on 31 March 2022 from being appointed as a director in terms of Section 164(2) of the Act.

f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Holding Company and its associate companies and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". One subsidiary company and an associate company is exempted from the requirement of its auditors' reporting with respect to adequacy of internal financial controls with reference to the financial statements.

B. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and 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 the report of the other auditors on separate financial statements of an associate, as noted in the "Other Matters" paragraph:

a) The consolidated financial statements disclose the impact of pending litigations as at 31 March 2022 on the consolidated financial position of the Group and its associates. Refer Note 42 to the consolidated financial statements.

b) Provision has been made in the consolidated financial statements, as required under the applicable law or Ind AS, for material foreseeable losses, on long-term contracts including derivative contracts. Refer Notes 7, 14 and 19 to the consolidated financial statements in respect of such items as it relates to the Group and its associate.

c) There were no amounts which are required to be transferred to the Investor Education and Protection Fund by the Holding Company or its subsidiary companies, associate companies during the year ended 31 March 2022.

d) (i) The respective managements of the Company and its subsidiaries and associates 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 subsidiaries and associates respectively that, to the best of its knowledge and belief, as disclosed in note 49 to the consolidated financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company or any of such subsidiaries and associates 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 directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company or its subsidiaries and associates ("Ultimate Beneficiaries") or provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

(ii) The respective managements of the Company and its subsidiaries and associates which are companies incorporated in India whose financial statements are audited under the Act have represented to us and the other auditors of such subsidiaries and associates respectively that, to the best of its knowledge and belief, as disclosed in note 49 to consolidated financial statements, no funds have been received by the Company or any of such subsidiaries and associates from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company or any of such subsidiaries and associates shall directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Parties ("Ultimate Beneficiaries") or provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries.

(iii) Based on audit procedures that have been considered reasonable and appropriate in the circumstances performed by us and that performed by the auditors of the subsidiaries and associates which are companies 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 the other auditors to believe that the representations under sub-clause (i) and (ii) of Rule 11 (e) contain any material misstatement.

e) The Holding Company and its subsidiary companies and associate companies incorporated in India have neither declared nor paid any dividend during the year.

C. With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act:

In our opinion and according to the information and explanations given to us, the provisions of Section 197 of the Act are not applicable to the Holding Company, its subsidiary companies and associate companies incorporated in India since none of these companies is a public company.

for **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No.-101248 W/W-100022

S Sethuraman
Partner
Membership No. 203491
UDIN: 22203491AJTVRA3821

Place: Chennai
Date: 27 May 2022

Annexure A to the Independent Auditor's Report on the Consolidated financial statements of Vivriti Capital Private Limited

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

In our opinion and according to the information and explanations given to us, there are no qualifications or adverse remarks by the respective auditors in the Companies (Auditor's Report) Order, 2020 reports of the companies incorporated in India and included in the consolidated financial statements except for the following companies:

S. no.	Name of the entities	CIN	Holding Company/ Subsidiary/ Associate	Clause number of the CARO report which is unfavourable or qualified or adverse
1	Vivriti Capital Private Limited	U65929TN2017PTC117196	Holding Company	Clauses (iii) (c) and (iii) (d)
2	Vivriti Asset Management Private Limited	U65929TN2019PTC127644	Subsidiary	Clause (xvii)

The above does not include comments, if any, in respect of the following entities as the CARO report relating to them has not been issued by its auditor till the date of principal auditor's report:

Name of the entities	CIN	Holding Company/ Subsidiary/Associate
CredAvenue Private Limited*	U72900TN2020PTC137251	Associate

* As at the date of this report, audit of the statutory financial statements have not been completed for this entity for the period ended March 31, 2022 and the CARO report relating to this entity has not been issued by its auditor till the date of this auditor's report.

for **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No.-101248 W/W-100022

S Sethuraman
Partner
Membership No. 203491
UDIN: 22203491AJTVRA3821

Place: Chennai
Date: 27 May 2022

Annexure B to the Independent Auditors' report on the consolidated financial statements of Vivriti Capital Private Limited for the year ended 31 March 2022

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

(Referred to in paragraph 2(A)(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Opinion

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended 31 March 2022, we have audited the internal financial controls with reference to consolidated financial statements of Vivriti Capital Private Limited (hereinafter referred to as "the Holding Company") and a company incorporated in India under the Companies Act, 2013 which is its associate company, as of that date.

In our opinion, the Holding Company and a company incorporated in India which is its associate company, have, in all material respects, adequate internal financial controls with reference to consolidated financial statements and such internal financial controls were operating effectively as at 31 March 2022, based on the internal financial controls with reference to consolidated financial statements criteria established by such companies considering the essential components of such internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

Management's Responsibility for Internal Financial Controls

The respective Company's management and the Board of Directors are responsible for establishing and maintaining internal financial controls with reference to consolidated financial statements based on the criteria established by the respective Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013 (hereinafter referred to as "the Act").

Annexure B to the Independent Auditors' report on the consolidated financial statements of Vivriti Capital Private Limited for the period ended 31 March 2022

Auditors' Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to consolidated financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to consolidated financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to consolidated financial statements were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to 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.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to consolidated financial statements.

Meaning of Internal Financial controls with Reference to Consolidated Financial Statements

A company's internal financial controls with reference to 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 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.

Annexure B to the Independent Auditors' report on the consolidated financial statements of Vivriti Capital Private Limited for the period ended 31 March 2022

Inherent Limitations of Internal Financial controls with Reference to consolidated Financial Statements

Because of the inherent limitations of internal financial controls with reference to 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 consolidated financial statements to future periods are subject to the risk that the internal financial controls with reference to consolidated financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

for **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No.-101248 W/W-100022

S Sethuraman
Partner
Membership No. 203491
UDIN: 22203491AJTVRA3821

Place: Chennai
Date: 27 May 2022

Vivriti Capital Private Limited
Consolidated Balance Sheet as at 31 March 2022
(All amounts are in Rupees lakhs, unless stated otherwise)

Particulars	Note	As at 31 March 2022	As at 31 March 2021
ASSETS			
Financial assets			
Cash and cash equivalents	4	47,357.92	14,835.49
Bank Balances other than cash and cash equivalents	5	31,904.68	11,511.80
Receivables	6	742.05	1,057.00
Loans	7	296,075.94	162,156.59
Investments	8	294,868.40	25,719.37
Other financial assets	9	1,165.76	341.19
Total financial assets		**672,114.75**	**215,621.44**
Non-financial assets			
Current tax assets (Net)	10	1,951.69	1,065.35
Deferred tax assets (Net)		355.36	1,421.21
Investment Property	11	948.61	-
Property, plant and equipment	12.1	777.81	736.74
Right of use asset	12.2	969.06	874.73
Intangible assets under development	12.3	43.08	492.30
Other intangible assets	12.4	317.99	475.83
Other non-financial assets	13	2,280.37	647.57
Total non-financial assets		**7,643.97**	**5,713.73**
Total assets		**679,758.72**	**221,335.17**
EQUITY AND LIABILITIES			
LIABILITIES			
Financial liabilities			
Derivative financial instruments	14	382.00	-
Trade Payables	15		
(i) total outstanding dues of micro enterprises and small enterprises		-	12.13
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		2,505.81	1,173.39
Debt securities	16	107,741.03	40,219.33
Borrowings (Other than debt securities)	17	247,962.03	98,446.05
Other financial liabilities	18	1,643.44	2,220.47
Total financial liabilities		**360,234.31**	**142,071.37**
Non-financial liabilities			
Deferred tax liabilities (net)		45,424.37	-
Provisions	19	252.97	821.29
Other non-financial liabilities	20	465.66	390.61
Total non-financial liabilities		**46,143.00**	**1,211.90**
Total liabilities		**406,377.31**	**143,283.27**
EQUITY			
Equity share capital	21	1,252.24	1,146.39
Convertible preference share capital	21A	8,739.15	8,350.17
Other equity	22	258,698.05	68,555.34
Equity attributable to the shareholders of the Company		**268,689.44**	**78,051.90**
Non-controlling interests	23	4,691.97	-
Total equity		**273,381.41**	**78,051.90**
Total equity and liabilities		**679,758.72**	**221,335.17**

Significant accounting policies 2 and 3

The notes referred to above form an integral part of the consolidated financial statements

As per our report of even date attached

for **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No. 101248W/W-100022

S Sethuraman
Partner
Membership No: 203491

Place: Chennai
Date:27 May 2022

For and on behalf of the Board of Directors of
Vivriti Capital Private Limited
CIN: U65929TN2017PTC117196

Vineet Sukumar
Managing Director
DIN: 06848801

Gaurav Kumar
Director
DIN: 07767248

B Srinivasaraghavan
Chief Financial Officer

Amritha Paitenkar
Company Secretary
Membership No: A49121

Place: Chennai
Date: 27 May 2022

Place: Chennai
Date: 27 May 2022

Vivriti Capital Private Limited
Consolidated Statement of Profit and Loss for the year ended 31 March 2022
(All amounts are in Rupees lakhs, unless stated otherwise)

Particulars	Note	Year ended 31 March 2022	Year ended 31 March 2021
Revenue from operations			
Interest income	23	32,952.72	20,360.93
Fees and commission income	24	6,709.51	3,975.95
Net gain on derecognition of financial instruments		44.30	12.00
Net gain on fair value change on financial instruments	25	790.52	63.16
Total revenue from operations		40,497.05	24,412.04
Other income	26	550.25	154.59
Gain on loss / dilution of control		200,680.31	-
Total income		241,727.61	24,566.63
Expenses			
Finance costs	27	19,931.34	9,607.81
Impairment on financial instruments including write off	28	1,462.38	2,989.74
Employee benefit expense	29	6,673.39	6,119.48
Depreciation and amortisation expense	30	847.88	748.55
Other expenses	31	4,583.49	2,980.67
Total expenses		33,498.48	22,446.25
Profit before exceptional item and tax		208,229.13	2,120.38
Exceptional item	32	2,173.13	-
Profit before tax		206,056.00	2,120.38
Tax expense	33		
- Current tax		1,882.70	1,481.97
- Deferred tax		46,264.11	(803.87)
Total tax expense		48,146.81	678.10
Net profit after tax		157,909.19	1,442.28
Share of loss of equity accounted associate (net of income tax)		(2,582.54)	-
Net Profit after tax for the year		155,326.65	1,442.28
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Remeasurements of the defined benefit asset/ (liability)		(6.73)	(15.12)
Income tax relating to items that will not be reclassified to profit or loss		1.69	3.81
Sub-total (A)		(5.04)	(11.31)
Items that will be reclassified to profit or loss			
Net gain / (loss) on financial instruments through OCI		232.31	-
Cash flow hedge reserve		(324.77)	165.71
Income tax relating to items that will be reclassified to profit or loss		23.27	(41.71)
Sub-total (B)		(69.19)	124.00
Other comprehensive income (A + B)		(74.23)	112.69
Share of other comprehensive loss from equity accounted associate (net of income tax)		(20.46)	-
Total other comprehensive income		(94.69)	-
Total comprehensive income for the year, net of income tax		155,231.96	1,554.96
Profit for the year attributable to			
Owners of the Company	23	157,909.19	1,442.28
Non-controlling interest		-	-
Other comprehensive income for the year, net of tax			
Owners of the Company	23	(94.69)	-
Non-controlling interest		-	-
Total comprehensive income for the year, net of income tax			
Owners of the Company	23	155,231.96	1,554.96
Non-controlling interest		-	-
Earnings per equity share	34		
Basic (₹)		1,244.05	9.35
Diluted (₹)		171.44	1.72
Significant accounting policies	2 and 3		

The notes referred to above form an integral part of the consolidated financial statements

As per our report of even date attached

for **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No. 101248W/W-100022

S Sethuraman
Partner
Membership No: 203491

Place: Chennai
Date: 27 May 2022

For and on behalf of the Board of Directors of
Vivriti Capital Private Limited
CIN: U65929TN2017PTC117196

Vineet Sukumar
Managing Director
DIN: 06848801

Gaurav Kumar
Director
DIN: 07767248

B Srinivasaraghavan
Chief Financial Officer

Amritha Paitenkar
Company Secretary
Membership No: A49121

Place: Chennai
Date: 27 May 2022

Vivriti Capital Private Limited
Consolidated Statement of Cash flows for the year ended 31 March 2022
(All amounts are in Rupees lakhs, unless stated otherwise)

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Cash flow from operating activities		
Profit before tax	206,056.00	2,120.38
Adjustments for:		
Depreciation and amortisation	847.88	748.55
Share of loss post tax from associate	(2,582.54)	-
Fair valuation gain on derivative contract	382.00	-
Impairment on financial instruments (net)	1,462.38	2,910.54
Employee share based payment expenses	245.02	315.25
Finance costs	19,931.34	9,607.81
Interest income on bank balances and investments	(5,190.61)	(3,115.13)
Gain on loss / dilution of control	(200,680.31)	-
Net gain on derecognition of financial instruments	(44.30)	-
Gain on sale of investments	(9.42)	-
Unrealised gain on alternative investment funds designated at fair value through profit or loss	(299.26)	-
Gain on mutual funds investments designated at fair value through profit or loss	(78.45)	-
Gain on sale of fixed assets	(299.87)	-
Gain on derecognition of finance leases	(143.22)	-
Net loss on financial asset designated at FVOCI	-	112.69
Stock compensation expenses	2,580.63	-
Operating Profit before working capital changes	**22,177.28**	**12,700.09**
Changes in working capital and other changes		
(Increase) in other financial assets	(1,410.00)	-
(Increase) in loans	(134,149.59)	(96,672.90)
(Increase)/Decrease in trade receivables	273.83	(624.07)
(Increase) in other non-financial assets	(1,632.80)	(347.11)
(Increase)/Decrease in other bank balances	(20,293.00)	34,791.71
Increase/(Decrease) in trade payables, other liabilities and provisions	(950.43)	296.93
Cash used in operating activities	**(135,984.71)**	**(49,855.36)**
Finance cost paid	(15,531.83)	(7,363.20)
Income tax paid (net)	(2,542.93)	(1,448.15)
Net Cash flows generated from / (used in) operating activities (A)	**(154,059.47)**	**(58,666.71)**
Cash flows from investing activities		
Purchase of property plant and equipment	(6,572.35)	(1,166.51)
Sale of property plant and equipment	722.97	-
Derecognition of finance lease	1,681.01	-
Derecognition of fixed assets on account of dilution of control	3,280.25	-
Investment in alternative investment funds (net)	17,783.90	-
Change in Investment in associate (net)	(1,199.96)	-
Investments in Mutual funds (net)	(2,932.40)	-
Investments other than Alternative investment funds and Mutual funds (net)	(81,711.73)	(14,733.42)
Interest received on bank balances and investments	5,069.33	16,063.43
Net cash flows generated from / (used in) investing activities (B)	**(63,879.00)**	**163.50**
Financing activities		
Proceeds from issue of share capital including securities premium	37,863.72	9,873.77
Proceeds from issue of debt securities	84,473.03	34,500.00
Repayment of debt securities	(20,143.15)	(28,165.79)
Proceeds from borrowings (other than debt securities issued)	219,786.08	82,477.91
Repayment of borrowings (other than debt securities issued)	(71,302.13)	(28,111.24)
Payments of lease liabilities	(216.65)	(461.28)
Net cash flows generated from financing activities (C)	**250,460.90**	**70,113.37**
Net increase in cash and cash equivalents (A) + (B) + (C)	**32,522.43**	**11,610.16**
Cash and cash equivalents at the beginning of the year	14,835.49	3,225.33
Cash and cash equivalents at the end of the year	**47,357.92**	**14,835.49**

BSR & Co. LLP ★ Chartered Accountants ★

Vivriti Capital Private Limited Chennai 600 035 ★

Vivriti Capital Private Limited
Consolidated Statement of Cash flows for the year ended 31 March 2022
(All amounts are in Rupees lakhs, unless stated otherwise)

Particulars	Note	As at 31 March 2022	As at 31 March 2021
Components of cash and cash equivalents			
Balances with banks			
In current accounts	4	47,357.92	14,835.49
Total cash and cash equivalents		**47,357.92**	**14,835.49**

Significant accounting policies 2 and 3

The notes referred to above form an integral part of the consolidated financial statements

for **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No. 101248W/W-100022

S Sethuraman
Partner
Membership No: 203491

Place: Chennai
Date: 27 May 2022

For and on behalf of the Board of Directors of
Vivriti Capital Private Limited
CIN: U65929TN2017PTC117196

Vineet Sukumar
Managing Director
DIN: 06848801

Gaurav Kumar
Director
DIN: 07767248

B Srinivasaraghavan
Chief Financial Officer

Amritha Paitenkar
Company Secretary
Membership No: A49121

Place: Chennai
Date: 27 May 2022

Vivriti Capital Private Limited
Consolidated Statement of changes in equity for the year ended 31 March 2022
(All amounts are in Rupees lakhs, unless stated otherwise)

A. Equity share capital

Particulars	Note	Equity Share capital
Balance as at 31 March 2020		1,130 02
Changes in equity share capital during the period		16 37
Balance as at 31 March 2021	21	**1,146.39**
Changes in equity share capital during the period		105 85
Balance as at 31 March 2022	21	**1,252.24**

B. Other equity

Particulars	Compulsorily Convertible Preference Shares	Optionally Convertible Redeemable Preference Shares	Other Equity						Equity attributable to the shareholders of the Company	Total non-controlling interest	Total
			Reserves and Surplus				Other Comprehensive Income				
			Statutory Reserve	Securities Premium	Employee Stock Option outstanding account	Retained Earnings	Financial instruments through OCI	Cash flow hedge reserve			
Balance as at 31 March 2020	**7,762.37**	**8.11**	**242.38**	**56,753.60**	**84.46**	**299.48**	-	-	**65,150.40**	-	**65,150.40**
Changes in equity for the year ended 31 March 2021										-	-
Shares issued during the year	579 69	-	-	11,371 50	-	-	-	-	11,951 19	-	11,951 19
Share issue expenses	-	-	-	(193 18)	-	-	-	-	(193 18)	-	(193 18)
Shares held by ESOP Trust (also refer note 39)	-	-	-	(1,873 12)	-	-	-	-	(1,873 12)	-	(1,873 12)
Stock compensation expense during the year	-	-	-	-	138 40	-	-	-	138 40	-	138 40
Stock compensation expense - recoverable from related parties	-	-	-	-	176 85	-	-	-	176 85	-	176 85
Remeasurement of net defined benefit liability	-	-	-	-	-	(11 31)	-		(11 31)	-	(11 31)
Fair valuation of investment in debt instruments (net)	-	-	-	-	-	-	124 00	-	124 00	-	124 00
Transfer from retained earnings	-	-	-	-	-	(11 47)	11 47	-	-	-	-
Profit for the year	-	-	-	-	-	1,442 28	-	-	1,442 28	-	1,442 28
Transfer to statutory reserve	-	-	600 10	-	-	(600 10)	-	-	-	-	-
Balance as at 31 March 2021	**8,342.06**	**8.11**	**842.48**	**66,058.80**	**399.71**	**1,118.88**	**135.47**	-	**76,905.51**	-	**76,905.51**
Changes in equity for the year ended 31 March 2022 (also refer note 37)											-
Shares issued during the year	388 98	-	-	33,094 20	-	-	-	-	33,483 18	4,691 97	38,175 15
Share issue expenses	-	-	-	(9 78)	-	-	-	-	(9 78)	-	(9 78)
Stock compensation expense (also refer note 34)				2,173 13					2,173 13		2,173 13
Shares held by VAM ESOP Trust	-	-	-	(660 00)	-	-	-	-	(660 00)	-	(660 00)
Stock Compensation expense during the year	-	-	-	-	238 63	-	-	-	238 63	-	238 63
Stock compensation expense - recoverable from related parties	-	-	-	-	74 57	-	-	-	74 57	-	74 57
Remeasurement of net defined benefit liability	-	-	-	-	-	(5 04)	-	-	(5 04)	-	(5 04)
Fair valuation of investment in debt instruments (net)	-	-	-	-	-	-	173 84	(243 03)	(69 19)	-	(69 19)
Profit for the year	-	-	-	-	-	155,326 65	-	-	155,326 65	-	155,326 65
Transfer to statutory reserve	-	-	1,347 40	-	-	(1,347 40)	-	-	-	-	-
Share of other comprehensive loss post tax from associate	-	-	-	-	-	-	(20 46)	-	(20 46)	-	(20 46)
Balance as at 31 March 2022	**8,731.04**	**8.11**	**2,189.88**	**100,656.35**	**712.91**	**155,093.09**	**288.86**	**(243.03)**	**267,437.20**	**4,691.97**	**272,129.17**

The notes referred to above form an integral part of the Consolidated Financial Statements

As per our report of even date attached

for **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No: 101248W/W-100022

S Sethuraman
Partner
Membership No: 203491

Place: Chennai
Date: 27 May 2022

For and on behalf of the Board of Directors of
Vivriti Capital Private Limited
CIN: U65929TN2017PTC117196

Vineet Sukumar
Managing Director
DIN: 06848801

Gaurav Kumar
Director
DIN: 07767248

B Srinivasaraghavan
Chief Financial Officer

Amritha Paitenkar
Company Secretary
Membership No: A49121

Place: Chennai
Date: 27 May 2022

1 Corporate Information

Vivriti Capital Private Limited (Holding Company / Company) is a private limited Company domiciled in India and incorporated on June 22, 2017 under the provisions of the Companies Act, 2013 ("the Act"). The Holding Company is a systematically important Non Banking Finance Company - Investment & Credit Company (ICC) pursuant to circular dated February 22, 2019, issued by the Reserve Bank of India ('RBI'), which is engaged in financing to various corporates through enterprise financing and retail financing through co-lending and supply chain financing.

The Group structure is as follows:

Particulars	% of shareholding	
	As at 31 March 2022	As at 31 March 2021
Vivriti Capital private Limited ("Holding Company")		
Subsidiary		
Vivriti Asset Management Private Limited	75.54%	100.00%
Associate*		
Credavenue Private Limited (CAPL)	50.52%	100.00%
Subsidiaries of associate		
Credavenue Securities Private Limited (Incorporated on 18 June 2021)	100.00%	NA
Spocto Solutions Private Limited #	75.00%	NA

* The Holding Company lost control over CAPL with effect from 20 September 2021 and CAPL became an associate from such date. Also refer note 37.

Spocto Solutions Private Limited became an subsidiary of CAPL with effect from 25 February 2022.

The Holding Company and its subsidiary together hereinafter referred to as "Group".

2 Basis of preparation

2.1 Statement of compliance

These Consolidated Financial Statements ("financial statements") have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015, as amended notified under Section 133 of the Act as amended from time to time, other relevant provisions of the Act and in compliance with RBI requirements in this regard.

These financial statements were authorised for issue by the Group's Board of Directors on 27 May 2022.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to the existing accounting standard requires a change in the accounting policy hitherto in use.

Details of the Group's accounting policies are disclosed in note 3.

2.2 Presentation of financial statements

The Balance Sheet, the Statement of Profit and Loss, Statement of Changes in Equity, are presented in the format prescribed under Division III of Schedule III as amended from time to time, for Non-Banking Financial Companies ('NBFC') that are required to comply with Ind AS. The statement of cash flows has been presented as per the requirements of Ind AS 7 Statement of Cash Flows. The Group presents its balance sheet in order of liquidity. An analysis regarding recovery or settlement within 12 months after the reporting date (current) and more than 12 months after the reporting date (non–current) is presented separately in the notes to these financial statements.

Financial assets and financial liabilities are generally reported gross in the balance sheet. They are only offset and reported net when, in addition to having an unconditional legally enforceable right to offset the recognised amounts without being contingent on a future event, the parties also intend to settle on a net basis.

2.3 Functional and presentational currency

These consolidated financial statements are presented in Indian Rupees (INR), which is also the Holding Company's functional currency. All amounts have been rounded-off to the nearest lakhs (two decimals), unless otherwise indicated.

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2.4 Basis of measurement

The consolidated financial statements have been prepared on the historical cost basis except for the following items:

Items	Measurement basis
Investments in Mutual Funds, Alternative Investment funds and Market Linked Debentures	Fair value
Liabilities for equity-settled share-based payment arrangements	Fair value
Net defined benefit (asset)/ liability	Fair value of plan assets less present value of defined benefit

2.5 Use of estimates and judgements

The preparation of the financial statements in conformity with Ind AS requires management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. Accounting estimates could change from period to period. Actual results could differ from those estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

Estimation of uncertainties relating to the global health pandemic from novel coronavirus 2019 ('COVID-19'):
The Group has considered the possible effects that may result from the pandemic relating to COVID-19 on the carrying amounts of loans and fair value of investments. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, the Group, as at the date of approval of these financial statements has used internal and external sources of information including credit reports, related information and economic forecasts. The impact of COVID-19 on the Group's consolidated financial statements may differ from that estimated as at the date of approval of these consolidated financial statements.

Information about judgements, estimates and assumptions made in applying accounting policies that have the most significant effects on the amounts recognised in these consolidated financial statements is included in the following notes:

i) Business model assessment
Classification and measurement of financial assets depends on the results of business model test and the solely payments of principal and interest ('SPPI') 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 or fair value through profit and loss that are derecognised prior to their maturity to understand the reason for their disposal and whether the reasons are consistent with the objective of the business for which the asset was held. Monitoring is part of the 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.

ii) Fair value of financial instruments
The fair value of financial instruments is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e. an exit price) regardless of whether that price is directly observable or estimated using another valuation technique. When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be derived from active markets, they are determined using a variety of valuation techniques that include the use of valuation models. The inputs to these models are taken from observable markets where possible, but where this is not feasible, estimation is required in establishing fair values.

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

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

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iv) Impairment of financial assets

The measurement of impairment losses across all categories of financial assets requires judgement, in particular, the estimation of the amount and timing of future cash flows and collateral values when determining impairment losses and the assessment of a significant increase in credit risk. These estimates are driven by a number of factors, changes in which can result in different levels of allowances.

The Company's expected credit loss ('ECL') calculations are outputs of complex models with a number of underlying assumptions regarding the choice of variable inputs and their interdependencies. Elements of the ECL models that are considered accounting judgements and estimates include :

a) The Company's criteria for assessing if there has been a significant increase in credit risk and so allowances for financial assets should be measured on a life time expected credit loss ('LTECL') basis.
b) Development of ECL models, including the various formulas and the choice of inputs.
c) Determination of associations between macroeconomic scenarios and economic inputs, such as consumer spending, lending interest rates and collateral values, and the effect on probability of default ('PD'), exposure at default ('EAD') and loss given default ('LGD').
d) Selection of forward-looking macroeconomic scenarios and their probability weightings, to derive the economic inputs into ECL models.

v) Provisions and other contingent liabilities

The Group is in a regulatory and legal environment that, by nature, has a heightened element of litigation risk inherent to its operations. As a result, it is involved in various litigation, arbitration and regulatory inspections in the ordinary course of the Group's business.

When the Group can reliably measure the outflow of economic benefits in relation to a specific case and considers such outflows to be probable, the Group records a provision against the case. Where the outflow is considered to be probable, but a reliable estimate cannot be made, a contingent liability is disclosed.

Given the subjectivity and uncertainty of determining the probability and amount of losses, the Group takes into account a number of factors including legal advice, the stage of the matter and historical evidence from similar incidents. Significant judgement is required to conclude on these estimates.

These estimates and judgements are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Group and that are believed to be reasonable under the circumstances. Management believes that the estimates used in preparation of the consolidated financial statements are prudent and reasonable.

vi) Other assumptions and estimation uncertainities

Information about critical judgements in applying accounting policies, as well as estimates and assumptions that have the most significant effect to the carrying amounts of assets and liabilities within the next financial year are included in the following notes:
a) Measurement of defined benefit obligations: key actuarial assumptions;
b) Estimated useful life of property, plant and equipment and intangible assets;
c) Recognition of deferred taxes;
d) Upfront recognition of Excess Interest Spread (EIS) in relation to assignment transactions.

3 Significant accounting policies

3.1 Basis of consolidation

The Consolidated Ind AS financial statements comprise the financial statements of the Group, its subsidiary (being the entity that it controls) and its Associate as at March 31, 2022. Control is evidenced when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee
- Rights arising from other contractual arrangements
- The Group's voting rights and potential voting rights
- The size of the Group's holding of voting rights relative to the size and dispersion of the holdings of the other voting rights holders.

Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the Group uses accounting policies other than those adopted in the Consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that Group member's financial statements in preparing the Consolidated financial statements to ensure conformity with the Group's accounting policies.

The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the parent company, i.e., year ended on March 31.

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Vivriti Capital Private Limited Chennai 600 035

i) Business Combination
In accordance with Ind AS 103, the Group should account for the business combinations using the acquisition method when control is transferred to the Group. The consideration transferred for the business combination is generally measured at fair value as at the date the control is acquired (acquisition date), as are the net identifiable assets acquired. Any goodwill that arises is tested annually for impairment. Any gain on a bargain purchase is recognised in Other Comprehensive Income (OCI) and accumulated in equity as capital reserve if there exists clear evidence of the underlying reasons for classifying the business combination as resulting in a bargain purchase; otherwise, the gain is recognised directly in equity as capital reserve. Transaction costs are expensed as incurred, except to the extent related to the issue of debt or equity securities.

The consideration transferred does not include amounts related to the settlement of pre-existing relationships with the acquiree. Such amounts are generally recognised in profit or loss.

Any contingent consideration is measured at fair value at the date of acquisition. If an obligation to pay contingent consideration that meets the definition of a financial instrument is classified as equity, then it is not re-measured subsequently and settlement is accounted for within equity. Other contingent consideration is re-measured at fair value at each reporting date and changes in the fair value of the contingent consideration are recognised in profit or loss.

If a business combination is achieved in stages (i.e., where the Group acquires control at a later stage), previously held equity interest in the acquiree is remeasured at it's acquisition date fair value and any resulting gain or loss is recognised in statement of profit or loss or OCI, as appropriate.

ii) Subsidiaries
Subsidiaries are entities controlled by the Holding Company. Holding Company controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

iii) Loss of control
When the Group loses control over a subsidiary, it derecognises the assets and liabilities of the subsidiary, and any related NCI and other components of equity. Any interest retained in the former subsidiary is measured at fair value at the date the control is lost. Any resulting gain or loss is recognised in profit or loss.

iv) Investment in Associates

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee.

The Group's investments in its associates are accounted for using the equity method. Under the equity method, the investment in an associates is initially recognised at cost. The carrying amount of the investment is adjusted to recognise changes in the Group's share of net assets of the associates since the acquisition date. If an entity's share of losses of an associates equal or exceeds its interest in the associates (which includes any long-term interest that, in substance, form part of the Group's net investment in the associates), the entity discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associates. If the associates subsequently reports profits, the entity resumes recognising its share of those profits only after its share of the profits equals the share of losses not recognised.

The aggregate of the Group's share of profit or loss of an associates is shown on the face of the statement of profit and loss. The financial statements of the associates are prepared for the same reporting period as the Group.

Upon loss of significant influence over the associates, the Group measures and recognises any retained investment at its fair value. Any difference between the carrying amount of the associates upon loss of significant influence and the fair value of the retained investment and proceeds from disposal is recognised in profit or loss.

v) Non-controlling interests (NCI)
NCI are measured at their proportionate share of the acquiree's net identifiable assets at the date of acquisition. Changes in the Group's equity interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

vi) Transactions eliminated on consolidation
Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions, are eliminated. Unrealised gains arising from transactions with equity accounted investees are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

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3.2 Revenue Recognition

Revenue (other than for those items to which Ind AS 109 Financial Instruments are applicable) is measured at fair value of the consideration received or receivable. Ind AS 115 Revenue from contracts with customers outlines a single comprehensive model of accounting for revenue arising from contracts with customers and supersedes current revenue recognition guidance found within Ind

The Group recognises revenue from contracts with customers based on a five step model as set out in Ind AS 115 :

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

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

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

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

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

A. Recognition of interest income on loans

Under Ind AS 109, interest income is recorded using the effective interest rate method for all financial instruments measured at amortised cost, financial instrument measured at Fair value through other comprehensive income ('FVOCI') and financial instrument measured at Fair Value Through Profit and Loss ('FVTPL'). The EIR is the rate that exactly discounts estimated future cash receipts through the expected life of the financial instrument or, when appropriate, a shorter period, to the net carrying amount of the financial

The EIR (and therefore, the amortised cost of the asset) is calculated by taking into account any discount or premium on acquisition, fees and costs that are an integral part of the EIR. The Group recognises interest income using a rate of return that represents the best estimate of a constant rate of return over the expected life of the financial instrument.

If expectations regarding the cash flows on the financial asset are revised for reasons other than credit risk, the adjustment is booked as a positive or negative adjustment to the carrying amount of the asset in the balance sheet with an increase or reduction in interest income. The adjustment is subsequently amortised through Interest income in the statement of profit and loss.

The Group calculates interest income by applying EIR to the gross carrying amount of financial assets other than credit impaired assets.

In case of the penal interest relating to the loans are accounted on the collection basis.

B. Income from platform fees

The Group through its platform allows transactions between the borrowers and lenders /investors enlisted with its platform. The Group through its platform offers various services like facilitating availing term loans and working capital loans, bond trading, structured financial transactions via products such as securitization and direct assignments, co-lending, supply chain and trade finances etc.

In respect of the platform provided, the Group charges a platform fee to the borrower or the lender or the originator depending upon the nature of the transaction. Such fees are charged as a percentage of the underlying transaction value either on a case-to-case basis or at pre-determined rates upon the execution of the term sheets / sanction of the underlying arrangement.

C. Interest income on deposits

Interest income on deposits is recognised on a time proportionate basis.

D. Fees and commission income

Investment management fees, arranger fees, advisory fees are recognised after the performance obligation in the contract is fulfilled and commission income such as guarantee commission, service income etc. are recognised on point in time or over the period basis, as applicable.

E. Dividend income

Dividend income (including from FVOCI investments) is recognised when the Group's right to receive the payment is established, it is probable that the economic benefits associated with the dividend will flow to the Group and the amount of the dividend can be measured reliably.

F. Income from investment in alternative investment fund

Income from investment in alternative investment fund is recognised when the right to receive is established.

G. Other income

All items of other income is recognized on an accrual basis, when there is no uncertainty in the ultimate realisation / collection.

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H. Foreign Currency Transactions

The Group's financial statements are presented in Indian Rupees (INR) which is also the Holding Company's functional currency. Transactions in foreign currencies are initially recorded by the Holding Company at their respective functional currency spot rates at the date the transaction first qualifies for recognition. Income and expenses in foreign currencies are initially recorded by the Holding Company at the exchange rates prevailing on the date of the transaction.

Foreign currency denominated monetary assets and liabilities are translated at the functional currency spot rates of exchange at the reporting date and exchange gains and losses arising on settlement and restatement are recognized in the statement of profit and loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognized in OCI or profit or loss are also recognized in OCI or profit or loss, respectively).

3.3 Financial instruments - Initial recognition

A. Date of recognition

Debt securities issued are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Group becomes a party to the contractual provisions of the instrument.

B. Initial measurement of financial instruments

The classification of financial instruments at initial recognition depends on their contractual terms and the business model for managing the instruments. Financial instruments are initially measured at their fair value, except in the case of financial assets and financial liabilities recorded at FVTPL, transaction costs are added to, or subtracted from this amount.

C. Measurement categories of financial assets and liabilities

The Group classifies all of its financial assets based on the business model for managing the assets and the asset's contractual terms, measured at either:

i) Amortised cost

ii) Fair value through other comprehensive income ('FVOCI')

iii) Fair value through profit and loss ('FVTPL')

3.4 Financial assets and liabilities

A. Financial assets

Business model assessment

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

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

a) How the performance of the business model and the financial assets held within that business model are evaluated and reported to the Group's key management personnel.

b) The risks that affect the performance of the business model (and the financial assets held within that business model) and, in particular, the way those risks are managed.

c) How managers of the business are compensated (for example, whether the compensation is based on the fair value of the assets managed or on the contractual cash flows collected).

d) The expected frequency, value and timing of sales are also important aspects of the Group's assessment.

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Sole Payments of Principal and Interest (SPPI) test

As a second step of its classification process, the Group assesses the contractual terms of financial assets to identify whether they meet SPPI test. 'Principal' for the purpose of this test is defined as the fair value of the financial asset at initial recognition and may change over the life of a financial asset (for example, if there are repayments of principal or amortisation of the premium/ discount). The most significant elements of interest within a lending arrangement are typically the consideration for the time value of money and credit risk. To make the SPPI assessment, the Group applies judgement and considers relevant factors such as the period for which the interest rate is set.

In contrast, contractual terms that introduce a more than *de minimis* exposure to risks or volatility in the contractual cash flows that are unrelated to a basic lending arrangement do not give rise to contractual cash flows that are solely payments of principal and interest on the amount outstanding. In such cases, the financial asset is required to be measured at FVTPL.

Accordingly, financial assets are measured as follows:

i) Financial assets carried at amortised cost (AC)

A financial asset is measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

ii) Financial assets at fair value through other comprehensive income (FVOCI)

A financial asset is measured at FVOCI if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Since the financial assets are held to sale and collect contractual cash flows, they are measured at FVOCI.

iii) Financial assets at fair value through profit or loss (FVTPL)

A financial asset which is not classified in any of the above categories is measured at FVTPL.

B. Financial liability

i) Initial recognition and measurement

All financial liabilities are initially recognized at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial liability, which are not at fair valued through profit or loss, are adjusted to the fair value on initial recognition.

ii) Subsequent measurement

Financial liabilities are carried at amortized cost using the Effective Interest Rate Method.

3.5 Reclassification of financial assets and liabilities

If the business model under which the Group holds financial assets changes, the financial assets affected are reclassified. The classification and measurement requirements related to the new category apply prospectively from the first day of the first reporting period following the change in business model that result in reclassifying the Group's financial assets. During the current financial year and previous accounting period there was no change in the business model under which the Group holds financial assets and therefore no reclassifications were made.

3.6 Derecognition of financial assets and liabilities

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

The Group derecognises a financial asset, such as a loan to a customer, when the terms and conditions have been renegotiated to the extent that, substantially, it becomes a new loan, with the difference recognised as a de-recognition gain or loss, to the extent that an impairment loss has not already been recorded. The newly recognised loans are classified as Stage 1 for ECL measurement purposes.

B. Derecognition of financial assets other than due to substantial modification

i) Financial Assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised when the contractual rights to the cash flows from the financial asset expires or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Group neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

On derecognition of a financial asset in its entirety, the difference between the carrying amount (measured at the date of derecognition) and the consideration received (including any new asset obtained less any new liability assumed) is recognised in the statement of profit and loss. Accordingly, gain on sale or derecognition of assigned portfolio are recorded upfront in the statement of profit and loss as per Ind AS 109.

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ii) Financial Liability

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expires. Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability. The difference between the carrying value of the original financial liability and the consideration paid is recognised in the statement of profit and loss.

3.7 Impairment of financial assets

A. Overview of Expected Credit Loss ('ECL') principles

In accordance with Ind AS 109, the Group uses ECL model, for evaluating impairment of financial assets other than those measured at fair value through profit and loss (FVTPL).

Expected credit losses are measured through a loss allowance at an amount equal to:

i) The 12-months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or

ii) Lifetime expected credit losses (LTECL) (expected credit losses that result from all possible default events over the life of the financial instrument)

Both LTECLs and 12 months ECLs are calculated on collective basis.

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

Stage 1:
When loans are first recognised, the Group recognises an allowance based on 12 months ECL. Stage 1 loans includes those loans where there is no significant credit risk observed.

Stage 2:
When a loan has shown a significant increase in credit risk since origination, the Group records an allowance for the life time ECL.

Stage 3:
Loans considered credit impaired are the loans which are past due for more than 90 days. The Group records an allowance for life time ECL.

B. Calculation of ECLs

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

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

EAD:
Exposure at Default ("EAD") is an estimate of the exposure at a future default date, taking into account expected changes in the exposure after the reporting date, including repayments of principal and interest, whether scheduled by contract or otherwise expected drawdowns on committed facilities and accrued interest from missed payments. In case of stage 3 loans EAD represents exposure when the default occurred.

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

The Group has calculated PD, EAD and LGD to determine impairment loss on the portfolio of loans and discounted at an approximation to the EIR. At every reporting date, the above calculated PDs, EAD and LGDs are reviewed and changes in the forward looking estimates are analysed.

The mechanics of the ECL method are summarised below:

Stage 1:
The 12 months ECL is calculated as the portion of LTECLs that represent the ECLs that result from default events on a financial instrument that are possible within the 12 months after the reporting date. The Group calculates the 12 months ECL allowance based on the expectation of a default occurring in the 12 months following the reporting date. These expected 12-months default probabilities are applied to a forecast EAD and multiplied by the expected LGD and discounted by an approximation to the original EIR.

Stage 2:
When a financial asset has shown a significant increase in credit risk since origination, the Group records an allowance for the LTECLs. The mechanics are similar to those explained above, but PDs and LGDs are estimated over the lifetime of the instrument. The expected cash shortfalls are discounted by an approximation to the original EIR.

Stage 3:
For financial assets considered credit-impaired, the Group recognises the lifetime expected credit losses for these financial assets. The method is similar to that for Stage 2 assets, with the PD set at 100%.

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C. Financial Assets measured at FVOCI

The ECLs for loans and advances measured at FVOCI do not reduce the carrying amount of these financial assets in the balance sheet, which remains at fair value. Instead, an amount equal to the allowance that would arise if the assets were measured at amortised cost is recognised in OCI as an accumulated impairment amount with a corresponding charge to profit or loss. The accumulated loss recognised in OCI is recycled to the profit and loss upon derecognition of the assets.

D. Loan Commitment

When estimating LTECLs for undrawn loan commitments, the Group estimates the expected portion of the loan commitment that will be drawn down over its expected life. The ECL is then based on the present value of the expected shortfalls in cash flows if the loan is drawn down. The expected cash shortfalls are discounted at an approximation to the expected EIR on the loan. For an undrawn loan commitment, ECLs are calculated and presented under provisions.

E. Forward looking information

The Group considers a broad range of forward looking information with reference to external forecasts of economic parameters such as GDP growth, unemployment rates etc., as considered relevant so as to determine the impact of macroeconomic factors on the Group's ECL estimates. The inputs and models used for calculating ECLs are recalibrated periodically through the use of available incremental and recent information. Further, internal estimates of PD, LGD rates used in the ECL model may not always capture all the characteristics of the market / external environment as at the date of the financial statements. To reflect this, qualitative adjustments or overlays are made as temporary adjustments to reflect the emerging risks reasonably.

3.8 Write-offs

Financial assets are written off when the Group has stopped pursuing the recovery. If the amount to be written off is greater than the accumulated loss allowance, the difference is first treated as an addition to the allowance that is then applied against the gross carrying amount. Any subsequent recoveries are credited to impairment on financial instruments in the statement of profit and loss.

3.9 Determination of fair value

The Group measures financial instruments such as derivatives at fair values at each Balance Sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group has taken into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

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

Level 2 financial instruments: Those where the inputs that are used for valuation and are significant, are derived from directly or indirectly observable market data available over the entire period of the instrument's life. Such inputs include quoted prices for similar assets or liabilities in active markets, quoted prices for identical instruments in inactive markets and observable inputs other than quoted prices such as interest rates and yield curves, implied volatilities, and credit spreads; and

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

3.10 Property, plant and equipment

i. Recognition and measurement

Items of property, plant and equipment are stated at cost, which includes capitalised borrowing costs, less accumulated depreciation and accumulated impairment losses, if any.

Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located. If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Any gain or loss on disposal of an item of property, plant and equipment is recognised in profit or loss.

ii. Subsequent expenditure

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Group.

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iii. Depreciation

Depreciation is calculated on cost of items of property, plant and equipment less their estimated residual values over their estimated useful lives using the Straight Line method, and is generally recognised in the statement of profit and loss.

The Group follows estimated useful lives which are given under Part C of the Schedule II of the Companies Act, 2013. The estimated useful lives of items of property, plant and equipment are as follows:

Asset category	Estimated Useful life
Computers and accessories	3 years
Leasehold improvements	3 years
Servers	6 years
Office equipment	5 years
Furniture and fixtures	10 years

Leasehold improvements are depreciated on a straight line basis over the remaining period of lease or estimated useful life of the assets, whichever is lower.

Depreciation on additions (disposals) is provided on a pro-rata basis i.e. from (upto) the date on which asset is ready for use (disposed of).

3.11 Intangible assets

i. Intangible assets

Intangible assets including those acquired by the Group are initially measured at cost. Such intangible assets are subsequently measured at cost less accumulated amortisation and any accumulated impairment losses.

ii. Subsequent expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on internally generated goodwill and brands, is recognised in profit or loss as

iii. Amortisation

Amortisation is calculated to write off the cost of intangible assets less their estimated residual values over their estimated useful lives using the straight line method, and is included in depreciation and amortisation in statement of profit and loss.

Asset category	Estimated Useful life
Computer softwares	3 - 4 years

Amortisation method, useful lives and residual values are reviewed at the end of each financial year and adjusted if appropriate.

3.12 Investment property

Investment property represents property held to earn rentals or for capital appreciation or both. Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any.

Depreciation on building classified as investment property has been provided on the straight-line method over a period of 60 years based on the Group's estimate of their useful lives taking into consideration technical factors, which is the same as the period prescribed in Schedule III to the Companies Act 2013.

Though the Group measures investment property using cost based measurement, the fair value of investment property is disclosed in the notes. Fair values are determined based on an annual evaluation performed by an external independent valuer applying valuation models. Investment properties are derecognised either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in the statement of profit and loss in the period of derecognition.

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3.13 Impairment of non-financial assets

The Group assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or Group of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The Group bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Group's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year.

To estimate cash flow projections beyond periods covered by the most recent budgets/forecasts, the Group extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. In any case, this growth rate does not exceed the long-term average growth rate for the products, industries, or country or countries in which the entity operates, or for the market in which the asset is used. Impairment losses of continuing operations, are recognised in the statement of profit and loss.

For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Group estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit or loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

3.14 Employee benefits

i. Post-employment benefits

Defined contribution plan

The Group's contribution to provident fund are considered as defined contribution plan and are charged as an expense as they fall due based on the amount of contribution required to be made and when the services are rendered by the employees.

Defined benefit plans

Gratuity

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

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

Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses and the effect of the asset ceiling (if any, excluding interest), are recognised in OCI. The Group determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability (asset), taking into account any changes in the net defined benefit liability (asset) during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in profit or loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service ('past service cost' or 'past service gain') or the gain or loss on curtailment is recognised immediately in profit or loss. The Group recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

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ii. Other long-term employee benefits

Compensated absences

The employees can carry forward a portion of the unutilised accrued compensated absences and utilise it in future service periods or receive cash compensation on termination of employment. Since the compensated absences do not fall due wholly within twelve months after the end of such period, the benefit is classified as a long-term employee benefit. The Group records an obligation for such compensated absences in the period in which the employee renders the services that increase this entitlement. The obligation is measured on the basis of independent actuarial valuation using the projected unit credit method.

iii. Short-term employee benefits

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognized during the year when the employees render the service. These benefits include performance incentive and compensated absences which are expected to occur within twelve months after the end of the year in which the employee renders the related service. The cost of such compensated absences is accounted as under :

(a) in case of accumulated compensated absences, when employees render the services that increase their entitlement of future compensated absences; and

(b) in case of non-accumulating compensated absences, when the absences occur.

iv. Share Based Payments

The Group operates an Employee Stock Option Scheme for its employees through a trust (ESOP Trust) formed for the purpose. Equity shares are issued to the trust on the basis of the Group's expectation of the number of options that may be exercised by employees. 'Stock options are granted to the employees under the stock option scheme. The costs of stock options granted to the employees (equity-settled awards) is determined by the fair value at the date when the grant is made using Black-Scholes option pricing valuation model. For each stock option, the measurement of fair value is performed on the grant date.

The grant date is the date on which the Group and the employees agree to the stock option scheme. The fair value so determined is revised only if the stock option scheme is modified in a manner that is beneficial to the employees. This cost is recognised, together with a corresponding increase in Employee Stock Option outstanding reserves in other equity, over the period in which the performance and/or service conditions are fulfilled in employee benefits expense. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of equity instruments that will ultimately vest.

The statement of profit and loss expense or credit for a period represents the movement in cumulative expense recognised as at the beginning and end of that period and is recognised in employee benefits expense. The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share. If the options vests in instalments (i.e. the options vest pro rata over the service period), then each instalment is treated as a separate share option grant because each installment has a different vesting period.

3.15 Income tax

Income tax comprises current and deferred tax. It is recognised in profit or loss except to the extent that it relates to a business combination or to an item recognised directly in equity or in other comprehensive income.

i. Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date.

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.
Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions when appropriate.

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ii. Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax is also recognised in respect of carried forward tax losses and tax credits. Deferred tax is not recognised for:

- temporary differences arising on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss at the time of the transaction;
- temporary differences related to investments in subsidiaries, associates and joint arrangements to the extent that the Group is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future.

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which they can be used. The existence of unused tax losses is strong evidence that future taxable profit may not be available. Therefore, in case of a history of recent losses, the Group recognises a deferred tax asset only to the extent that it has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profit will be available against which such deferred tax asset can be realised. Deferred tax assets – unrecognised or recognised, are reviewed at each reporting date and are recognised/ reduced to the extent that it is probable/ no longer probable respectively that the related tax benefit will be realised.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

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

3.16 Leases

The Group as lessee:
The Group's lease asset classes primarily consist of leases for office premises. The Group assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration to assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether:

(i) the contract involves the use of an identified asset
(ii) the Group has substantially all of the economic benefits from use of the asset through the period of the lease and
(iii) the Group has the right to direct the use of the asset.

At the date of commencement of the lease, the Group recognizes a right-of-use asset ("ROU) and a corresponding lease liability for all lease arrangements in which it is a lessee.
Certain lease arrangements include the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.
ROU assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

ROU assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Group changes its assessment if whether it will exercise an extension or a termination option.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

Estimating the incremental borrowing rate
The Group cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Group would have to pay to for its borrowings.

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3.17 Trade receivables

The Group follows 'simplified approach' for recognition of impairment loss allowance on trade receivables. The application of simplified approach does not require the Group to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition. The Group uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated for changes in the forward looking estimates.

3.18 Borrowing cost

Borrowing costs are interest and other costs incurred in connection with the borrowings of funds. Borrowing costs directly attributable to acquisition or construction of an asset which necessarily take a substantial period of time to get ready for their intended use are capitalized as part of the cost of the asset. Other borrowings costs are recognized as an expense in the statement of profit and loss account on an accrual basis using the Effective Interest Rate Method.

3.19 Hedge Accounting policy

The Group makes use of derivative instruments to manage exposures to interest rate and foreign currency. In order to manage particular risks, the Group applies hedge accounting for transactions that meet specific criteria.

At the inception of a hedge relationship, the Group formally designates and documents the hedge relationship to which the Group wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge. The documentation includes the Group's risk management objective and strategy for undertaking hedge, the hedging / economic relationship, the hedged item or transaction, the nature of the risk being hedged, hedge ratio and how the Group would assess the effectiveness of changes in the hedging instrument's fair value in offsetting the exposure to changes in the hedged item's fair value or cash flows attributable to the hedged risk. Such hedges are expected to be highly effective in achieving offsetting changes in fair value or cash flows and are assessed on an on-going basis to determine that they actually have been highly effective throughout the financial reporting periods for which they were designated

Cash flow Hedges

A cash flow hedge is a hedge of the exposure to variability in cash flows that is attributable to a particular risk associated with a recognised asset or liability (such as all or some future interest payments on variable rate debt) or a highly probable forecast transaction and could affect profit and loss.

For designated and qualifying cash flow hedges, the effective portion of the cumulative gain or loss on the hedging instrument is initially recognised directly in OCI within equity (cash flow hedge reserve). The ineffective portion of the gain or loss on the hedging instrument is recognised immediately in Finance Cost in the statement of profit and loss.

When the hedged cash flow affects the statement of profit and loss, the effective portion of the gain or loss on the hedging instrument is recorded in the corresponding income or expense line of the statement of profit and loss. When the forecast transaction subsequently results in the recognition of a non-financial asset or a non-financial liability, the gains and losses previously recognised in OCI are reversed and included in the initial cost of the asset or liability.

When a hedging instrument expires, is sold, terminated, exercised, or when a hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss that has been recognised in OCI at that time remains in OCI and is recognised when the hedged forecast transaction is ultimately recognised in the statement of profit and loss. When a forecast transaction is no longer expected to occur, the cumulative gain or loss that was reported in OCI is immediately transferred to the statement of profit and loss.

3.20 Cash and cash equivalents

Cash and cash equivalents comprises current account balances and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

3.21 Segment reporting- Identification of segments:

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, whose operating results are regularly reviewed by the Group's Chief Operating Decision Maker (CODM) to make decisions for which discrete financial information is available. Based on the management approach as defined in Ind AS 108, the CODM evaluates the Group's performance and allocates resources based on an analysis of various performance indicators by business segments and geographic segments.

3.22 Earnings per share

The Group reports basic and diluted earnings per equity share in accordance with Ind AS 33, Earnings Per Share. Basic earnings per equity share is computed by dividing net profit / loss after tax attributable to the equity share holders for the year by the weighted average number of equity shares outstanding during the year. Diluted earnings per equity share is computed and disclosed by dividing the net profit/ loss after tax attributable to the equity share holders for the year after giving impact of dilutive potential equity shares for the year by the weighted average number of equity shares and dilutive potential equity shares outstanding during the year, except where the results are anti-dilutive.

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3.23 Cash flow statement

Cash flows are reported using the indirect method, whereby profit after tax is adjusted for the effects of transactions of a non–cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from regular revenue generating, financing and investing activities of the Group are segregated. Cash flows in foreign currencies are accounted at the actual rates of exchange prevailing at the dates of the transactions.

3.24 Securities Premium Account

Securities premium is credited when shares are issued at premium. It can be used to issue bonus shares, to provide for premium on redemption of shares and issue expenses of securities which qualify as equity instruments.

3.25 Provisions, Contingent Assets and Contingent Liabilities

Provisions are recognised only when:
(i)The Group has a present obligation (legal or constructive) as a result of a past event;
(ii)It is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and
(iii)A reliable estimate can be made of the amount of the obligation.

Provision is measured using the cash flows estimated to settle the present obligation and when the effect of time value of money is material, the carrying amount of the provision is the present value of those cash flows.

Contingent liability is disclosed in case of:
(i)A present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation; or
(ii)A present obligation arising from past events, when no reliable estimate is possible.

Where the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under such contract, the present obligation under the contract is recognised and measured as a provision.

Contingent assets are not recognised in the financial statements. Contingent assets are disclosed where an inflow of economic benefits is probable.

Provisions, contingent liabilities and contingent assets are reviewed at each Balance Sheet date.

3.26 Commitments

Commitments are future liabilities for contractual expenditure, classified and disclosed as follows:
a) Estimated amount of contracts remaining to be executed on capital account and not provided for;
b) Uncalled liability on shares and other investments partly paid; and
c) Other non-cancellable commitments, if any, to the extent they are considered material and relevant in the opinion of management.

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(All amounts are in Rupees lakhs, unless stated otherwise)

	Particulars	As at 31 March 2022	As at 31 March 2021
4	**Cash and cash equivalents**		
	Balances with banks		
	In current accounts	47,357.92	14,835.49
		47,357.92	**14,835.49**
5	**Bank balances other than cash and cash equivalents**		
	Bank balances other than cash and cash equivalents		
	- In deposit accounts - under lien*	31,894.68	9,511.80
	- In other deposits accounts	10.00	2,000.00
		31,904.68	**11,511.80**

*These deposits are earmarked against the bank overdraft and borrowings availed by the Group stated in Note 17 and earns interest at fixed rate ranging from 2.75% p.a to 8.3% p.a.

	Particulars	As at 31 March 2022	As at 31 March 2021
6	**Receivables**		
	Trade receivables considered good - secured	-	-
	Trade receivables considered good - unsecured	742.05	1,070.57
	Trade receivables which have significant increase in credit risk	-	-
	Trade receivables credit impaired	196.24	141.55
		938.29	**1,212.12**
	Loss allowance		
	Less: Impairment loss allowance	(196.24)	(155.12)
	Net trade receivables	**742.05**	**1,057.00**
	Note:		
	Of the above, receivable from related parties are as below		
	Total receivables from related parties (refer note 40)	172.40	-
	Less: Impairment loss allowance	-	-
	Net receivables from associate	**172.40**	-

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(All amounts are in Rupees lakhs, unless stated otherwise)

	Particulars	As at 31 March 2022	As at 31 March 2021
7	**Loans (At Amortised cost)**		
A	**Based on nature**		
	Term loans	280,887.85	160,265.95
	Supply chain finance	17,809.14	3,361.68
	Others	262.50	176.14
	Total - Gross	**298,959.49**	**163,803.77**
	Less: Impairment loss allowance	(2,883.55)	(1,647.18)
		296,075.94	**162,156.59**
B	**Based on security**		
	(i) Secured*	212,175.26	145,240.60
	(ii) Unsecured	86,784.23	18,563.17
	Total - Gross	298,959.49	163,803.77
	Less: Impairment loss allowance	(2,883.55)	(1,647.18)
		296,075.94	**162,156.59**
C	**Based on region**		
	(i) Loans in India		
	(a) Public Sector	-	-
	(b) Others	298,959.49	163,803.77
	Total		
	(ii) Loans outside India	-	-
	Total - Gross	**298,959.49**	**163,803.77**
	Less: Impairment loss allowance	(2,883.55)	(1,647.18)
		296,075.94	**162,156.59**

*These loans are secured by way of hypothecation of underlying loan/book debts receivables.

Loans or advances in the nature of loans granted to promoters, directors, Key managerial personnels (KMPs), and the related parties, either severally or jointly with any other person.

Promoters	-	-
Directors	-	-
KMPs	-	-
Related parties (refer note 40)	-	-
	-	-

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(All amounts are in Rupees lakhs, unless stated otherwise)

	Particulars	As at 31 March 2022	As at 31 March 2021
8	**Investments**		
	Investment in associates (Unquoted) - also refer note 37		
	- Credavenue Private Limited 50,010,000 Equity shares of INR 10 each fully paid up (Incorporated on August 21, 2020)	201,880.27	-
		201,880.27	**-**
	Investments in Alternate investment fund - FVTPL (Unquoted)		
	- Vivriti Samarth Bond Fund - 2,500 Class A units (31 March 2021 : 1,000 Class A units)	4,350.86	1,244.05
	- Vivriti Short Term Bond Fund - Nil, (31 March 2021 : 4,625 units)	-	645.62
	- Vivriti India Impact Bond Fund - 12,686.08 Units (31 March 2021 : 3,353.79 units)	1,982.39	1,053.06
	- Vivriti Emerging Corporate Bond Fund - 34,054.32 Class A1 units (31 March 2021: Nil)	8,241.62	-
	- Vivriti Alpha debt fund enhanced - 3,930.83 Class B1 units (31 March 2021: Nil)	522.53	-
	- Vivriti Alpha debt fund enhanced - 1,472.97 Class B1 units (31 March 2021: Nil)	220.36	-
	- Vivriti Promising lenders fund - 152,250 Class B units (31 March 2021: Nil)	2,166.88	-
		17,484.64	**2,942.73**
	Investments in Mutual Funds - FVTPL (Quoted)		
	IDFC Overnight Fund Direct plan- Growth 88,461.68 units (31 March 2021: Nil)	1,002.96	-
	Axis Overnight Fund Direct Plan - Growth 89,508.18 units (31 March 2021: Nil)	1,005.93	-
	Nippon India Overnight Fund Direct Plan - Growth 877,472.17 units (31 March 2021: Nil)	1,001.95	-
		3,010.85	**-**
	Aggregate book value of quoted investments	3,005.29	-
	Aggregate market value of quoted investments	3,010.85	-
	Aggregate amount of fair value changes in investments	5.56	-
	Investments in Market Linked Debentures - FVTPL (Unquoted)	**20,155.04**	**2,043.80**
	Others - Unquoted - FVOCI		
	- Non Convertible Debentures	22,496.10	11,885.29
	- Pass Through Certificates	29,841.50	8,847.55
		294,868.40	**25,719.37**

All investments disclosed above represents investments made in India.

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(All amounts are in Rupees lakhs, unless stated otherwise)

	Particulars	As at 31 March 2022	As at 31 March 2021
9	**Other Financial assets**		
	Security deposits	329.39	275.00
	Dues from related parties - associate (refer note 40)	454.91	30.16
	Receivable from assigned loans	9.86	12.00
	Other advances	371.60	-
	Accrued Service Income	-	24.03
		1,165.76	**341.19**
10	**Current tax assets (net)**		
	Advance income tax (net of provisions)	1,951.69	1,065.35
		1,951.69	**1,065.35**
11	**Investment Property**		
	Investment Property	948.61	-
		948.61	-

The Fair value of the investment property is based on the valuation by registered valuer as defined under rule 2 of Companies (Registered Valuer and Valuations) Rules, 2017. All the title deeds of immovable property are held in the name of the Company.

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(All amounts are in Rupees lakhs, unless stated otherwise)

6.1 The ageing schedule of Trade receivables is as follows

i) As at 31 March 2022

Particulars	Outstanding for following periods from due date of payment						Total
	Not due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	78.65	632.87	30.53	-	-	-	742.05
(ii) Undisputed Trade receivables – which have significant increase in credit risk	-	-					-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	28.98	167.26	-	196.24
(iv) Disputed Trade Receivables – considered good	-	-	-	-	-	-	-
(v) Disputed Trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
	78.65	**632.87**	**30.53**	**28.98**	**167.26**	-	**938.29**
Impairment loss allowance							(196.24)
Total Receivables							**742.05**

ii) As at 31 March 2021

Particulars	Outstanding for following periods from due date of payment						Total
	Not due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	-	1,070.57	-	-	-	-	1,070.57
(ii) Undisputed Trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	141.55	-	-	141.55
(iv) Disputed Trade Receivables – considered good	-	-	-	-	-	-	-
(v) Disputed Trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
	-	**1,070.57**	-	**141.55**	-	-	**1,212.12**
Impairment loss allowance							(155.12)
Total Receivables							**1,057.00**

(All amounts are in Rupees lakhs, unless stated otherwise)

12.1 Property, plant and equipment

Particulars	Leasehold Improvements	Furniture and fixtures	Office equipments	Computers and accessories	Total
Cost					
Balance as at 31 March 2020	**364.98**	**346.60**	**128.65**	**355.85**	**1,196.08**
Additions	56.34	16.32	-	230.02	302.68
Disposals	-	-	-	-	-
Balance as at 31 March 2021	**421.32**	**362.92**	**128.65**	**585.87**	**1,498.76**
Additions	348.11	742.61	58.16	612.87	1,761.75
Adjustments*	38.19	11.79	29.62	28.66	108.26
Disposals	(459.51)	(374.71)	(158.27)	(11.56)	(1,004.05)
De-recognition on account of loss of control	(348.11)	(265.04)	(28.27)	(596.31)	(1,237.73)
Balance as at 31 March 2022	-	**477.57**	**29.89**	**619.53**	**1,126.99**
Accumulated depreciation					
Balance as at 31 March 2020	**210.38**	**69.00**	**54.16**	**133.03**	**466.57**
Additions	107.69	38.09	29.55	120.12	295.45
Disposals	-	-	-	-	-
Balance as at 31 March 2021	**318.07**	**107.09**	**83.71**	**253.15**	**762.02**
Additions	5.40	27.54	4.11	154.37	191.41
Adjustments*	36.51	11.97	14.68	40.71	103.87
Disposals	(354.58)	(119.06)	(98.39)	(8.93)	(580.96)
De-recognition on account of loss of control	(5.40)	(1.23)	0.29	(120.81)	(127.15)
Balance as at 31 March 2022	**0.00**	**26.31**	**4.40**	**318.49**	**349.19**
Net block					
As at 31 March 2021	**103.25**	**255.83**	**44.94**	**332.72**	**736.74**
As at 31 March 2022	-	**451.26**	**25.49**	**301.05**	**777.81**

*Adjustments represents the presentation of the gross block and accumulated depreciation of fully depreciated assets as per asset category wise details maintained in the fixed asset register.

Notes

1. The Company has not revalued any of its property, plant and equipment.

12.2 Right of use assets ('ROUA')

Particulars	Office premises	Total
Gross block value		
Balance as at 31 March 2020	**1,587.32**	**1,587.32**
Additions	-	-
Deletions	-	-
Balance as at 31 March 2021	**1,587.32**	**1,587.32**
Additions	2,510.66	2,510.66
Deletions	(2,453.27)	(2,453.27)
De-recognition on account of loss of control	(536.15)	(536.15)
Balance as at 31 March 2022	**1,108.56**	**1,108.56**
Accumulated depreciation		
Balance as at 31 March 2020	**322.67**	**322.67**
Additions	389.91	389.91
Deletions	-	-
Balance as at 31 March 2021	**712.59**	**712.59**
Additions	409.81	409.81
Deletions	(915.49)	(915.49)
De-recognition on account of loss of control	(67.41)	(67.41)
Balance as at 31 March 2022	**139.49**	**139.49**
Net block value		
As at 31 March 2021	**874.73**	**874.73**
As at 31 March 2022	**969.06**	**969.06**

Note : The Company has not revalued any of its right of use assets.

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(All amounts are in Rupees lakhs, unless stated otherwise)

12.3 Intangible assets under development

Particulars	Software under development	Total
Balance as at 31 March 2020	**35.12**	**35.12**
Additions	863.68	863.68
Capitalized during the year	(406.50)	(406.50)
Balance as at 31 March 2021	**492.30**	**492.30**
Additions	1,550.38	1,550.38
Capitalized during the year	(1,279.06)	(1,279.06)
De-recognition on account of loss on control	(720.54)	(720.54)
Balance as at 31 March 2022	**43.08**	**43.08**

As at 31 March 2022

Particulars	Amount in Intangible asset under development for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in Progress	43.08	-	-	-	43.08
Projects Suspended	-	-	-	-	-

As at 31 March 2021

Particulars	Amount in Intangible asset under development for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in Progress	492.30	-	-	-	492.30
Projects Suspended	-	-	-	-	-

The Company does not have any intangibles under development which is overdue or has exceeded its cost compared to its original plan and hence completion schedule is not applicable.

12.4 Intangible Assets

Particulars	Softwares	Total
Cost		
Balance as at 31 March 2020	**165.52**	**165.52**
Additions	406.62	406.62
Disposals		
Balance as at 31 March 2021	**572.14**	**572.14**
Additions	1,543.31	1,543.31
Disposals	-	-
De-recognition on account of loss on control	(1,639.48)	(1,639.48)
Balance as at 31 March 2022	**475.97**	**475.97**
Accumulated depreciation		
Balance as at 31 March 2020	**33.14**	**33.14**
Additions	63.16	63.16
On disposals	-	-
Balance as at 31 March 2021	**96.30**	**96.30**
Additions	246.66	246.66
Adjustments*	3.86	3.86
On disposals	-	-
De-recognition on account of loss on control	(188.84)	(188.84)
Balance as at 31 March 2022	**157.98**	**157.98**
Net block		
As at 31 March 2021	**475.84**	**475.84**
As at 31 March 2022	**317.99**	**317.99**

*Refer note under 12.1 above.

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	Particulars	As at 31 March 2022	As at 31 March 2021
13	**Others non financial assets**		
	Prepaid Expenses	397.99	259.54
	Advance to vendors	1,501.41	170.02
	Balance with Government authorities	353.26	191.30
	Deferred lease rentals	27.71	26.71
		2,280.37	**647.57**
14	**Derivative Financial Instruments**		
	Currency derivatives		
	Cross currency interest rate swaps - Refer Note 45	382.00	-
		382.00	-
15	**Trade payables**		
	- Total outstanding dues of micro enterprises and small enterprises	-	12.13
	- Total outstanding dues of creditors other than micro enterprises and small enterprises	2,505.81	1,173.39
		2,505.81	**1,185.52**

15.1 The ageing schedule of Trade payables is as follows

i) As at 31 March 2022

Particulars	Outstanding for following periods from due date of payment					Total
	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed dues						
(i) MSME	-	-	-	-	-	-
(ii) Others	1.52	2,135.23	-	-	-	2,136.75
Disputed dues						
(i) MSME	-	-	-	-	-	-
(ii) Others	-	-	-	-	-	-
Unbilled dues	369.06	-	-	-	-	369.06
	370.58	**2,135.23**	-	-	-	**2,505.81**

ii) As at 31 March 2021

Particulars	Outstanding for following periods from due date of payment					Total
	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed dues						
(i) MSME	-	12.13	-	-	-	12.13
(ii) Others	-	917.36	-	-	-	917.36
Disputed dues						
(i) MSME	-	-	-	-	-	-
(ii) Others	-	-	-	-	-	-
Unbilled dues	256.03	-	-	-	-	256.03
	256.03	**929.49**	-	-	-	**1,185.52**

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(All amounts are in Rupees lakhs, unless stated otherwise)

	Particulars	As at 31 March 2022	As at 31 March 2021
16	**Debt securities**		
	Measured at amortised cost		
	Redeemable Non-convertible debentures	99,383.42	40,219.33
	Commercial papers	8,357.61	-
	Total debt securities	**107,741.03**	**40,219.33**
	Debt securities in India	107,741.03	40,219.33
	Debt securities outside India	-	-
	Total	**107,741.03**	**40,219.33**

16.1 Security

(i) Redeemable Non-convertible debentures are secured by way of exclusive charge over identified loan portfolio. Commercial papers are unsecured.
(ii) The Company has not defaulted in the repayment of dues to its lenders during the current or previous period
(iii) Details of repayment such as date of repayment, interest rate and amount to be paid have been disclosed in note 16.2 based on the Contractual terms basis.
(iv) Quarterly returns and statements of current assets (identified loan portfolio) provided by the Company with the respective financial institutions are in agreement with the books of accounts.

16.2 Details of terms of redemption / repayment provided in respect of debt securities:

Debt Reference	Remaining maturity	Due date of redemption	Terms of repayment	As at 31 March 2022	As at 31 March 2021
11.50% Vivriti Capital Private Limited	< 1 year	16-Aug-21	Principal is Quarterly payment and Interest is Monthly payment	-	1,004.46
Market Linked Debentures - II	< 1 year	13-Aug-21	Principal and interest is Bullet payment	-	603.04
10.75% Vivriti Capital Private Limited	2-3 years	31-Jul-23	Principal and interest is Half yearly payment	-	2,500.25
10.48% Vivriti Capital Private Limited	2-3 years	31-Jul-23	Principal is Quarterly payment and Interest is Monthly payment	-	1,923.38
Market Linked Debentures - III	1-2 years	27-Nov-22	Principal and interest is Bullet payment	1,140.67	1,034.28
10.00% Vivriti Capital Private Limited	< 1 year	16-Jun-21	Principal is Quarterly payment and Interest is Monthly payment	1,002.79	3,996.84
10.25% Vivriti Capital Private Limited	1-2 years	16-Jun-22	Principal is Quarterly payment and Interest is Monthly payment	2,000.00	1,999.50
10.71% Vivriti Capital Private Limited	1-2 years	5-Jul-22	Principal is bullet payment and interest is monthly payment	4,011.74	3,972.53
9.90% Vivriti Capital Private Limited	1-2 years	25-Aug-22	Principal is monthly payment and interest in monthly payment	2,479.88	7,500.00
10.50% Vivriti Capital Private Limited	1-2 years	25-Aug-22	Principal is bullet payment and interest in monthly payment	3,004.04	-
9.25% Vivriti Capital Private Limited	1-2 years	28-Feb-23	Principal and interest in Bullet payment	8,174.56	-
9.40% Vivriti Capital Private Limited	1-2 years	6-Jan-23	Principal and interest in Bullet payment	5,403.05	-
9.40% Vivriti Capital Private Limited	1-2 years	6-Feb-23	Principal and interest in Bullet payment	5,402.68	-
10.39% Vivriti Capital Private Limited	1-2 years	30-Dec-22	Principal is bullet payment and interest in monthly payment	5,495.74	-
8.90% Vivriti Capital Private Limited	1-2 years	3-Apr-23	Principal and interest in Bullet payment	5,049.47	-

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Notes to the Consolidated Financial Statements for the year ended 31 March 2022
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Debt Reference	Remaining maturity	Due date of redemption	Terms of repayment	As at 31 March 2022	As at 31 March 2021
9.00% Vivriti Capital Private Limited	1-2 years	24-Apr-23	Principal and Interest in Bullet payment	5,046.45	-
8.65 % Vivriti Capital Private Limited	1-2 years	4-Jun-23	Principal and interest in monthly payment	9,870.17	-
10.39 % Vivriti Capital Private Limited	1-2 years	28-Feb-23	Principal and interest in Bullet payment	3,027.23	-
8.50% Vivriti Capital Private Limited	1-2 years	14-Jul-23	Principal and interest in Bullet payment	9,852.61	-
8.50% Vivriti Capital Private Limited	1-2 years	14-Jul-23	Principal and interest in Bullet payment	9,645.24	-
Commercial Paper I	< 1 year	28-Apr-22	Principal in Bullet Payment	993.86	-
Commercial Paper II	< 1 year	10-Aug-22	Principal in Bullet Payment	2,425.06	-
Commercial Paper V	< 1 year	23-May-22	Principal in Bullet Payment	987.57	-
Commercial Paper VI	< 1 year	23-May-22	Principal in Bullet Payment	2,967.38	-
Commerical Paper VII	< 1 year	30-Jun-22	Principal in Bullet Payment	983.74	-
12.96% Vivriti Capital Private Limited	1-2 years	3-Mar-23	Principal is bullet payment and interest is monthly payment	-	2,541.54
12.12% Vivriti Capital Private Limited	1-2 years	26-Aug-22	Principal is Bullet payment and Interest is Half yearly payment	2,022.66	2,036.25
10.57% Vivriti Capital Private Limited	2-3 years	10-Feb-24	Principal is Quarterly payment and Interest is Monthly payment	675.21	1,013.19
Market Linked Debentures - IV	1-2 years	29-Jul-22	Principal and interest is Bullet payment	5,551.99	5,064.10
Market Linked Debentures - V	1-2 years	16-Oct-22	Principal and interest is Bullet payment	5,532.68	5,029.98
9.78% Vivriti Capital Private Limited	2-3 years	30-Sep-24	Principal and Interest is Quarterly payment	4,994.55	-
Total				**107,741.03**	**40,219.33**

(All amounts are in Rupees lakhs, unless stated otherwise)

	Particulars	As at 31 March 2022	As at 31 March 2021
17	**Borrowings (Other than Debt Securities)**		
	At amortised cost		
	(i) Term loans (secured) - (Refer note 17.1 and 17.2)		
	From banks	159,606.23	58,882.55
	From other parties	59,081.86	26,738.13
		218,688.09	**85,620.68**
	(ii) Loans repayable on demand (secured) (Refer note 17.1 and 17.2)		
	- From Banks (Overdrafts)	24,273.94	8,825.37
	- Working capital demand loan from banks (Cash credit)	5,000.00	4,000.00
		29,273.94	**12,825.37**
		247,962.03	**98,446.05**
	Borrowings in India	240,322.35	98,446.05
	Borrowings outside India	7,639.68	-
		247,962.03	**98,446.05**

17.1 Security

(i) Loans from banks and financial institutions are secured by first ranking and exclusive charge over identified receivables and guaranteed by directors of the Company.

(ii) The Company has not defaulted in the repayment of principal and interest to its lenders during the current or previons period

(iii) Rate of interest payable on bank overdraft is 3.3% p.a (31 March 2021: 3.05% p.a to 3.4% p.a). The Company has taken bank overdraft against the deposit balances (also refer note 5)

(iv) Rate of interest payable on cash credit loans is 7.00-7.80% p.a. (31 March 2021: 10.30% p.a.)

(v) Quarterly returns and statements of current assets (identified loan portfolio) provided by the Company with the respective financial institutions are in agreement with the books of acconnts.

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(All amounts are in Rupees lakhs, unless stated otherwise)

17.2 Details of term loans - Contractual repayment values

Particulars	Period	Rate of Interest	Maturity Date	Terms of repayment - principal	Terms of repayment - Interest	As at 31 March 2022	As at 31 March 2021
Term Loan 1	< 1 year	11.50%	1-Feb-22	Monthly	Monthly	-	419.51
Term Loan 2	< 1 year	12.00%	20-Feb-22	Monthly	Monthly	-	730.80
Term Loan 3	< 1 year	10.50%	28-Mar-23	Monthly	Monthly	3,319.16	6,907.67
Term Loan 4	< 1 year	10.90%	30-Jun-22	Monthly	Monthly	199.82	996.52
Term Loan 5	< 1 year	11.25%	28-Jul-22	Monthly	Monthly	453.04	1,808.33
Term Loan 6	< 1 year	9.95%	3-Oct-22	Monthly	Monthly	733.58	1,986.03
Term Loan 7	1-2 years	10.30%	29-Sep-23	Monthly	Monthly	1,003.00	1,658.51
Term Loan 8	2-3 years	10.30%	22-Mar-25	Monthly	Quarterly	3,406.41	3,964.91
Term Loan 9	< 1 year	9.60%	27-Oct-22	Monthly	Monthly	729.47	1,989.17
Term Loan 10	< 1 year	7.80%	2-Feb-21	Bullet	Monthly	2,508.15	1,500.00
Term Loan 11	< 1 year	9.50%	21-Dec-22	Monthly	Monthly	935.98	2,188.46
Term Loan 12	2-3 years	10.25%	30-Apr-24	Monthly	Quarterly	1,863.16	2,475.96
Term Loan 13	1-2 years	11.35%	31-Dec-23	Monthly	Monthly	1,484.75	2,358.08
Term Loan 14	< 1 year	10.30%	30-Dec-21	Monthly	Annualy	2,447.09	2,466.00
Term Loan 15	< 1 year	9.65%	21-Dec-21	Monthly	Quarterly	-	538.88
Term Loan 16	< 1 year	9.85%	10-Dec-22	Monthly	Monthly	748.52	1,761.30
Term Loan 17	< 1 year	9.85%	14-Dec-22	Monthly	Monthly	374.04	878.89
Term Loan 18	< 1 year	10.30%	31-Jan-23	Monthly	Monthly	623.38	1,367.83
Term Loan 19	2-3 years	11.15%	3-May-24	Monthly	Monthly	3,528.90	4,886.36
Term Loan 20	< 1 year	10.75%	15-Feb-23	Monthly	Monthly	622.48	1,438.78
Term Loan 21	< 1 year	10.00%	3-Mar-23	Monthly	Monthly	753.57	1,503.18
Term Loan 22	1-2 years	11.70%	15-Mar-24	Monthly	Monthly	981.74	1,503.52
Term Loan 23	1-2 years	9.90%	12-Mar-24	Monthly	Monthly	1,759.40	2,505.95
Term Loan 24	2-3 years	10.45%	28-Feb-25	Quarterly	Monthly	7,543.93	9,926.21
Term Loan 25	< 1 year	10.75%	24-Mar-23	Monthly	Monthly	528.22	1,049.19
Term Loan 26	1-2 years	10.30%	31-Aug-23	Monthly	Monthly	605.32	1,000.28
Term Loan 27	1-2 years	9.45%	13-Jul-23	Quarterly	Monthly	3,925.23	-
Term Loan 28	< 1 year	5.75%	10-Jun-22	Quarterly	Monthly	5,016.65	-
Term Loan 29	1-2 years	10.00%	31-Jan-24	Quarterly	Monthly	1,992.73	-
Term Loan 30	2-3 years	9.90%	18-Aug-24	Quarterly	Monthly	2,499.25	-
Term Loan 31	1-2 years	9.95%	31-Aug-23	Monthly	Monthly	1,411.03	-
Term Loan 32	1-2 years	9.00%	30-Sep-23	Monthly	Monthly	1,142.77	-
Term Loan 33	2-3 years	9.50%	24-Sep-24	Monthly	Monthly	4,160.61	-
Term Loan 34	1-2 years	9.95%	24-Sep-23	Monthly	Monthly	1,492.63	-
Term Loan 35	2-3 years	9.35%	30-Sep-24	Monthly	Monthly	4,139.70	-
Term Loan 36	1-2 years	9.73%	30-Sep-23	Monthly	Monthly	4,479.98	-
Term Loan 37	2-3 years	11.15%	30-Jan-25	Monthly	Monthly	883.63	-
Term Loan 38	2-3 years	9.00%	30-Sep-24	Monthly	Monthly	4,011.89	-
Term Loan 39	2-3 years	10.00%	31-Oct-24	Monthly	Monthly	997.34	-
Term Loan 40	1-2 years	9.90%	3-Nov-23	Monthly	Monthly	2,508.04	-
Term Loan 41	2-3 years	11.15%	3-Jan-25	Monthly	Monthly	2,086.58	-
Term Loan 42	1-2 years	9.25%	15-Nov-23	Monthly	Monthly	2,514.06	-
Term Loan 43	2-3 years	9.70%	8-Dec-24	Monthly	Monthly	2,503.92	-
Term Loan 44	2-3 years	10.65%	10-Dec-24	Monthly	Monthly	2,492.68	-
Term Loan 45	3-4 years	10.45%	31-Mar-26	Monthly	Monthly	3,760.34	-
Term Loan 46	< 1 year	10.45%	27-Dec-22	Bullet	Monthly	997.07	-
Term Loan 47	2-3 years	9.00%	31-Dec-24	Monthly	Monthly	4,536.72	-
Term Loan 48	1-2 years	9.25%	27-Dec-23	Monthly	Monthly	670.02	-
Term Loan 49	1-2 years	9.75%	8-Feb-24	Monthly	Monthly	2,349.83	-
Term Loan 50	2-3 years	9.25%	28-Feb-25	Monthly	Monthly	2,408.09	-
Term Loan 51	1-2 years	9.40%	24-Feb-24	Monthly	Monthly	7,198.79	-
Term Loan 52	1-2 years	10.15%	25-Feb-24	Monthly	Monthly	1,945.56	-
Term Loan 53	1-2 years	9.93%	25-Feb-24	Monthly	Monthly	1,908.44	-
Term Loan 54	1-2 years	9.90%	28-Dec-23	Monthly	Monthly	1,464.21	-
Term Loan 55	1-2 years	9.30%	8-Mar-24	Monthly	Monthly	6,160.50	-
Term Loan 56	2-3 years	9.75%	22-Mar-25	Monthly	Monthly	10,444.79	-
Term Loan 57	3-4 years	9.75%	30-Mar-26	Monthly	Monthly	5,869.27	-
Term Loan 58	2-3 years	7.75%	10-Mar-25	Monthly	Monthly	11,989.10	-
Term Loan 59	2-3 years	7.75%	10-Mar-25	Monthly	Monthly	14,989.10	-
Term Loan 60	1-2 years	9.40%	31-Mar-24	Monthly	Monthly	2,491.81	-

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(All amounts are in Rupees lakhs, unless stated otherwise)

17.2 Details of term loans - Contractual repayment values

Particulars	Period	Rate of Interest	Maturity Date	Terms of repayment - principal	Terms of repayment - Interest	As at 31 March 2022	As at 31 March 2021
Term Loan 61	2-3 years	10.00%	1-Dec-24	Monthly	Monthly	2,693.09	-
Term Loan 62	< 1 year	11.25%	27-Apr-22	Bullet	Monthly	1,499.80	-
Term Loan 63	< 1 year	8.41%	27-Feb-22	Bullet	Monthly	-	-
Term Loan 64	< 1 year	9.95%	24-Feb-23	Monthly	Monthly	913.22	1,902.74
Term Loan 65	1-2 years	9.50%	26-Nov-23	Monthly	Monthly	2,206.65	-
Term Loan 66 - External commercial borrowing from outside India	3-4 years	9.70%	30-Nov-26	Half Yearly	Half yearly	7,639.68	-
Term Loan 67	1-2 years	10.40%	28-Feb-24	Monthly	Monthly	1,412.42	-
Term Loan 68	< 1 year	11.30%	1-Dec-22	Monthly	Monthly	428.79	-
Term Loan 69	< 1 year	11.50%	28-Feb-22	Monthly	Monthly	0.00	689.43
Term Loan 70	1-2 years	11.00%	30-Jun-23	Half Yearly	Monthly	2,620.59	-
Term Loan 71	2-3 years	10.50%	30-Sep-24	Monthly	Monthly	2,563.33	-
Term Loan 72	2-3 years	12.75%	31-Mar-25	Monthly	Monthly	1,800.00	-
Term Loan 73	1-2 years	11.00%	28-Dec-23	Monthly	Monthly	529.41	789.13
Term Loan 74	2-3 years	9.60%	19-Jun-24	Monthly	Monthly	3,711.10	-
Term Loan 75	< 1 year	7.00%	31-Mar-21	Bullet	Monthly	4,000.00	-
Term Loan 76	< 1 year	11.10%	23-Dec-22	Monthly	Monthly	131.15	306.91
Term Loan 77	< 1 year	11.10%	23-Dec-22	Monthly	Monthly	103.02	241.28
Term Loan 78	< 1 year	11.10%	23-Dec-22	Monthly	Monthly	131.40	306.91
Term Loan 79	< 1 year	11.10%	23-Dec-22	Monthly	Monthly	103.11	241.28
Term Loan 80	< 1 year	11.10%	23-Dec-22	Monthly	Monthly	131.40	306.49
Term Loan 81	< 1 year	11.10%	23-Dec-22	Monthly	Monthly	103.07	240.87
Term Loan 82	< 1 year	11.10%	23-Dec-22	Monthly	Monthly	131.23	306.49
Term Loan 83	< 1 year	11.10%	23-Dec-22	Monthly	Monthly	103.11	240.87
Term Loan 84	1-2 years	10.90%	25-Sep-23	Monthly	Monthly	2,255.77	-
Term Loan 85	< 1 year	11.25%	25-Jun-21	Monthly	Monthly	-	41.65
Term Loan 86	< 1 year	11.25%	25-Jun-21	Monthly	Monthly	-	41.65
Term Loan 87	< 1 year	11.25%	25-Jun-21	Monthly	Monthly	-	41.65
Term Loan 88	< 1 year	11.25%	25-Jun-21	Monthly	Monthly	-	41.65
Term Loan 89	< 1 year	11.25%	25-Jun-21	Monthly	Monthly	-	41.65
Term Loan 90	< 1 year	11.25%	25-Jun-21	Monthly	Monthly	-	41.65
Term Loan 91	< 1 year	11.50%	24-Dec-21	Monthly	Monthly	-	93.51
Term Loan 92	< 1 year	11.50%	24-Dec-21	Monthly	Monthly	-	93.51
Term Loan 93	< 1 year	11.50%	24-Dec-21	Monthly	Monthly	-	93.51
Term Loan 94	< 1 year	11.50%	24-Dec-21	Monthly	Monthly	-	93.51
Term Loan 95	< 1 year	11.25%	20-Sep-21	Monthly	Monthly	-	114.64
Term Loan 96	< 1 year	11.25%	20-Sep-21	Monthly	Monthly	-	116.64
Term Loan 97	< 1 year	11.25%	20-Sep-21	Monthly	Monthly	-	116.64
Term Loan 98	< 1 year	11.25%	20-Sep-21	Monthly	Monthly	-	116.64
Term Loan 99	< 1 year	11.25%	20-Sep-21	Monthly	Monthly	-	116.64
Term Loan 100	< 1 year	11.25%	20-Sep-21	Monthly	Monthly	-	116.64
Term Loan 101	< 1 year	11.25%	20-Sep-21	Monthly	Monthly	-	116.64
Term Loan 102	< 1 year	11.25%	20-Sep-21	Monthly	Monthly	-	116.64
Term Loan 103	< 1 year	11.25%	20-Sep-21	Monthly	Monthly	-	116.64
Term Loan 104	< 1 year	11.25%	20-Sep-21	Monthly	Monthly	-	116.64
Term Loan 105	< 1 year	11.50%	19-Mar-22	Monthly	Monthly	0.00	187.39
Term Loan 106	< 1 year	11.50%	19-Mar-22	Monthly	Monthly	0.00	187.39
Term Loan 107	< 1 year	11.50%	19-Mar-22	Monthly	Monthly	0.00	187.39
Term Loan 108	< 1 year	11.50%	19-Mar-22	Monthly	Monthly	0.00	187.39
Term Loan 109	< 1 year	11.25%	24-Jun-22	Monthly	Monthly	44.00	216.81
Term Loan 110	< 1 year	11.25%	24-Jun-22	Monthly	Monthly	34.35	170.35
Term Loan 111	< 1 year	11.25%	24-Jun-22	Monthly	Monthly	30.07	216.81
Term Loan 112	< 1 year	11.25%	24-Jun-22	Monthly	Monthly	34.35	170.35
Term Loan 113	< 1 year	11.25%	24-Jun-22	Monthly	Monthly	43.83	216.81
Term Loan 114	< 1 year	11.25%	24-Jun-22	Monthly	Monthly	46.57	170.35
Term Loan 115	< 1 year	11.25%	24-Jun-22	Monthly	Monthly	45.04	216.81
Term Loan 116	< 1 year	11.25%	24-Jun-22	Monthly	Monthly	34.37	170.35
Term Loan 117	< 1 year	11.10%	20-Sep-22	Monthly	Monthly	88.07	262.21

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Notes to the Consolidated Financial Statements for the year ended 31 March 2022
(All amounts are in Rupees lakhs, unless stated otherwise)

17.2 Details of term loans - Contractual repayment values

Particulars	Period	Rate of Interest	Maturity Date	Terms of repayment - principal	Terms of repayment - Interest	As at 31 March 2022	As at 31 March 2021
Term Loan 118	< 1 year	11.10%	20-Sep-22	Monthly	Monthly	69.04	206.02
Term Loan 119	< 1 year	11.10%	20-Sep-22	Monthly	Monthly	88.07	262.21
Term Loan 120	< 1 year	11.10%	20-Sep-22	Monthly	Monthly	70.10	206.02
Term Loan 121	< 1 year	11.10%	20-Sep-22	Monthly	Monthly	88.07	262.21
Term Loan 122	< 1 year	11.10%	20-Sep-22	Monthly	Monthly	68.96	206.02
Term Loan 123	< 1 year	11.10%	20-Sep-22	Monthly	Monthly	88.07	262.21
Term Loan 124	< 1 year	11.10%	20-Sep-22	Monthly	Monthly	69.32	206.02
Term Loan 125	< 1 year	11.10%	10-Feb-23	Monthly	Monthly	169.91	336.69
Term Loan 126	< 1 year	11.10%	10-Feb-23	Monthly	Monthly	139.10	288.76
Term Loan 127	< 1 year	11.10%	10-Feb-23	Monthly	Monthly	45.85	97.10
Term Loan 128	< 1 year	11.10%	10-Feb-23	Monthly	Monthly	164.99	336.69
Term Loan 129	< 1 year	11.10%	10-Feb-23	Monthly	Monthly	138.22	288.46
Term Loan 130	< 1 year	11.10%	10-Feb-23	Monthly	Monthly	45.85	96.79
Term Loan 131	< 1 year	11.10%	10-Feb-23	Monthly	Monthly	168.25	336.38
Term Loan 132	< 1 year	11.10%	10-Feb-23	Monthly	Monthly	138.22	288.46
Term Loan 133	< 1 year	11.10%	10-Feb-23	Monthly	Monthly	45.85	95.57
Term Loan 134	< 1 year	11.10%	10-Feb-23	Monthly	Monthly	161.09	335.16
Term Loan 135	< 1 year	11.10%	10-Feb-23	Monthly	Monthly	138.22	287.23
Term Loan 136	< 1 year	11.10%	10-Feb-23	Monthly	Monthly	48.64	95.57
Term Loan 137	1-2 years	11.00%	23-Jun-23	Monthly	Monthly	233.99	-
Term Loan 138	1-2 years	11.00%	23-Jun-23	Monthly	Monthly	233.99	-
Term Loan 139	1-2 years	11.00%	23-Jun-23	Monthly	Monthly	233.99	-
Term Loan 140	1-2 years	11.00%	23-Jun-23	Monthly	Monthly	234.41	-
Term Loan 141	1-2 years	11.00%	23-Jun-23	Monthly	Monthly	234.41	-
Term Loan 142	1-2 years	11.00%	23-Jun-23	Monthly	Monthly	234.41	-
Term Loan 143	1-2 years	11.00%	23-Jun-23	Monthly	Monthly	234.41	-
Term Loan 144	1-2 years	11.00%	23-Jun-23	Monthly	Monthly	234.32	-
Term Loan 145	1-2 years	11.00%	23-Jun-23	Monthly	Monthly	234.32	-
Term Loan 146	1-2 years	11.00%	23-Jun-23	Monthly	Monthly	234.32	-
Term Loan 147	1-2 years	11.00%	23-Jun-23	Monthly	Monthly	234.32	-
Term Loan 148	1-2 years	11.00%	23-Jun-23	Monthly	Monthly	233.97	-
Term Loan 149	1-2 years	10.65%	20-Dec-23	Monthly	Monthly	306.65	-
Term Loan 150	1-2 years	10.65%	20-Dec-23	Monthly	Monthly	306.65	-
Term Loan 151	1-2 years	10.65%	20-Dec-23	Monthly	Monthly	307.58	-
Term Loan 152	1-2 years	10.65%	20-Dec-23	Monthly	Monthly	307.58	-
Term Loan 153	1-2 years	10.65%	20-Dec-23	Monthly	Monthly	305.89	-
Term Loan 154	1-2 years	10.65%	20-Dec-23	Monthly	Monthly	309.61	-
Term Loan 155	1-2 years	10.65%	20-Dec-23	Monthly	Monthly	306.65	-
Term Loan 156	1-2 years	10.65%	20-Dec-23	Monthly	Monthly	306.65	-
Term Loan 157	1-2 years	10.65%	20-Dec-23	Monthly	Monthly	315.31	-
Term Loan 158	1-2 years	10.65%	20-Dec-23	Monthly	Monthly	317.22	-
Term Loan 159	1-2 years	10.65%	20-Dec-23	Monthly	Monthly	322.02	-
Term Loan 160	1-2 years	10.65%	20-Dec-23	Monthly	Monthly	132.58	-
Term Loan 161	1-2 years	10.40%	9-Feb-24	Monthly	Monthly	2,871.54	-
Term Loan 162	< 1 year	11.25%	20-Sep-21	Monthly	Monthly	-	111.20
Term Loan 163	< 1 year	11.25%	20-Sep-21	Monthly	Monthly	-	111.20
Term Loan 164	< 1 year	11.25%	20-Sep-21	Monthly	Monthly	-	111.20
Term Loan 165	< 1 year	11.25%	20-Sep-21	Monthly	Monthly	-	111.20
Term Loan 166	< 1 year	11.25%	20-Sep-21	Monthly	Monthly	-	111.20
Term Loan 167	2-3 years	10.30%	1-Jan-25	Quartely	Monthly	2,992.84	-
Term Loan 168	1-2 years	11.25%	1-Sep-23	Quarterly	Monthly	1,501.60	2,518.47
Term Loan 169	< 1 year	12.00%	31-Jul-22	Monthly	Monthly	166.54	498.73
Term Loan 170	1-2 years	11.40%	30-Nov-23	Monthly	Monthly	921.33	1,350.33
Term Loan 171	2-3 years	11.75%	31-Jan-25	Quarterly	Monthly	1,279.92	-
Term Loan 172	< 1 year	11.75%	3-Jun-21	Monthly	Monthly	-	296.98
Term Loan 173	< 1 year	11.50%	30-Apr-22	Monthly	Monthly	113.80	638.74
Term Loan 174	1-2 years	10.75%	22-Aug-23	Monthly	Monthly	1,817.02	-
Term Loan 175	< 1 year	10.50%	31-Mar-23	Monthly	Monthly	649.12	1,194.66
Term Loan 176	1-2 years	10.10%	5-Oct-23	Monthly	Monthly	1,653.67	-

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(All amounts are in Rupees lakhs, unless stated otherwise)

17.2 Details of term loans - Contractual repayment values

Particulars	Period	Rate of Interest	Maturity Date	Terms of repayment - principal	Terms of repayment - Interest	As at 31 March 2022	As at 31 March 2021
Term Loan 177	1-2 years	10.10%	5-Oct-23	Monthly	Monthly	566.68	-
Term Loan 178	1-2 years	10.10%	5-Oct-23	Monthly	Monthly	246.00	-
Term Loan 179	< 1 year	11.00%	15-Jan-22	Monthly	Monthly	-	722.45
Term Loan 180	< 1 year	10.50%	30-Nov-22	Monthly	Monthly	399.57	995.85
Term Loan 181	< 1 year	9.85%	2-May-21	Monthly	Monthly	-	229.00
Term Loan 182	< 1 year	11.25%	30-Jun-21	Monthly	Monthly	-	218.48
Term Loan 183	< 1 year	9.75%	30-Sep-21	Monthly	Monthly	-	2,336.43
Term Loan 184	< 1 year	6.57%	10-Apr-21	Monthly	Monthly	-	280.92
Term Loan 185	< 1 year	12.80%	20-Feb-22	Monthly	Monthly	-	738.96
Term Loan 186	< 1 year	11.00%	23-Feb-22	Monthly	Monthly	-	2,819.65
					Total	**223,688.09**	**89,620.68**

Vivriti Capital Private Limited
Notes to the Consolidated Financial Statements for the year ended 31 March 2022
(All amounts are in Rupees lakhs, unless stated otherwise)

	Particulars	As at 31 March 2022	As at 31 March 2021
18	**Other financial liabilities**		
	Lease Liability	997.48	1,038.46
	Employee benefits payable	385.90	850.00
	Advances received against loan agreements	259.83	82.57
	Remittances payable on assets derecognised	0.23	189.27
	Payable to capital creditors	-	60.17
		1,643.44	**2,220.47**
19	**Provisions**		
	Provision for Employee Benefits		
	- Gratuity (refer note 38)	44.68	83.72
	- Compensated Absences	155.92	345.23
	Provision on non-fund exposure	52.37	392.34
		252.97	**821.29**
20	**Other non financial liabilities**		
	Statutory dues	465.66	390.61
		465.66	**390.61**

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(All amounts are in Rupees lakhs, unless stated otherwise)

21 Equity share capital

Particulars	As at 31 March 2022	As at 31 March 2021
Authorised		
20,900,000 (As at 31 March 2021: 15,900,000 shares) Equity Shares of Rs 10 each	2,090.00	1,590.00
	2,090.00	**1,590.00**
Issued, subscribed and fully paid up		
16,326,754 (As at 31 March 2021: 15,641,010 shares) Equity shares of Rs. 10 each	1,632.67	1,564.10
Less: Shares held under Vivriti ESOP Trust	(380.43)	(417.71)
	1,252.24	**1,146.39**

A. Reconciliation of number of equity shares outstanding at the beginning and at the end of the reporting period

Particulars	As at 31 March 2022		As at 31 March 2021	
	Number	Amount	Number	Amount
As at the beginning of the year	15,641,010	1,564.10	14,489,700	1,448.97
Issued during the year	685,744	68.57	1,151,310	115.13
As at the end of the year	**16,326,754**	**1,632.67**	**15,641,010**	**1,564.10**

Equity shares held by the trust

Particulars	As at 31 March 2022		As at 31 March 2021	
	Number	Amount	Number	Amount
As at the beginning of the year	4,177,060	417.71	3,189,500	318.95
Issued during the year	-	-	987,560	98.76
Transferred during the year	(372,735)	(37.27)	-	-
As at the end of the year	**3,804,325**	**380.43**	**4,177,060**	**417.71**

B. Details of equity shareholders holding more than 5 percent shares in the Company are given below:

Particulars	As at 31 March 2022		As at 31 March 2021	
	Number	%	Number	%
Vineet Sukumar	4,900,000	30.01%	4,900,000	31.33%
Gaurav Kumar	4,900,000	30.01%	4,900,000	31.33%
Vivriti ESOP Trust	3,934,425	24.10%	4,177,060	26.71%

C. Details of equity shares held by the promoter at the end of the year

Particulars	As at 31 March 2022		As at 31 March 2021	
	Number	%	Number	%
Vineet Sukumar	4,900,000	30.01%	4,900,000	31.33%
Gaurav Kumar	4,900,000	30.01%	4,900,000	31.33%

As per records of the Company, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.

D. Terms/Rights attached to equity shares:

The Company has a single class of equity shares. Accordingly, all equity shares rank equally with regard to dividends and share in the Company's residual assets. The equity shares are entitled to receive dividend as declared from time to time subject to payment of dividend to preference shareholders. Dividend proposed by the board of directors, if any, is subject to the approval of the shareholders at the Annual General Meeting, except in the case of interim dividend.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

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21A Convertible preference share capital

Particulars	As at 31 March 2022	As at 31 March 2021
Authorised		
87,937,063 (As at 31 March 2021: 83,437,063) Compulsorily convertible preference shares of Rs. 10 each	8,793.71	8,343.71
850,000 (As at 31 March 2021: 850,000 shares) Optionally Convertible Redeemable Preference Shares of Rs. 60 each	510.00	510.00
	9,303.71	**8,853.71**
Issued, subscribed and fully paid up		
87,310,410 (As at 31 March 2021: 83,420,634) 0.001% Compulsorily convertible preference shares of Rs. 10 each	8,731.04	8,342.06
Issued, subscribed and partially paid up		
811,402 of Re. 1 each paid up (As at 31 March 2020: 811,402 of Re.1 each paid up) Optionally Convertible Redeemable Preference shares	8.11	8.11
	8,739.15	**8,350.17**

A. Reconciliation of number of convertible preference shares outstanding at the beginning and at the end of the reporting period

i. Compulsorily convertible preference shares

Particulars	As at 31 March 2022		As at 31 March 2021	
	Number	Amount	Number	Amount
As at the beginning of the year	83,420,634	8,342.06	77,623,698	7,762.37
Issued during the year	3,889,776	388.98	5,796,936	579.69
As at the end of the year	**87,310,410**	**8,731.04**	**83,420,634**	**8,342.06**

ii. Optionally convertible redeemable preference shares

Particulars	As at 31 March 2022		As at 31 March 2021	
	Number	Amount	Number	Amount
As at the beginning of the year	811,402	8.11	811,402	8.11
Issued during the year	-	-	-	-
As at the end of the year	**811,402**	**8.11**	**811,402**	**8.11**

B. Details of convertible preference shareholders holding more than 5 percent shares in the Company are given below:

i. Compulsorily convertible preference shares

Particulars	As at 31 March 2022		As at 31 March 2021	
	Number	%	Number	%
Creation Investments LLC	64,124,177	73.44%	63,266,409	75.84%
Lightrock Growth Fund I S.A (Formerly known as Lightstone Fund SA)	11,593,166	13.28%	10,077,112	12.08%
Financial Investments SPC (affiliate of Lightrock Growth Fund I S.A., SICAV-RAIF)	11,593,067	13.28%	10,077,113	12.08%

ii. Optionally convertible redeemable preference shares

Particulars	As at 31 March 2022		As at 31 March 2021	
	Number	%	Number	%
Vineet Sukumar	405,701	50.00%	405,701	50.00%
Gaurav Kumar	405,701	50.00%	405,701	50.00%

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C. Details of convertible preference shares held by the promoters at the beginning and at end of the reporting period

i. Compulsorily convertible preference shares
Promoters do not hold any compulsorily convertible preference shares.

ii. Optionally convertible redeemable preference shares

Particulars	As at 31 March 2022		As at 31 March 2021	
	Number	%	Number	%
Vineet Sukumar	405,701	50.00%	405,701	50.00%
Gaurav Kumar	405,701	50.00%	405,701	50.00%

D. Terms/rights attached to convertible preference shares
i. Compulsorily convertible preference shares
During the year ended, the Company has issued 38,89,776, 0.001% Compulsorily Convertible Preference Shares ("CCPS") of face value Rs. 10/- aggregating Rs. 388.98 Lakhs which are convertible into equity shares at the option of CCPS holder during the conversion period.

Conversion of CCPS into equity shares will be as per the respective shareholders agreement and are treated pari-passu with equity shares on all voting rights. The CCPS if not converted by the preference shareholders shall be compulsorily converted into equity shares upon any of the following events:
a. In connection with an IPO, immediately prior to the filing of red herring prospectus (or equivalent document, by whatever name called) with the competent authority or such later date as may be permitted under applicable law at the relevant time; and
b. By delivering a Conversion Notice at any time during the relevant Conversion Period as per the respective shareholders agreement.
The CCPS holders have a right to receive dividend, prior to the Equity shareholders and will be cumulative if preference dividend is not declared or paid in any year.

Lightstone Fund SA has changed its name to Lightrock Growth Fund I S.A., SICAV-RAIF, with effective from March 9, 2021.

ii. Optionally convertible redeemable preference shares ('OCRPS')
The OCRPS shall not carry any voting rights, until such OCRPS is converted into Equity Share(s) in accordance with the terms of the OCRPS. The right to convert OCRPS shall be exercisable by the holder at any time during the Conversion Period by delivering to the Company a notice in writing, subject to payment of balance subscription price. The OCRPS, shall be entitled to divided equivalent to 0.001% per annum of the paid-up portion of such OCRPS.

As at the balance sheet date, these OCRPS held by the promoters have been paid up to the extent of INR 1 per share. Subsequent to the year end, these OCRPS have been fully paid up on 26 April 2022. Further, these 811,402 OCRPS of face value INR 60 per share are converted into 4,227,828 equity shares of INR 10 per share ranking pari passu with existing fully paid-up equity shares of the Company.

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	Particulars	As at 31 March 2022	As at 31 March 2021
22	**Other Equity**		
	Statutory reserve	2,189.88	842.48
	Share options outstanding account	712.90	399.70
	Securities premium	100,656.35	66,058.80
	Other comprehensive income	45.82	135.47
	Retained earnings	155,093.10	1,118.89
		258,698.05	**68,555.34**
i	**Statutory reserve**		
	Balance at the beginning of the year	842.48	242.38
	Add: Transfer from retained earnings	1,347.40	600.10
	Balance at the end of the year	**2,189.88**	**842.48**
ii.	**Employee stock options outstanding account**		
	Balance at the beginning of the year	399.70	84.46
	Add: Share based payment expenses incurred during the year	238.63	138.39
	Add: Stock compensation expenses - recoverable from associate	74.57	176.85
	Balance at the end of the year	**712.90**	**399.70**
iii.	**Securities premium**		
	Balance at the beginning of the year	66,058.80	56,753.60
	Add: Premium on shares issued during the year	33,094.20	11,371.50
	Less: Utilised during the year for share issue expenses	(9.78)	(193.18)
	Less : Amount recoverable from Vivriti ESOP Trust	-	(1,873.12)
	Less : Amount recoverable from VAM ESOP Trust	(660.00)	-
	Add: Premium on issue of shares in lieu of cash remuneration	2,173.13	-
	Balance at the end of the year	**100,656.35**	**66,058.80**
iv	**Other Comprehensive Income**		
	Balance at the beginning of the year	135.47	-
	Add/ (Less) : Fairvaluation of investment in debt instruments (net)	255.58	124.00
	Add/ (Less) : Cash flow hedge reserve	(324.77)	
	Add: Transfer from retained earnings pertaining to prior years	-	11.47
	Share of other comprehensive loss post tax from associate	(20.46)	-
	Balance at the end of the year	**45.82**	**135.47**
v	**Retained earnings**		
	Balance at the beginning of the year	1,118.89	299.48
	Add : Profit/ (Loss) for the year	155,326.65	1,442.28
	Add/ (Less) : Remeasurement of net defined benefit liability	(5.04)	(11.31)
	Add/ (less) : Transfer from other comprehensive income	-	(11.46)
	Less: Transfer to Statutory reserve	(1,347.40)	(600.10)
	Balance at the end of the year	**155,093.10**	**1,118.89**

Also refer Note 37

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Statutory Reserve u/s. 45-IA of the Reserve Bank of India Act, 1934 ("the RBI Act, 1934")

Reserve u/s. 45-IA of RBI Act, 1934 is created in accordance with section 45 IC(1) of the RBI Act, 1934. As per Section 45 IC(2) of the RBI Act, 1934, no appropriation of any sum from this reserve fund shall be made by the non-banking financial company except for the purpose as may be specified by RBI.

Securities premium

Securities premium is used to record the premium on issue of shares. The reserve can be utilised only for limited purposes such as issue bonus shares, to provide for premium on redemption of shares or debentures, write-off equity related expenses like underwriting costs, etc in accordance with the provisions of the Companies Act, 2013.

Employee stock option outstanding account

The Company has stock option schemes under which options to subscribe for the Company's shares have been granted to eligible employees and key management personnel. The share-based payment reserve is used to recognise the value of equity-settled share-based payments.

Other comprehensive income

a. The Company has elected to recognise changes in the fair value of investments in other comprehensive income. These changes are accumulated within the FVOCI - loans and advances reserve within equity.

b. The Company has applied hedge accounting for designated and qualifying cash flow hedges, the effective portion of the cumulative gain or loss on the hedging instrument is initially recognised directly in OCI within equity as cash flow hedge reserve.

Retained earnings

Surplus in the statement of profit and loss is the accumulated available profit of the Company carried forward from earlier years. This reserve is free reserves which can be utilised for any purpose as may be required.

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23 Additional information as required by paragraph 2 of the general instructions for preparation of consolidated financial statements to schedule III to the companies act, 2013 as at and for the year ended 31 March 2022 and 31 March 2021

As at 31 March 2022

Name of the entities	Net Assets (i.e. total assets less total liabilities)		Share in profit and loss		Other comprehensive income		Total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit and loss	Amount	As % of consolidated other comprehensive income	Amount	As % of consolidated total comprehensive income	Amount
(i) Parent								
Vivriti Capital Private Limited	43.75%	119,614.66	4.34%	6,736.98	75.04%	(71.05)	4.29%	6,665.93
(ii) Subsidiaries								
Vivriti Asset Management Private Limited	3.42%	9,347.98	-1.66%	(2,582.82)	4.49%	(4.25)	-1.67%	(2,587.07)
(iii) Associates (Investment as per equity method)								
Credavenue Private Limited	57.05%	155,964.61	97.63%	151,649.93	21.60%	(20.46)	97.68%	151,629.48
Non-controlling interests in subsidiaries	1.72%	4,691.97	0.00%	-	0.00%	-	0.00%	-
Less: Effect of Intercompany adjustments/ eliminations	-5.94%	(16,237.82)	-0.31%	(477.45)	-1.13%	1.07	-0.31%	(476.38)
Total	**100.00%**	**273,381.41**	**100.00%**	**155,326.64**	**100.00%**	**(94.69)**	**100.00%**	**155,231.96**

As at 31 March 2021

Name of the entities	Net Assets (i.e. total assets less total liabilities)		Share in profit and loss		Other comprehensive income		Total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit and loss	Amount	As % of consolidated other comprehensive income	Amount	As % of consolidated total comprehensive income	Amount
(i) Parent								
Vivriti Capital Private Limtied	102.13%	79,714.19	208.04%	3,000.51	100.00%	112.69	200.21%	3,113.20
(ii) Subsidiaries								
Vivriti Asset Management Private Limited	2.65%	2,065.65	-40.30%	(581.29)	0.00%	-	-37.38%	(581.29)
Credavenue Private Limited	5.55%	4,335.14	-46.17%	(665.86)	0.00%	-	-42.82%	(665.86)
Non-controlling interests in subsidiaries	0.00%	-	0.00%	-	0.00%	-	0.00%	-
Less: Effect of Intercompany adjustments/ eliminations	-10.33%	(8,063.08)	-21.57%	(311.08)	0.00%	-	-20.01%	(311.09)
Total	**100.00%**	**78,051.90**	**100.00%**	**1,442.27**	**100.00%**	**112.69**	**100.00%**	**1,554.96**

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24 Interest income

	Year ended 31 March 2022			
	On financial assets measured at			
	Amortised cost	FVOCI	FVTPL	Total
Interest on loans	28,879.51	-	-	28,879.51
Interest income from investments	1,713.68	1,913.55	-	3,627.23
Interest on deposits	445.98	-	-	445.98
	31,039.17	**1,913.55**	-	**32,952.72**

	Year ended 31 March 2021			
	On financial assets measured at			
	Amortised cost	FVOCI	FVTPL	Total
Interest on loans	17,245.80	-	-	17,245.80
Interest income from investments	1,785.62	679.65	-	2,465.27
Interest on deposits	649.86	-	-	649.86
	19,681.28	**679.65**	-	**20,360.93**

		Year ended 31 March 2022	Year ended 31 March 2021
25	**Fee and commission income**		
	Fee and commission income	1,825.87	1,762.91
	Platform fees	4,883.64	2,213.04
		6,709.51	**3,975.95**
26	**Net gain on fair value changes**		
	Net gain on financial instruments at fair value through profit or loss		
	On alternative investment funds	707.30	12.92
	On mutual funds investments	73.80	-
	Profit on sale of investments in NCD and PTC	9.42	50.24
		790.52	**63.16**
	Fair value changes		
	- Realised	487.08	50.24
	- Unrealised	303.44	12.92
		790.52	**63.16**
27	**Other income**		
	Gain/Loss on sale of fixed assets	299.87	-
	Gain on termination of finance leases	143.22	-
	Interest on rental deposit	1.95	12.43
	Interest on income tax refund	-	11.43
	Reimbursement of expenses	10.38	-
	Other income	94.83	130.73
		550.25	**154.59**
28	**Gain on loss /dilution of control**		
	Gain on loss /dilution of control in CAPL (also refer note 37)	200,680.31	-
		200,680.31	-
29	**Finance costs**		
	Interest on borrowings	13,303.39	5,947.07
	Interest on debt securities	5,931.50	3,345.00
	Interest on bank overdraft	498.88	168.09
	Finance cost on rental deposit	21.91	11.98
	Interest on lease liability	175.67	135.67
		19,931.34	**9,607.81**
30	**Impairment on financial instruments**		
	Impairment loss allowance on		
	- Loans	1,227.07	582.67
	- Investments	252.91	53.05
	- Guarantees	(72.05)	392.34
	- Trade receivables	54.45	79.20
	Write off on		
	- Loans	-	950.51
	- Investments	-	389.86
	- Guarantees	-	542.11
	Less: Recovery	-	-
		1,462.38	**2,989.74**

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		Year ended 31 March 2022	Year ended 31 March 2021
31	**Employee benefit expenses**		
	Salaries and bonus	6,056.63	5,649.71
	Contribution to provident and other funds	152.90	80.04
	Staff Training and welfare expenses	175.81	42.35
	Gratuity expenses	43.03	32.13
	Share based payments to employees	245.02	315.25
		6,673.39	**6,119.48**
32	**Depreciation and amortisation expense**		
	Depreciation and amortisation expense		
	Property, plant and equipment	191.41	295.46
	Right of use assets ('ROUA')	409.81	389.93
	Intangible Assets	246.66	63.16
		847.88	**748.55**
33	**Other Expenses**		
	Information technology Cost	633.21	639.74
	Distribution expenses	1,162.45	153.34
	Maintenances of premises	162.83	192.06
	Administrative expenses	14.99	9.50
	Professional fees (refer note 33.1)	1,160.92	980.40
	Advertisement expenses	-	-
	Auditor's remuneration	76.50	48.15
	Communication expenses	34.89	50.08
	Director sitting fees	33.80	45.16
	Corporate social responsibility expenditure (refer note 33.2)	38.00	10.94
	Insurance	131.62	108.69
	Rates and taxes	76.30	20.91
	Recruitment related fees	235.58	80.07
	Subscription expenses	17.72	9.09
	Travelling expenses	248.95	171.02
	Rent	26.36	-
	Loss on sale of investments	7.96	-
	Miscellaneous expenses	521.42	461.52
		4,583.49	**2,980.67**

33.1 Stock compensation expenses

Professional fees for year ended 31 March 2022 includes share based payment of INR 407.50 lakhs to one advisor by allotment of Series 1C shares in May 2021considering the fair value on the date of such allotment.

33.2 Details of expenditure on corporate social responsibility (CSR)

(a) Gross amount required to be spent by the Group during the year	37.94	10.94
(b) Amount approved by the Board to be spent during the year	38.00	-
(c) Amount spent during the year (in cash):		
(i) Construction/ acquisition of any asset	-	-
(ii) On purposes other than (i) above	44.00	8.11
(d) Contribution to related parties		
(e) Excess amount spent / Shortfall	**(6.06)**	**2.83**

	As at 31 March 2022	As at 31 March 2021
Opening balance	2.83	-
Amount required to be spent during the year	37.94	10.94
Amount spent during the year	(44.00)	(8.11)
Closing balance to be spent	**(3.23)**	**2.83**

Nature of CSR activities

The expenditure on CSR activities are spent through contributing towards Bhumi Foundation & Care Earth Trust.

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34 Exceptional item

	Year ended 31 March 2022	Year ended 31 March 2021
Stock compensation expense	2,173.13	
	2,173.13	-

Note:

The Subsidiary Company allotted 4,470,532 equity shares on 14 March 2022 to Vineet Sukumar and Gaurav Kumar (2,235,266 each), promoters of the subsidiary in lieu of part of cash remuneration, to compensate them for their valuable professional contribution and domain expertise to the growth of the business carried by the subsidiary. The aforesaid shares were issued at a price of INR 27 per share. The said issuance was carried out based on a valuation report (as at 31 December 2021) dated 25 January 2022 from a registered valuer and a fairness opinion dated 27 January 2022 from another independent chartered accountant firm on the aforesaid valuation report.

During the same time, the subsidiary had granted stock options under the Employee Stock Option Scheme (grant date of 28 February 2022) to its employees and was also in discussion with various external investors for its first round of fund raising. In this connection, subsequently, the subsidiary obtained a valuation report (as at 31 January 2022) dated 16 March 2022 from another registered valuer / merchant banker with value of INR 75.61 per share. Such valuation report was considered for its option valuation.

The Subsidiary has recorded the difference between the fair value of the shares of INR 75.61 per share and the issue price of INR 27 per share as stock compensation expense during the year and has presented it as an exceptional item in the Statement of profit and loss. Further, the Subsidiary based on a legal evaluation believes that there are no withholding tax implications arising out of the aforesaid matter to be borne by the subsidiary.

35 Income tax

The component of income tax expenses:		
Current tax	1,882.70	1,481.97
Deferred tax relating to origination and reversal of temporary differences	46,264.11	(415.96)
	48,146.81	**1,066.01**

35.1 Reconciliation of total tax expenses

The tax charge shown in the statement of profit and loss differs from the tax charge that would apply if all profits had been charged at India corporate tax rate. A reconciliation between the tax expense and the accounting profit multiplied by India's domestic tax rate for the years March 31, 2022 and 2021 are, as follows:

Accounting profit before tax	208,229.13	2,120.38
Applicable tax rate	25.17%	25.17%
Long term capital gain	22.88%	22.88%
Computed tax expense	52,411.27	533.70
Tax effect of :		
Permanent differences	45.65	22.47
Change in tax rate (refer note below)	-	-
Income tax expense recognised in statement of profit and loss excluding change in estimates relating to previous years	**52,456.92**	**556.17**
Effective tax rate	**25.19%**	**26.23%**

35.2 Deferred tax

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

Components of deferred tax asset (liability)	As at 31 March 2021	Statement of profit and loss	Other comprehensive income	Derecognition on account of loss of control	As at 31 March 2022
Deferred tax asset/ (liability) in relation to -					
Fixed assets	36.91	(254.73)	-	207.29	(10.52)
Impairment on financial assets	534.82	190.03	-	-	724.85
Provision for employee benefits	321.88	208.99	0.63	(383.58)	147.92
Unamortised processing fee income (net)	300.36	(639.40)	-	-	(339.04)
Others	40.68	108.10	23.27	(73.72)	98.33
Business Loss	186.55	138.03	-	-	324.59
Gain on loss / dilution of control in CAPL	-	(46,015.13)	-	-	(46,015.13)
	1,421.21	**(46,264.11)**	**23.90**	**(250.00)**	**(45,069.01)**

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Components of deferred tax asset (liability)	As at 31 March 2020	Statement of profit and loss	Other comprehensive income	Derecognition on account of loss of control	As at 31 March 2021
Deferred tax asset/ (liability) in relation to -					
Fixed assets	21.15	15.76	-	-	36.91
Impairment on financial assets	235.38	299.44	-	-	534.82
Provision for employee benefits	47.87	270.20	3.81	-	321.88
Unamortised processing fee income (net)	288.03	12.33	-	-	300.36
Others	41.82	40.57	(41.71)	-	40.68
Business Loss	20.99	165.56	-	-	186.55
	655.24	**803.87**	**(37.90)**	-	**1,421.21**

36 Earnings per share

	Year ended 31 March 2022	Year ended 31 March 2021
Profit for the year	**155,326.65**	**1,442.28**
Weighted average number of equity shares outstanding during the year for calculation of basic EPS	12,485,534	15,420,211
Effect of dilutive potential equity shares:		
Convertible preference shares	71,402,633	65,773,841
Employee stock options	2,909,817	2,790,515
Weighted average number of equity shares outstanding during the year for calculation of diluted EPS	90,602,309	83,984,567
Face value per share	10.00	10.00
Earnings per share (in Rs.)		
- Basic	1,244.05	9.35
- Diluted	171.44	1.72

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37 Change in ownership interests in Credavenue Private Limited (CAPL)

A. Shareholder related transactions

On 12 August 2021, the Company had received an offer for subscribing to the rights issue of 13,336,000 equity shares of its then wholly owned subsidiary "Credavenue Private Limited" ("CAPL") at an issue price of INR 15 per share. The management of CAPL had obtained a fair valuation report from a registered valuer with value of INR 15 per share and a fairness opinion from another independent chartered accountant firm on the aforesaid report.

In view of its strategic outlook and regulatory aspects, the Company did not seek to subscribe to such rights and renounced the rights entitlement on the aforesaid date in favour of the promoters in their capacity as founder shareholders of the Company ("Founder shareholders") without any consideration (to be received by VCPL) for the rights renunciation. This has been approved / ratified subsequently by the Board of directors including the investor shareholders of the Company.

Subsequently, on 13 August 2021, the founder shareholders subscribed to the rights issue of equity shares of CAPL and consequently, the holding in CAPL reduced from 100% to 80%.

During the same time, CAPL was also in discussion with various external investors for its first round of fund raising and subsequently, during September 2021, concluded the fund raise through issue of Series A CCPS at an issue price of INR 351 per share (also refer note B below).

The Company has evaluated the aforesaid shareholder transactions forming part of equity and believes that there are no material financial reporting / tax implications arising therefrom.

B. Loss / Dilution of control

Consequent to the Series A funding in CAPL and on basis the shareholders' agreement dated 20 September 2021, VCPL did not retain control over CAPL and CAPL became an associate. As a result, VCPL's shareholding in CAPL on a fully diluted basis, reduced to 58.33%. In the consolidated financial results, considering the loss of control, the Company has fair valued its investment in CAPL in accordance with Ind AS 110 – 'Consolidated Financial Statements' and accordingly an amount of INR 170,534 lakhs was recorded as gain on loss of control.

Further, pursuant to the Series B funding in March 2022, VCPL's shareholding on a fully diluted basis, has further reduced to 50.52% as at 31 March 2022. Accordingly, an incremental amount of INR 28,948 lakhs has been recorded as dilution gain for the reduction in holding from 58.33% to 50.52%. Thus the aggregate gain on loss / dilution of control is INR 200,680 lakhs. The resultant deferred tax charge on aforesaid gains has been created aggregating to INR 46,287 lakhs.

Up to September 2021, the Company has consolidated CAPL on a line-by-line consolidation basis and thereafter accounted on an equity method basis with effect from date of loss of control.

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38 Employee benefits

38.1 Defined contribution plan

The Group makes specified monthly contributions towards employee provident fund to Government administered provident fund scheme which is a defined contribution plan. The Group's contribution is recognized as an expenses in the statement of profit and loss during the period in which the employee renders the related service. The Group has recognised Rs.152.90 Lakhs (As at 31 March 2021 : Rs. 80.40 Lakhs) as contribution to provident fund in the statement of profit and loss account.

38.2 Defined benefit plans

The Group's gratuity benefit scheme is a defined benefit plan. The Group's net obligation in respect of a defined benefit plan is calculated by estimating the amount of future benefit that employees have earned in return for their services in the current and prior periods; that benefit is discounted to determine its present value. Any unrecognised past services and the fair value of any plan assets are deducted. The Calculation of the Company's obligation under the plan is performed annually by a qualified actuary using the projected unit credit method.

Risks associated with defined benefit plan
Gratuity is a defined benefit plan and company is exposed to the following risks:
Interest rate risk: A fall in the discount rate, which is linked to the Government Securities rate, will increase the present value of the liability requiring higher provision. A fall in the discount rate generally increases the mark to market value of the assets depending on the duration of asset.

Salary Risk: The present value of the defined benefit plan liability is calculated by reference to the future salaries of members. As such, an increase in the salary of the members more than assumed level may increase the plan's liability.

Investment Risk: The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds.
If the return on plan asset is below this rate, it will create a plan deficit. Currently, for the plan in India, it has a relatively balanced mix of investments in government securities, and other debt instruments.

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

Mortality risk: Since the benefits under the plan is not payable for life time and payable till retirement age only, plan does not have any longevity

	Year ended 31 March 2022	Year ended 31 March 2021
A. Change in present value defined benefit of obligations		
Change in defined benefit obligations during the year		
Present value of defined benefit obligation at the beginning of the year	83.72	35.81
Current service cost	41.70	30.26
Interest cost	1.34	2.53
Acquisitions/Divestures/Transfer	-	-
Benefits paid	-	-
Actuarial loss / (gain) recognised in other comprehensive income	6.72	15.12
Derecognition on account of loss of control	(88.80)	
Present value of defined benefit obligation at the end of the year	**44.68**	**83.72**
B. Change in fair value of plan assets during the year		
Fair value of plan assets at the beginning of the year	-	-
Expected return on plan assets	-	-
Employer contributions	-	-
Benefits paid	-	-
Actuarial loss / (gain) recognised in other comprehensive income	-	-
Fair value of plan assets at the end of the year	-	-
C. Actual return on plan assets		
Expected return on plan assets	-	-
Actuarial gain / (loss) on plan assets	-	-
Actual return on plan assets	-	-
D. Reconciliation of present value of the defined benefit obligation and the fair value of the plan assets		
Present value of defined benefit obligations at the end of the year	44.68	83.72
Fair value of plan assets	-	-
Net liability recognised in balance sheet	**44.68**	**83.72**

The liability in respect of the gratuity plan comprises of the following non-current and current portions:

Current	1.63	0.05
Non-current	43.05	83.68

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	Year ended 31 March 2022	Year ended 31 March 2021
E. Expense recognised in statement of profit and loss		
Current service cost	41.70	30.26
Interest cost	1.34	2.53
Expected return on plan assets	-	-
Net cost recognized in the statement of profit and loss	**43.04**	**32.79**
F. Remeasurements recognised in other comprehensive income		
Actuarial loss / (gain) on defined benefit obligation	6.72	15.12
Return on plan assets excluding interest income	-	-
	6.72	**15.12**

G. Assumptions as at balance sheet date	As at 31 March 2022	As at 31 March 2021
Discount rate (refer note (b))	7.50%	6.79%
Interest rate (rate of return on assets)	-	-
Future salary increase (refer note (a))	8.00%	3.00%
Mortality table	2 - 12.5%	0.9 - 3.82%
Attrition rate (refer note (a))	15.00%	5.00%

Notes:

a) The estimate of future salary increase takes into account inflation, seniority, promotion and other relevant factors. Further, the Management re-visits the assumptions such as attrition rate, salary escalation etc., taking into account, the business conditions, various external / internal factors affecting the Group.

b) Discount rate is based on the prevailing market yields of Indian Government Bonds as at the balance sheet date for the estimated term of the obligation.

c) Experience adjustments:

	As at 31 March 2022	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019	As at 31 March 2018
Defined benefit obligation	44.68	83.72	35.81	27.57	4.97
Fair value of plan assets	-	-	-	-	-
Surplus / (deficit)	(44.68)	(83.72)	(35.81)	(27.57)	(4.97)
Experience adjustments on plan liabilities - (loss) /	-	-	-	-	-
Experience adjustments on plan assets - loss /	-	-	-	-	-

d) **Sensitivity analysis**

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below:

	As at 31 March 2022	As at 31 March 2021
Discount rate		
-1% increase	(3.51)	(1.91)
-1% decrease	4.17	2.26
Future salary growth		
-1% increase	3.13	2.23
-1% decrease	(2.76)	(1.91)
Employee Turnover		
-1% increase	(0.42)	0.33
-1% decrease	0.43	(0.43)

Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown.

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39 Segment information

Particulars	Year ended	
	31 March 2022	31 March 2021
1. Segment Revenue		
Financing	35,166.91	22,512.25
Fund Management	1,067.06	278.60
Technology	6,066.59	2,527.92
Others	-	-
Total	**42,300.56**	**25,318.77**
Less: Intersegment Revenue	(1,253.27)	(906.73)
Add: Gain on loss / dilution of control	200,680.31	-
Net Revenue	**241,727.60**	**24,412.04**
2. Segment Results (Profit before tax)		
Financing	9,095.48	3,755.43
Fund Management	(547.48)	(776.79)
Technology *	200,090.52	(858.26)
Others	-	-
Total	**208,638.52**	**2,120.37**
Less: Share of loss post tax from associate	(2,582.54)	-
Profit before tax	**206,055.98**	**2,120.37**
3. Segment Assets		
Financing	467,532.34	211,763.58
Fund Management	10,969.75	2,789.97
Technology	201,880.27	7,896.94
Other unallocable assets	-	-
Inter Segment Assets	(623.64)	(1,115.32)
Total	**679,758.72**	**221,335.17**
4. Segment Liabilities		
Financing	358,669.69	139,801.40
Fund Management	1,621.77	724.32
Technology	45,915.65	3,561.81
Other unallocable liabilities	-	-
Inter Segment Liabilities	170.21	(804.26)
Total	**406,377.32**	**143,283.27**

* includes gain on loss / dilution of control (also refer note 37)

Notes:

The Group's operating segments are established on the basis of those comments of the Group that are evaluated by the 'Chief Operating Decision Maker' as defined in Ind AS 108 - 'Operating Segments'

(All amounts are in Rupees lakhs, unless stated otherwise)

40 Related Party information

40.1 Names of related parties and nature of relationship

Associate	Credavenue Private Limited (also refer note 37)
Subsidiary of associate	Spocto Solutions Private Limited (with effect from 25 February 2022)
Key Managerial Personnel	Mr. Vineet Sukumar, Managing Director Mr. Gaurav Kumar, Director Mr. John Tyler Day, Nominee Director Mr. Kenneth Dan Vander Weele, Nominee Director Ms. Namrata Kaul, Independent Director Mr. Kartik Srivatsa, Nominee Director Ms.Anita P Belani,Independent Director (With effect from 7 May 2021) Mr. Sridhar Srinivasan, Independent Director (resigned on 28 August 2020) Mr. Narayan Ramachandran, Independent director of Vivriti Asset Management Private Limited
Entity in which KMP is a Director	**Mr. Vineet Sukumar** Managing Director, Vivriti Asset Management Private Limited Director, Credavenue Private Limited **Mr. Gaurav Kumar** Director, Vivriti Asset Management Private Limited Managing Director, Credavenue Private Limited

40.2 Transactions during the year

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Reimbursement of expenses		
Credavenue Private Limited	266.73	-
Platform fees expense:		
Credavenue Private Limited	1,991.57	-
Employee share option recoverable		
Credavenue Private Limited	30.71	-
Fees and commission income:		
Credavenue Private Limited	565.94	-
Debt Securities		
Credavenue Private Limited	7,930.07	-
Directors Sitting fees		
Mr. Sridhar Srinivasan	-	8.25
Ms. Namrata Kaul	11.00	13.80
Ms.Anita P Belani	9.00	-
Mr. Narayan Ramachandran	6.00	3.00
Remuneration paid		
Mr. Vineet Sukumar	292.19	194.69
Mr. Gaurav Kumar	241.35	194.69

Also refer note 37 for renunciation of rights

Note:
Managerial remuneration above does not include gratuity and compensated absences, since the same are provided on actuarial basis for the Group as a whole and the amount attributable to the key managerial personnel cannot be ascertained separately.

40.3 Balances as at the year-end:

Debt Securities		
Credavenue Private Limited	7,930.07	-
Trade payables		
Credavenue Private Limited	535.42	-
Receivables from related parties		
Receivables		
Credavenue Private Limited	172.40	
Other financial assets		
Credavenue Private Limited	454.91	

Notes:
1. There are no provision for doubtful debts/ advances or amounts written off or written back for debts due from/ due to related parties.
2. The transactions disclosed above are exclusive of GST.

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41 Micro and small enterprises

The Ministry of Micro, Small and Medium Enterprises has issued an office memorandum dated August 26, 2008 which recommends that the Micro and Small Enterprises should mention in their correspondence with its customers the Entrepreneurs Memorandum Number as allocated after filing of the Memorandum in accordance with the Micro, Small and Medium Enterprise Development Act, 2006 ('MSMED Act, 2006'). Accordingly, the disclosure in respect of the amounts payable to such enterprises as at 31 March 2021 has been made in the financial statements based on information received and available with the Company. Further in view of the Management, the impact of interest, if any, that may be payable in accordance with the provisions of the Act is not expected to be material. The Group has not received any claim for interest from any supplier as at the balance sheet date.

	As at 31 March 2022	As at 31 March 2021
The principal amount and the interest due thereon (to be shown separately) remaining		
- Principal	-	1.72
- Interest	-	-
The amount of interest paid by the buyer in terms of Section 16, of the MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the period) but without adding the interest specified under the MSMED Act, 2006	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year; and	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under Section 23 of the MSMED Act, 2006.	-	-

		Year ended 31 March 2022	Year ended 31 March 2021
42	**Contingent Liabilities and Commitments**		
42.1	**Contingent liabilities**		
	Guarantees issued to third party	4,156.80	4,946.13
42.2	**Commitments**		
	Capital commitments	1,171.11	98.83
	Undrawn committed sanctions to borrowers	6,905.17	325.00
42.3	**Pending litigations**		
	Suits filed by the Company against counterparties	1,553.20	592.52

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43 Employee Stock Option Scheme (ESOS)

The Group constituted the Vivriti ESOP Trust (the Trust) to administer the Employee Stock Options (ESOP) scheme and allotted 681,000 (31 March 2021: 1,519,000) equity shares to Trust. The Trust has granted 15,19,000 (31 March 2021: 15,19,000) options under the Employee Stock Option Scheme to employees spread over a vesting period of 2 to 5 years. The details of which are as follows;

Plan	Grant date	Number of options	Exercise price in Rs.	Vesting period	Vesting condition
Scheme 1	30-Jun-18	745,250	10.00	2 to 5 years	Time based vesting
Scheme 2	19-Jul-19	246,700	47.48	1 to 5 years	Time based vesting
Scheme 3	18-Nov-19	47,500	71.67	1 to 5 years	Time based vesting
Scheme 4	15-Dec-19	5,000	71.67	1 to 5 years	Time based vesting
Scheme 5	18-Nov-19	188,700	47.48	4 Years	Time based vesting
Scheme 6	30-Sep-20	465,625	71.67	4 Years	Time based vesting
Scheme 7	31-Dec-20	1,772,740	173.66	4 Years	Time based vesting

43.1 Reconciliation of outstanding options

The details of options granted under the above schemes are as follows.

Particulars	As at 31 March 2022		As at 31 March 2021	
	Weighted average exercise price per option	Number of options	Weighted average exercise price per option	Number of options
Outstanding at beginning of year	85.97	3,983,750	38.85	2,905,900
Forfeited during the year	109.80	(558,000)	108.11	(314,500)
Exercised during the year	48.17	(635,235)	27.11	(126,650)
Granted during the year	173.66	681,000	173.66	1,519,000
Outstanding as at end of year	**107.48**	**3,471,515**	**85.97**	**3,983,750**
Vested and exercisable as at end of year	**82.73**	**651,915**	**66.94**	**350,375**

43.2 Fair value methodology

The fair value of the options is estimated on the date of the grant using the Black-Scholes option pricing model, with the following assumptions:

	As at 31 March 2022	As at 31 March 2021
Share price on Grant date (In Rs.)	10.00 - 356.89	10.00 - 173.66
Exercise price (In Rs.)	10.00 - 173.66	10.00 - 173.66
Fair value of options at grant date	2.40 - 230.80	2.40 - 59.98
Expected dividends*	Nil	Nil
Option term	2 - 6 years	2 - 6 years
Risk free interest rate	4.09%- 8.32%	4.09%- 8.32%
Expected volatility**	14.70%- 33.04%	14.70%- 31.75%
Weighted average remaining contractual life (in years)	3.10	3.73

* Group has not paid any dividend till date.

** Group is a unlisted entity and having no listed peer companies, so volatility of BSE Finance Index for the historical period as per the time to maturity in each vesting has been considered.

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44 Leases

The disclosures as required under Ind AS 116 are as follows;

(i) Measurement of Lease Liabilities

Particulars	As at 31 March 2022	As at 31 March 2021
Lease Liabilities	997.48	1,038.46

The Group has considered weighted average rate of borrowings for discounting.

The Group has entered into leasing arrangements for premises. ROU has been included after the line 'Property, Plant and Equipment' and Lease liability has been included under 'Other Financial Liabilities' in the Balance Sheet.

(ii) Amounts recognised in the Balance sheet

Particulars	As at 31 March 2022	As at 31 March 2021
a) Right-of-use assets (net)	969.06	874.73
b) Lease liabilities		
Current	156.76	422.46
Non-current	840.72	616.03
Total Lease liabilities	**997.48**	**1,038.46**
c) Additions to the Right-of-use assets	1,974.51	-

(iii) Amounts recognised in the Statement of Profit and Loss

Particulars	As at 31 March 2022	As at 31 March 2021
a) Depreciation charge for right-of-use assets	342.40	337.77
b) Interest expense (included in finance cost)	175.67	135.67
c) Expense relating to short-term leases	2.51	0.30

(iv) Cash Flows

Particulars	As at 31 March 2022	As at 31 March 2021
The total cash outflow of leases	434.20	843.07

(v) Maturity analysis of undiscounted lease liabilities

Particulars	As at 31 March 2022	As at 31 March 2021
Not later than one year	253.83	546.19
Later than one year and not later than five years	1,017.35	1,757.14
Later than five years	-	-

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45 Financial Instruments

A Fair value measurement

Valuation principles

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions i.e, exit price. This is regardless of whether that price is directly observable or estimated using a valuation technique.

Financial instruments by category

The carrying value and fair value of financial instruments measured at fair value as of 31 March 2022 were as follows:

	Carrying amount		Fair value			
Particulars	**FVTPL**	**FVOCI**	**Level 1**	**Level 2**	**Level 3**	**Total**
Financial assets:						
Investments						
- Pass-through certificates	-	29,841.50	-	-	29,841.50	29,841.50
- Non convertible debentures	-	22,496.10	-	-	22,496.10	22,496.10
- Alternative Investment Funds	17,484.64	-	-	-	17,484.64	17,484.64
- Market Linked debentures	20,155.04	-	-	20,155.04	-	20,155.04
- Mutual Funds	3,010.85	-	3,010.85	-	-	3,010.85
Financial liabilities:						
Derivative financial instruments	-	382.00	-	-	382.00	382.00

The carrying value and fair value of financial instruments measured at fair value as of 31 March 2021 were as follows

	Carrying amount		Fair value			
Particulars	**FVTPL**	**FVOCI**	**Level 1**	**Level 2**	**Level 3**	**Total**
Financial assets:						
Investments						
- Pass-through certificates	-	8,847.55	-	-	8,847.55	8,847.55
- Non convertible debentures	-	11,885.29	-	-	11,885.29	11,885.29
- Alternative Investment Funds	2,942.73	-	-	-	2,942.73	2,942.73
- Market linked debentures	2,043.80	-	-	2,043.80	-	2,043.80
- Mutual funds	-	-	-	-	-	-

Reconciliation of fair value measurement is as follows

Particulars	**Year ended 31 March 2022**	**Year ended 31 March 2021**
Financial assets measured at FVOCI		
Balance at the beginning of the year	135.47	11.47
Total gains/(losses) measured through OCI	107.11	124.00
Balance at the end of the year	**242.58**	**135.47**
Financial assets measured at FVTPL		
Fair value adjustment (unrealised)	303.44	63.16

Sensitivity analysis - Increase/ decrease of 100 basis points

Particulars	**As at 31 March 2022**		**As at 31 March 2021**	
	Increase	**Decrease**	**Increase**	**Decrease**
Financial assets:				
Investments				
Pass through securities	(161.10)	158.18	(33.37)	58.83
- Non convertible debentures	(514.99)	494.00	(93.00)	194.63
- Alternative Investment Funds	174.85	(174.85)	69.04	112.91
- Market linked debentures	201.55	(201.55)	-	-
- Mutual funds	30.11	(30.11)	-	-
Financial liabilities:				
Derivative financial instruments	3.82	(3.82)	-	

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The carrying value and fair value of other financial instruments by categories as of 31 March 2022 were as follows:

Particulars	Carrying Value				
	Amortised cost	Level 1	Level 2	Level 3	Total
Financial assets not measured at fair value:					
Cash and cash equivalents	47,357.92				-
Bank balances other than cash and cash equivalents	31,894.68				-
Trade receivables	741.18				-
Loans	296,048.09				-
Investments	10,752.00				-
Other financial assets	1,821.22				-
Financial liabilities not measured at fair value:					
Trade payables					
-total outstanding dues of micro and small enterprises	-				-
-total outstanding dues of creditors other than micro and small enterprises	1,110.25				-
Debt securities	107,051.35				-
Borrowings (Other than debt securities)	247,962.03				-
Other financial liabilities	2,632.83				-

A Fair value measurement (continued)

The carrying value and fair value of financial instruments by categories as of 31 March 2021 were as follows:

Particulars	Carrying Value				
	Amortised cost	Level 1	Level 2	Level 3	Total
Financial assets not measured at fair value:					
Cash and cash equivalents	14,835.49				
Bank balances other than cash and cash equivalents	11,511.80				
Trade receivables	1,057.00				
Loans	162,156.59				
Other financial assets	341.19				
Financial liabilities not measured at fair value:					
Derivative financial instruments					
Trade payables					
-total outstanding dues of micro and small enterprises					
-total outstanding dues of creditors other than micro and small enterprises	2,035.52				
Debt securities	40,219.33				
Borrowings (Other than debt securities)	98,446.05				
Other financial liabilities	1,370.47				

Note:
Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments, traded bonds and mutual funds that have quoted price. The fair value of all equity instruments (including bonds) which are traded in the stock exchanges is valued using the closing price as at the reporting period. The mutual funds are valued using the closing NAV.

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

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities, contingent consideration and indemnification asset included in level 3.

The carrying amounts of trade receivables, trade payables, capital creditors and cash and cash equivalents are considered to be the same as their fair values, due to their short-term nature.

B Measurement of fair values

Valuation methodologies of financial instruments not measured at fair value

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

Short-term financial assets and liabilities

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

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Borrowings
The debt securities, borrowings and subordinated liabilities are primarily variable rate instruments. Accordingly, the fair value has been assumed to be equal to the carrying amount.

Loans
The Loans are primarily variable rate instruments. Accordingly, the fair value has been assumed to be equal to the carrying amount.

Transfers between levels I and II

There has been no transfer in between level I and level II. The fair value of a financial instrument on initial recognition is normally the transaction price (fair value of the consideration given or received). Subsequent to initial recognition, the Group determines the fair value of financial instruments that are quoted in active markets using the quoted bid prices (financial assets held) or quoted ask prices (financial liabilities held) and using valuation techniques for other instruments. Valuation techniques include discounted cash flow method, market comparable method, recent transactions happened in the Group and other valuation models.
The Group measures financial instruments, such as investments (other than equity investments in Subsidiaries, etc.) at fair value.

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

46 Capital management

The Group maintains an actively managed capital base to cover risks inherent in the business and is meeting the capital adequacy requirements of the local banking supervisor, Reserve Bank of India (RBI) of India. The adequacy of the Group's capital is monitored using, among other measures, the regulations issued by RBI.

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

The Group monitors capital using debt to equity ratio.

Particulars	As at 31 March 2022	As at 31 March 2021
Total Debt*	330,649.99	138,665.38
Total equity	268,689.44	78,051.90
Debt equity ratio	1.23	1.78

* Debt-equity ratio is (Debt Securities+Borrowings (Other than debt securities) - Bank overdrafts - Unamoritsed issues expenses) / net worth i.e. Equity share capital + Other equity + Convertible preference share capital

In order to achieve this overall objective, the Group's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest bearing loans and borrowings that define capital structure requirements. Breaches in financial covenants would permit the bank to immediately call loans and borrowings.

The Group manages its capital structure and makes adjustments to it according to changes in economic conditions and the risk characteristics of its activities. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividend payment to shareholders, return capital to shareholders or issue capital securities. No changes have been made to the objectives, policies and processes from the previous years. However, they are under constant review by the

46.1 Financial risk management objectives and policies

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

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46.1.1 Risk Management structure

The Group's board of directors and risk management committee has overall responsibility for the establishment and oversight of the Group's risk management framework. The board of directors and risk management committee along with the top management are responsible for developing and monitoring the Company's risk management policies.

The Group's risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities. The Group, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Group's risk management committee oversees how management monitors compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Group.

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

The Group's policy is that risk management processes throughout the Group are audited annually by the Internal Auditors, who examine both the adequacy of the procedures and the Group's compliance with the procedures. Internal Audit discusses the results of all assessments with management, and reports its findings and recommendations to the Board and Audit Committee.

The Group has put in place a robust risk management framework to promote a proactive approach in reporting, evaluating and resolving risks associated with the business. Given the nature of the business, the Group is engaged in, the risk framework recognizes that there is uncertainty in creating and sustaining value as well as in identifying opportunities. Risk management is therefore made an integral part of the Group's effective management practice.

46.1.2 Risk Measurement and reporting systems

The Group's risks are measured using a method that reflects both the expected loss likely to arise in normal circumstances and unexpected losses, which are an estimate of the ultimate actual loss based on statistical models. The models make use of probabilities derived from historical experience, adjusted to reflect the economic environment. The Group also runs worst-case scenarios that would arise in the event that extreme events which are unlikely to occur do, in fact, occur.

Monitoring and controlling risks is primarily performed based on limits established by the Group. These limits reflect the business strategy and market environment of the Group as well as the level of risk that the Group is willing to accept, with additional emphasis on selected industries. In addition, the Group's policy is to measure and monitor the overall risk-bearing capacity in relation to the aggregate risk exposure across all risk types and activities.

Information compiled from all the businesses is examined and processed in order to analyse, control and identify risks on a timely basis. This information is presented and explained to the Board of Directors, the Risk Committee, and the head of each business division. The report includes aggregate credit exposure, credit metric forecasts, hold limit exceptions, VaR, liquidity ratios and risk profile changes. On a monthly basis, detailed reporting of industry, customer and geographic risks takes place. Senior management assesses the appropriateness of the allowance for credit losses on a monthly basis. The Board receives a comprehensive risk report once a quarter which is designed to provide all the necessary information to assess and conclude on the risks of the Group.

At all levels of the Group's operations, specifically tailored risk reports are prepared and distributed in order to ensure that all business divisions have access to extensive, necessary and up–to–date information.

It is the Group's policy that a monthly briefing is given to the Board of Directors and all other relevant members of the Group on the utilisation of market limits, analysis of VaR, proprietary investments and liquidity, plus any other risk developments.

Stress testing is a fundamental pillar of the Group's risk management toolkit, to simulate various economic stress scenarios to help the Group set and monitor risk appetite and to ensure that the Group maintains a conservative risk profile. The outcome of tests is embedded into the individual credit, liquidity and funding risk profiles through limits and mitigation contingency plans and includes both financial and regulatory measures.

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

46.2 Credit Risk

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

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

The Group has established a credit quality review process to provide early identification of possible changes in the creditworthiness of counterparties, including regular collateral revisions. Counterparty limits are established by the use of a credit risk classification system, which assigns each counterparty a risk rating. Risk ratings are subject to regular revision. The credit quality review process aims to allow the Group to assess the potential loss as a result of the risks to which it is exposed and take corrective actions.

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42.3.1 Impairment assessment

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

Grouping

As per Ind AS 109, the Group is required to group the portfolio based on the shared risk characteristics. The Group has assessed the risk and its impact on the various portfolios and has divided the portfolio into following groups namely Loans, investments in pass through securities, investment in non-convertible debentures, colending and partial guarantees towards pooled bond & loan issuances.

Expected Credit Loss("ECL")

ECL on financial assets is an unbiased probability weighted amount based out of possible outcomes after considering risk of credit loss even if probity is low. ECL is calculated based on the following components: a. Marginal probability of default ("MPD") b. Loss given default ("LGD") c. Exposure at default ("EAD") d. Discount factor ("D")

Expected Credit Losses are measured via a combination of Monte Carlo Simulations across three major cohorts of exposure and the losses across these three cohorts are then added and loss distribution is used to arrive at Expected Credit Loss (ECL)

• 12 month expected credit losses (basis defaults in Monte Carlo simulation) across the financial instruments on Stage I assets

• Lifetime expected credit losses (basis defaults in Monte Carlo simulation) across the financial instruments which have either become NPA (Stage III) or have displayed significant increase in credit risk (Stage II assets)

• Partial Guarantee product losses wherein a partial guarantee is extended to a pool of issuers- in this case; the entire EAD of all the issuances is considered to arrive at expected credit losses.

a) Marginal probability of default: PD is defined as the probability of whether borrowers will default on their obligations in the future. PD is derived from the external rating of the borrower by following steps:

1) To arrive at the PD, the annual default study published by rating agencies is relied upon. The default numbers published against each rating category in different studies are then aggregated to arrive at internal PD matrix for each rating category

2) The PD numbers published are on an annual scale and since the exposure of the instruments are on monthly basis, the monthly PD is then interpolated on a monthly basis by fitting the data points from annual PD curve using cubic splines.

3) Finally, the Through the Cycle (TTC) PDs are converted to Point in Time (PIT) PDs using forward looking variables (GDP etc) using combinations of correlation of underlying sectors asset quality and Pluto Tasche model.

4) The PDs derived from the methodology described above, are the cumulative PDs, stating that the borrower can default in any of the given years, however to compute the loss for any given year, these cumulative PDs have to be converted to 12 month marginal PDs. Marginal PDs is probability that the obligor will default in a given year, conditional on it having survived till the end of the previous year.

b) Loss Given Default (LGD): LGD is an estimate of the loss from a transaction given that a default occurs. Under Ind AS 109, lifetime LGD's are defined as a collection of LGD's estimates applicable to different future periods. Various approaches are available to compute the LGD.

The formula for the computation is as below:

The Group has considered an LGD of 65% on unsecured exposures and 50% on secured exposures as recommended by the Foundation Internal Ratings Based (FIRB) approach under Basel II guidelines issued by RBI.

c) Exposure at Default (EAD): As per Ind AS 109, EAD is estimation of the extent to which the financial entity may be exposed to counterparty in the event of default and at the time of counterparty's default. The Group has modelled EAD based on the contractual and behavioural cash flows till the lifetime of the loans considering the expected prepayments.

The Group has considered outstanding expected future cash flows (including interest cashflows) , SLCE for all the loans at DPD bucket level for each of the risk segments, which was used for computation of ECL. Moreover, the EAD comprised of principal component, accrued interest and also the future interest for the outstanding exposure. So discounting was done for computation of expected credit loss.

EAD is taken as the gross exposure under a facility upon default of an obligor. The amortized principal and the interest accrued is considered as EAD for the purpose of ECL computation

The advances have been bifurcated into following three stages:

Stage I – Advances with low credit risk and where there is no significant increase in credit risk. Hence, the advances up to 0 to 29 days are classified as Stage I.

Stage II – Advances with significant increase in credit risk. Hence the advances from 30 to 89 days are classified as Stage II.

Stage III – Advances that have defaulted / Credit impaired advances. Hence the advances with 90 days past due or Restructured Advances are classified as Stage III. Another loan of the same borrower whether in Stage I or Stage II is also considered as Stage III loan.

Note:- Days past due has been computed after considering the RBI Circular dated March 27, 2020, for the aforesaid classification into Stage I, Stage II and Stage III Loans.

The Group had provided moratorium on the payment of all principal amounts and/or interest, as applicable, falling due between March 1, 2020 and August 31, 2020 to all eligible borrowers. The Group has recognised for interest on interest for the moratorium cases.

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d) Discounting Factor: As per Ind AS 109, ECL is computed by estimating the timing of the expected credit shortfalls associated with the defaults and discounting them using effective interest rate which is obtained from the underlying yield (inclusive of processing fee) for each instrument.

Additionally, the model also uses correlation matrix for deriving correlation in events of stress between different borrowers in same segment.

Correlation Matrix: This provides correlation between different entities/sectors which are present in the structure. When defaults are simulated on the portfolio, these entities in same or different sectors default together to the extent of strength of correlation. The correlation between two entities is derived as follows:

- Inherently, the entire NBFC sector carries a bit of correlation in terms of liquidity risk- in event of stress, we see the liquidity vanishing from NBFC sector very quickly
- There is slight overlap between entities operating in the same sector- for example event like GST and demonetization did impact all small business loans establishments, although to a varying extent
- For microfinance sector, since the loans are more homogenous, geopolitical, and social issues do tend to dominate majority of stress events and hence geographically exclusivity will help
- Occupation profiles of the underlying borrowers served by entities

ECL computation: Conditional ECL at DPD pool level was computed with the following method: Conditional ECL for year (yt) = EAD (yt) * conditional PD (yt) * LGD (yt) * discount factor (yt)

The calculation is based on provision matrix which considers actual historical data adjusted appropriately for the future expectations and probabilities. Proportion of expected credit loss provided for across the stage is summarised below:

Particulars	Provisions	As at 31 March 2022	As at 31 March 2021
Stage 1	12 month provision	1,749.30	1,418.46
Stage 2	Life time provision	876.52	-
Stage 3	Life time provision	842.11	855.02
Amount of expected credit loss provided for		**3,467.93**	**2,273.48**

The loss rates are based on actual credit loss experience over past years. These loss rates are then adjusted appropriately to reflect differences between current and historical economic conditions and the Group's view of economic conditions over the expected lives of the loan receivables. Movement in provision of expected credit loss has been provided in below note.

Analysis of changes in the gross carrying amount of loans:

Particulars	As at 31 March 2022				As at 31 March 2021			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
As at the beginning of the ye	**163,211.25**	**-**	**592.52**	**163,803.77**	**82,595.45**	**-**	**592.52**	**83,187.97**
New assets originated *	435,440.73	-	-	435,440.73	220,738.16	-	-	220,738.16
Asset derecognised or repaid	(300,273.85)	-	(11.16)	(300,285.01)	(139,163.77)	-	-	(139,163.77)
Transfer from stage 1	-	1,569.55	510.33	2,079.88	-	-	958.59	958.59
Transfer from stage 2	(1,569.55)	-	-	(1,569.55)	-	-	-	-
Transfer from stage 3	(510.33)	-	-	(510.33)	(958.59)	-	-	(958.59)
Write offs	-	-	-	-	-	-	(958.59)	(958.59)
As at the end of the year	**296,298.25**	**1,569.55**	**1,091.69**	**298,959.49**	**163,211.25**	**-**	**592.52**	**163,803.77**

* New assets originated are those assets which have originated during the year.

As at the balance sheet date, the parties are repaying the principal amounts, as stipulated, and are also regular in payment of interest, except for the following:

Extent of delay	Number of customers / borrowers	Amount (INR Lakhs)	Due Date
Up to 30 days	8	366.72	Various due dates
31 – 89 days	6	1,569.55	Various due dates
More than 90 days	9	1,091.69	Various due dates

Analysis of changes in the ECL allowance

Particulars	As at 31 March 2022				As at 31 March 2021			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
As at the beginning of the ye	**1,418.46**	**-**	**855.02**	**2,273.48**	**675.52**	**-**	**495.97**	**1,171.49**
Additions	409.08	870.33	255.01	1,534.42	748.21	-	2,241.54	2,989.75
Reversals	(72.03)		-	(72.03)	-	-	-	-
Transfer from stage 1	-	-	-	-	-	-	5.27	5.27
Transfer from stage 2	(6.19)	-	-	(6.19)	-	-	-	-
Transfer from stage 3	-	6.19	-	6.19	(5.27)	-	-	(5.27)
Write offs	-	-	(267.92)	(267.92)	-	-	(1,887.76)	(1,887.76)
As at the end of the year	**1,749.30**	**876.52**	**842.11**	**3,467.93**	**1,418.46**	**-**	**855.02**	**2,273.48**

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Collateral and other credit enhancements
The amount and type of collateral required depends on an assessment of the credit risk of the counterparty. Guidelines are in place covering the acceptability and valuation of each type of collateral. The main types of collateral obtained are, vehicles, loan portfolios and mortgaged properties based on the nature of loans. Management monitors the market value of collateral and will request additional collateral in accordance with the underlying agreement.

Exposure to credit risk
The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure is the total of the carrying amount of the aforesaid balances.

Investments
The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The exposure to credit risk for investments is to other non-banking finance companies and financial institutions.

The risk committee has established a credit policy under which each new investee pool is analysed individually for creditworthiness before the Group's standard payment and delivery terms and conditions are offered. The Group's review includes external ratings, if they are available, financial statements, credit agency information, industry information etc. For investments the collateral is the underlying loan pool purchased from the financial institutions.

An impairment analysis is performed at each reporting date based on the facts and circumstances existing on that date to identify expected losses on account of time value of money and credit risk. For the purposes of this analysis, the investments are categorised into groups based on days past due. Each group is then assessed for impairment using the Expected Credit Loss (ECL) model as per the provisions of Ind AS 109 - financial instruments. Further, the risk management committee periodically assesses the credit rating information.

Cash and cash equivalent and Bank deposits

Credit risk on cash and cash equivalent and bank deposits is limited as the Group generally invests in term deposits with banks

46.3 Market Risk

Market Risk is the possibility of loss arising from changes in the value of a financial instrument as a result of changes in market variables such as interest rates, exchange rates and other asset prices. The Group's exposure to market risk is a function of asset liability management activities. The Group is exposed to interest rate risk and liquidity risk.

The Group continuously monitors these risks and manages them through appropriate risk limits. The Asset Liability Management Committee (ALCO) reviews market-related trends and risks and adopts various strategies related to assets and liabilities, in line with the Group's risk management framework. ALCO activities are in turn monitored and reviewed by a board sub-committee.

46.4 Operational Risk

Operational risk is the risk of loss resulting from inadequate or failed internal processes, people or systems, or from external events.

The operational risks of the Group are managed through comprehensive internal control systems and procedures and key backup processes. In order to further strengthen the control framework and effectiveness, the Group has established risk control self assessment at branches to identify process lapses by way of exception reporting. This enables the management to evaluate key areas of operational risks and the process to adequately mitigate them on an ongoing basis.

The Group also undertakes Risk based audits on a regular basis across all business units / functions. While examining the effectiveness of control framework through self-assessment, the risk-based audit would assure effective implementation of self-certification and internal financial controls adherence, thereby, reducing
enterprise exposure.

The Group has put in place a robust Disaster Recovery (DR) plan, which is periodically tested. Business Continuity Plan (BCP) is further put in place to ensure seamless continuity of operations including services to customers, when confronted with adverse events such as natural disasters, technological failures, human errors, terrorism, etc. Periodic testing is carried out to address gaps in the framework, if any. DR and BCP audits are conducted on a periodical basis to provide

46.5 Liquidity Risk

Liquidity risk is defined as the risk that the Group will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. Liquidity risk arises because of the possibility that the Group might be unable to meet its payment obligations when they fall due as a result of mismatches in the timing of the cash flows under both normal and stress circumstances. Such scenarios could occur when funding needed for illiquid asset positions is not available to the Group on acceptable terms. To limit this risk, management has arranged for diversified funding sources and adopted a policy of availing funding in line with the tenor and repayment pattern of its receivables and monitors future cash flows and liquidity on a daily basis. The Group has developed internal control processes and contingency plans for managing liquidity risk. This incorporates an assessment of expected cash flows and the availability of unencumbered receivables which could be used to secure funding by way of assignment if required. The Group also has lines of credit that it can access to meet liquidity needs.

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46.6 Interest Risk

Interest rate risk arises from the possibility that changes in interest rates will affect future cash flows or the fair values of financial instruments. The core business of the Group is providing loans to Institutional Finance. The Group borrows through various financial instruments to finance its core lending activity. These activities expose the Group to interest rate risk.

Interest rate risk is measured through earnings at risk from an earnings perspective and through duration of equity from an economic value perspective. Further, exposure to fluctuations in interest rates is also measured by way of gap analysis, providing a static view of the maturity and re-pricing characteristic of Balance sheet positions. An interest rate sensitivity gap report is prepared by classifying all rate sensitive assets and rate sensitive liabilities into various time period categories according to contracted/behavioural maturities or anticipated re-pricing date. The difference in the amount of rate sensitive assets and rate sensitive liabilities maturing or being re-priced in any time period category, gives an indication of the extent of exposure to the risk of potential changes in the margins on new or re-priced assets and liabilities. The interest rate risk is monitored through above measures on a quarterly basis. Substantially all loans reprice frequently, with interest rates reflecting current market pricing.

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

46.7 Foreign currency risk

Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. Foreign currency risk for the Group arises majorly on account of foreign currency borrowings. The Group manages this foreign currency risk by entering into cross currency interest rate swaps. When a derivative is entered into for the purpose of being as hedge, the Group negotiates the terms of those derivatives to match with the terms of the hedge exposure. The Group's policy is to fully hedge its foreign currency borrowings at the time of drawdown and remain so till repayment.

The Group holds derivative financial instruments such as cross currency interest rate swap to mitigate risk of changes in exchange rate in foreign currency and floating interest rate. The counterparty for these contracts is generally a bank. These derivative financial instruments are valued based on quoted prices for similar assets and liabilities in active markets or inputs that are directly or indirectly observable in market place.

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47 Maturity analysis of assets and liabilities

The table below shows an analysis of assets and liabilities analysed according to when they are expected to be recovered or settled. Derivatives have been classified to mature and/ or be repaid within 12 months, regardless of the actual contractual maturities of the products. With regard to loans and advances to customers, the Company uses the same basis of expected repayment behaviour as used for estimating the EIR.

Particulars	As at 31 March 2022			As at 31 March 2021		
	Within 12 Months	After 12 Months	Total	Within 12 Months	After 12 Months	Total
Assets						
Cash and cash equivalents	47,357.92	-	47,357.92	14,835.49	-	14,835.49
Bank balances other than cash and cash equivalents	29,492.68	2,412.00	31,904.68	9,287.91	2,223.89	11,511.80
Receivables	742.05	-	742.05	1,057.00	-	1,057.00
Loans	208,878.91	87,197.03	296,075.94	107,893.01	54,263.58	162,156.59
Investments	242,535.57	52,332.83	294,868.40	11,394.70	14,324.67	25,719.37
Other financial assets	796.20	369.56	1,165.76	54.19	287.00	341.19
Current tax assets (net)	91.88	1,859.81	1,951.69	-	1,065.35	1,065.35
Deferred tax assets (net)	-	355.36	355.36	-	1,421.21	1,421.21
Investment Property	-	948.61	948.61	-	-	-
Property, plant and equipment	-	777.81	777.81	-	736.74	736.74
Right of use asset	-	43.08	43.08	-	492.30	492.30
Intangible assets under development	-	969.06	969.06	-	874.73	874.73
Other intangible assets	-	317.99	317.99	-	475.83	475.83
Other non- financial assets	2,252.70	27.67	2,280.37	620.69	26.88	647.57
Total Assets	**532,147.91**	**147,583.14**	**679,758.72**	**145,142.99**	**76,192.18**	**221,335.17**
Liabilities						
Derivative financial instruments	-	382.00	382.00	-	-	-
Trade payables		-	-	-	-	-
-total outstanding dues of micro and small enterprises		-	-	12.13	-	12.13
-total outstanding dues of creditors other than micro and small enterprises	2,505.81	-	2,505.81	1,173.39	-	1,173.39
Debt securities	63,392.47	44,348.56	107,741.03	11,824.40	28,394.93	40,219.33
Borrowings (Other than debt securities)	133,607.22	114,354.81	247,962.03	58,062.23	40,383.82	98,446.05
Other financial liabilities	1,120.45	522.99	1,643.44	2,220.47	-	2,220.47
Deferred tax liabilities (net)	-	45,424.37	45,424.37			
Provisions	198.52	54.45	252.97	800.07	21.22	821.29
Other non-financial liabilities	465.66	-	465.66	390.61	-	390.61
Total Liabilities	**201,290.13**	**205,087.18**	**406,377.31**	**74,483.30**	**68,799.97**	**143,283.27**
Total equity			**273,381.41**			**78,051.90**

47A Change in Liabilities arising from financing activities

Particulars	As at 1 April 2021	Cash flows	Exchange difference	Others*	As at 31 March 2022
Debt Securities	40,219.33	64,329.88	-	3,191.82	107,741.03
Borrowings (other than debt securities)	98,446.05	148,483.95	71.78	960.25	247,962.03

Particulars	As at 1 April 2020	Cash flows	Exchange difference	Others*	As at 31 March 2021
Debt Securities	30,446.55	6,334.21	-	3,438.57	40,219.33
Borrowings (other than debt securities)	47,220.90	54,366.67	-	(3,141.52)	98,446.05

*Others includes effect of amortisation of processing fee and interest accruals

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48 Impact of hedging activities

Disclosure of effects of hedge accounting on financial position:

As at 31 March 2022								
Type of hedge risks	**Nominal Value**		**Carrying amount of hedging instrument**		**Maturity Date**	**Changes in fair value of hedging instrument**	**Change in the value of hedged item as the basis for recognising hedge effectiveness**	**Line item in Balance Sheet**
Cash flow hedge	**Assets**	**Liabilities**	**Assets**	**Liabilities**				
Cross currency interest rate swaps	-	7,639.68	-	382.00	30-Nov-26	382.00	57.23	Borrowings other than debt securities

As at 31 March 2021								
Type of hedge risks	**Nominal Value**		**Carrying amount of hedging instrument**		**Maturity Date**	**Changes in fair value of hedging instrument**	**Change in the value of hedged item as the basis for recognising hedge effectiveness**	**Line item in Balance Sheet**
Cash flow hedge	**Assets**	**Liabilities**	**Assets**	**Liabilities**				
Cross currency interest rate swaps	-	-	-	-	-	-	-	-

Disclosure of effects of hedge accounting on financial performance:

For the year ended 31 March 2022				
Type of hedge	**Change in value of the hedging instrument recognised in other comprehensive income**	**Hedge ineffectiveness recognised in statement of profit and loss**	**Amount reclassified from cash flow hedge reserve to statement of profit and loss**	**Line item affected in statement of profit and loss because of the reclassification**
Cash flow hedge				
Cross currency interest rate swaps	(324.77)	-	-	Not applicable

For the year ended 31 March 2021				
Type of hedge	**Change in value of the hedging instrument recognised in other comprehensive income**	**Hedge ineffectiveness recognised in statement of profit and loss**	**Amount reclassified from cash flow hedge reserve to statement of profit and loss**	**Line item affected in statement of profit and loss because of the reclassification**
Cash flow hedge				
Cross currency interest rate swaps	-	-	-	

49 Additional Regulatory Information

i) The Group does not have any Benami property, where any proceeding has been initiated or pending against the Group for holding any Benami property.
ii) The Group does not have any transactions with companies struck off.
iii) The Group does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period,
iv) The Group has not traded or invested in Crypto currency or Virtual Currency during the financial year.
v) The Group has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group (Ultimate Beneficiaries) or
(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
vi) The Group has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group shall,
(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
(b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,
vii) The Group does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961

BSR & Co. LLP * Chartered Accountants *

Vivriti Capital Private Limited Chennai 600 035 *

50 Impact of COVID-19

The impact of COVID-19 including the economic and social consequences continues to be uncertain and the extent to which the ongoing COVID-19 pandemic will impact the Group's financial performance including the Group's estimates of impairment and fair valuation of financial instruments, are dependent on such future developments, the severity and duration of the pandemic, that are highly uncertain.

In respect of accounts where moratorium benefit have been granted, the staging of those accounts is based on the days past due status considering the benefit of moratorium period in accordance with the Reserve Bank of India Covid-19 Regulatory Package.

The Group has considered the aforesaid context of the pandemic in applying the assumptions used to determine the impairment and fair valuation of financial instruments. The Group has recognized impairment of financial instruments (including write offs) aggregating to INR 1,462.38 lakhs and INR 2,989.74 lakhs for the year ended 31 March 2022 and 31 March 2021 respectively. The impact assessment of COVID-19 is a continuing process. Given its uncertainty in nature and duration, this may have corresponding impact in the financial position and performance of the Group. The Group will continue to monitor any material changes to the future economic conditions.

51 Subsequent events

There are no subsequent events other than those disclosed in the financial statements that have occurred after the reporting period till the date of approval of these financial statements.

52 Previous period's figures have been regrouped / reclassified wherever necessary, to conform with the current period presentation.

As per our report of even date attached

for **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No. 101248W/W-100022

S Sethuraman
Partner
Membership No: 203491

Place: Chennai
Date: 27 May 2022

For and on behalf of the Board of Directors of
Vivriti Capital Private Limited

Vineet Sukumar
Managing Director
DIN 06848801

Gaurav Kumar
Director
DIN 07767248

B Srinivasaraghavan
Chief Financial Officer

Amritha Paitenkar
Company Secretary
Membership No: A49121

Place: Chennai
Date: 27 May 2022