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INDEL MONEY LIMITED

Indel Money Limited ("**our Company**" or "**the Company**" or "**the Issuer**" or "**IML**") was originally incorporated as '*Payal Holdings Private Limited*', a private limited company under the provisions of the Companies Act, 1956, pursuant to a certificate of incorporation dated September 11, 1986 issued by Registrar of Companies, Maharashtra at Mumbai ("**RoC**"). The name of our Company was changed to '*Indel Money Private Limited*' pursuant to a fresh certificate of incorporation dated on January 9, 2013 issued by the RoC. Pursuant to a special resolution passed in the general meeting of our Shareholders held on August 16, 2021, our Company was converted into a public limited company and a fresh certificate of incorporation was issued by the RoC on August 26, 2021, and the name of our Company was changed to '*Indel Money Limited*'. Our Company holds a certificate of registration dated September 27, 2021 bearing registration number B-13.01564 issued by the Reserve Bank of India ("**RBI**") to carry on the activities of a non-banking financial company without accepting public deposits under Section 45 IA of the Reserve Bank of India Act, 1934. For further details about our Company, see "*History and Certain Other Corporate Matters*" on page 111.

Registered Office: Office No.301, Floor No.3, Sai Arcade N.S Road, Mulund West, Mumbai 400 080, Maharashtra, India.
Corporate Office: Indel House, Changampuzha Nagar, South Kalamassery, Ernakulam 682 033, Kerala, India.
Company Secretary and Compliance Officer/ Contact Person: Hanna P Nazir; **Email**: cs@indelmoney.com; **Telephone**: +91 484 293 3988;
Chief Financial Officer: Narayanan P; **Email**: cfo@indelmoney.com; **Telephone**: +91 484 293 3989;
Corporate Identification Number: U65990MH1986PLC040897; **PAN**: AAACP9568M; **E-mail**: care@indelmoney.com; **Website**: www.indelmoney.com

PUBLIC ISSUE BY OUR COMPANY OF SECURED, REDEEMABLE, NON-CONVERTIBLE DEBENTURES OF FACE VALUE OF ₹1,000 EACH, ("NCDS") AT PAR, AGGREGATING UP TO ₹7,500 LAKHS, HEREINAFTER REFERRED TO AS THE "BASE ISSUE" WITH AN OPTION TO RETAIN OVER-SUBSCRIPTION UP TO ₹7,500 LAKHS AGGREGATING UP TO ₹15,000 LAKHS, HEREINAFTER REFERRED TO AS THE "OVERALL ISSUE SIZE". THE ISSUE IS BEING MADE PURSUANT TO THE PROVISIONS OF SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE AND LISTING OF NON-CONVERTIBLE SECURITIES) REGULATIONS, 2021, THE COMPANIES ACT, 2013 AND RULES MADE THEREUNDER, AS AMENDED. THE ISSUE IS NOT PROPOSED TO BE UNDERWRITTEN.

OUR PROMOTER

Indel Corporation Private Limited; **Email**: cs@indelcorp.in; **Telephone**: +91 484 293 3999. For further details see, "*Our Promoter*" on page 123.

GENERAL RISKS

Investment in non-convertible securities is risky, and investors should not invest any funds in such securities unless they can afford to take the risk attached to such investments. Investors are advised to take an informed decision and to read the risk factors carefully before investing in this offering. For taking an investment decision, the Investors must rely on their own examination of the Issuer and the Issue, including the risks involved. Specific attention of the Investors is invited to the chapter titled "*Risk Factors*" on page 18 and "*Material Developments*" on page 127, before making an investment in this Issue. These risks are not, and are not intended to be, a complete list of all risks and considerations relevant to the non-convertible securities or investor's decision to purchase such securities. This Draft Prospectus has not been and will not be approved by any regulatory authority in India, including the RBI, the Securities and Exchange Board of India ("**SEBI**"), the RoC or any stock exchange in India.

CREDIT RATING

Our Company has received rating of CRISIL BBB+/Stable (pronounced as CRISIL triple B plus rating with Stable outlook) by Crisil Ratings Limited *vide* its letter dated September 18, 2024 read with press release dated September 18, 2024, for the NCDs proposed to be issued pursuant to this Issue. The rating of the NCDs by Crisil Ratings Limited indicates that the instruments with this rating are considered to have moderate degree of safety and moderate credit risk. The rating given by Crisil Ratings Limited is valid as on the date of this Draft Prospectus and shall remain valid on date of the issue and allotment of NCDs and the listing of the NCDs on BSE. The ratings provided by Crisil Ratings Limited may be suspended, withdrawn or revised at any time by the assigning rating agency and should be evaluated independently of any other rating. These ratings are not a recommendation to buy, sell or hold securities and Investors should take their own decisions. Please refer to Annexure A on page 274 for the rating letter and rating rationale.

COUPON RATE, COUPON PAYMENT FREQUENCY, REDEMPTION RATE, REDEMPTION AMOUNT & ELIGIBLE INVESTORS

For details relating to Coupon Rate, Coupon Payment Frequency, Redemption Date, Redemption Amount and eligible Investors of the NCDs, please see "*Issue Structure*" on page 207.

LISTING

The NCDs offered through this Draft Prospectus are proposed to be listed on the BSE Limited ("**BSE**"/ "**Stock Exchange**"). Our Company has obtained 'in-principle' approval for the Issue from BSE *vide* its letter dated [●], 2024. BSE shall be the Designated Stock Exchange for this Issue.

PUBLIC COMMENTS

This Draft Prospectus, filed with BSE pursuant to the provisions of NCS Regulations, to be kept open for public comments for a period of five days (i.e. until 5 p.m.) on [●], 2024. All the comments on this Draft Prospectus are to be forwarded to the attention of the Compliance Officer of our Company. Comments may be sent through post or e-mail.

LEAD MANAGER TO THE ISSUE	DEBENTURE TRUSTEE*
VIVRO **VIVRO FINANCIAL SERVICES PRIVATE LIMITED** Vivro House 11, Shashi Colony, Opposite Suvidha Shopping Center, Paldi, Ahmedabad – 380007, Gujarat, India **Telephone:** +91 7940404242/40/41 **Email:** investors@vivro.net **Website:** www.vivro.net **Contact Person:** Jay Dodiya / Kruti Saraiya	VISTRA **VISTRA ITCL (INDIA) LIMITED** The Capital Building, Unit no. 505-A2, Bandra Kurla Complex, Bandra East, Mumbai, Maharashtra, India, 400051 **Tel:** +91 22 2659 3333 **Email:** itclcomplianceofficer@vistra.com **Website:** www.vistraitcl.com **Contact Person:** Jatin Chonani

REGISTRAR TO THE ISSUE	CREDIT RATING	STATUTORY AUDITOR
LINK Intime **LINK INTIME INDIA PRIVATE LIMITED** C-101, 247 Park, L.B.S. Marg Vikhroli (West), Mumbai – 400 083 Maharashtra, India **Tel:** + 91 810 811 4949 **Fax:** +91 22 49186060 **Email**: indelmoney.ncd2024@linkintime.co.in **Website**: www.linkintime.co.in **Contact Person**: Shanti Gopalkrishnan	CRISIL Ratings **CRISIL RATINGS LIMITED** **(A subsidiary of CRISIL Limited)** CRISIL House, Central Avenue, Hiranandani Business Park, Powai, Mumbai – 400 076 **Tel:** +91 22 3342 3000 **Email:** crisilratingdesk@crisil.com **Website:** www.crisilratings.com **Contact Person:** Ajit Velonie	**BHATTER & COMPANY,** **CHARTERED ACCOUNTANTS** 307, Tulsiani Chambers, Nariman Point Mumbai, Maharashtra – 400 021 **Tel:** +91 22 2285 3039/ 3020 8868 **Email**: dhbhatter@gmail.com **Website**: NA **Contact Person**: D.H. Bhatter

ISSUE PROGRAMME	
ISSUE OPENS ON : AS SPECIFIED IN THE PROSPECTUS	**ISSUE CLOSES ON: AS SPECIFIED IN THE PROSPECTUS ****

** Vistra ITCL (India) Limited, by its letter dated September 24, 2024 has given its consent for its appointment as Debenture Trustee to the Issue and for its name to be included in this Draft Prospectus and in all the subsequent periodical communications sent to the holders of the Debenture issued pursuant to this Issue. For further details, please refer to "General Information – Debenture Trustee" on page 41.*

***The Issue shall remain open for subscription on Working Days from 10:00 a.m. to 5:00 p.m. (Indian Standard Time), during the period indicated in the Prospectus, except that the Issue may close on such earlier date or extended date (subject to a minimum period of 2 working days and a maximum period of 10 working days from the date of opening of the issue and subject to not exceeding thirty days from filing the Prospectus with ROC) including any extensions, as may be decided by the Board of Directors of our Company ("Board") or the NCD Sub-Committee, subject to relevant approvals, in accordance with the SEBI NCS Regulations. In the event of such an early closure of or extension subscription list of the Issue, our Company shall ensure that notice of such early closure or extension is given to the prospective investors through an advertisement in a national daily newspaper and a regional daily newspaper in Maharashtra where the registered office is located, with wide circulation on or before such earlier date or extended date of closure. Applications Forms for the Issue will be accepted only from 10:00 a.m. to 5:00 p.m. (Indian Standard Time) or such extended time as may be permitted by the Stock Exchange, on Working Days during the Issue Period. On the Issue Closing Date, Application Forms will be accepted only between 10:00 a.m. to 3:00 p.m. (Indian Standard Time) and uploaded until 5:00 p.m. (Indian Standard Time) or such extended time as may be permitted by the Stock Exchange.*

A copy of the Prospectus and written consents of our Directors, our Company Secretary and Compliance Officer, our Chief Financial Officer, our Auditor, the Lead Manager, the Registrar to the Issue, Public Issue Account Bank, Refund Bank, Sponsor Bank, Credit Rating Agency, the legal advisor, the Debenture Trustee, CARE Analytics and Advisory Private Limited, lenders to our Company and the Syndicate Member to act in their respective capacities shall be filed with the RoC, in terms of Section 26 of the Companies Act, 2013 along with the requisite endorsed/ certified copies of all requisite documents. For further details, please see "Material Contracts and Documents for Inspection" beginning on page 264.

TABLE OF CONTENTS

SECTION I - GENERAL

DEFINITIONS AND ABBREVIATIONS

Unless the context otherwise indicates, all references in this Draft Prospectus to “Issuer”, “our Company”, “the Company” or “Indel” are to Indel Money Limited, a company incorporated under the Companies Act, 1956, registered as non-deposit taking non-banking financial company with the Reserve Bank of India under Section 45-IA of the Reserve Bank of India Act, 1934. The Registered Office is situated at Office No.301, Floor No.3, Sai Arcade N.S Road, Mulund West, Mumbai 400 080, Maharashtra, India.

Unless specified elsewhere or the context otherwise indicates, all references in this Draft Prospectus to “we” or “us” or “our” or “Issuer” are to our Company.

Unless the context otherwise indicates or implies, the following terms have the following meanings in this Draft Prospectus, and references to any legislation, act, regulation, rules, guidelines or policies shall be to such legislation, act, regulation, rules, guidelines or policies as amended from time to time.

Company Related Terms

Term	Description
AoA/ Articles/ Articles of Association	Articles of Association of our Company, as amended from time to time.
Audited Financial Statements	The Audited Financial Statements of the Company comprising of Audited Financial Statements for the financial year ending March 31, 2024, Audited Financial Statements for the financial year ending March 31, 2023 and Audited Financial Statements for the financial year ending March 31, 2022.
Audited Financial Statements for Fiscal 2024	The annual balance sheet as at March 31, 2024 and the annual statement of profit and loss for the year ended 2024 and the annual statement of cash flows for the year ended 2024 and the annual statement of changes in equity for the year ended 2024 prepared by the Company in accordance with the Indian Accounting Standards (Ind AS) specified under section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.
Audited Financial Statements for Fiscal 2023	The annual balance sheet as at March 31, 2023 and the annual statement of profit and loss for the year ended 2023 and the annual statement of cash flows for the year ended 2023 and the annual statement of changes in equity for the year ended 2023 prepared by the Company in accordance with the Indian Accounting Standards (Ind AS) specified under section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.
Audited Consolidated Financial Statements for Fiscal 2022	The annual consolidated balance sheet as at March 31, 2022 and the annual consolidated statement of profit and loss for the year ended 2022 and the annual consolidated statement of cash flows for the year ended 2022 and the annual consolidated statement of changes in equity for the year ended 2022 prepared by the Company in accordance with the Indian Accounting Standards (Ind AS) specified under section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.
Audited Standalone Financial Statements for Fiscal 2022	The annual standalone balance sheet as at March 31, 2022 and the annual standalone statement of profit and loss for the year ended 2022 and the annual standalone statement of cash flows for the year ended 2022 and the annual standalone statement of changes in equity for the year ended 2022 prepared by the Company in accordance with the Indian Accounting Standards (Ind AS) specified under section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.
Audited Financial Statements for Fiscal 2022	Audited Consolidated Financial Statements for Fiscal 2022 and Audited Standalone Financial Statements for Fiscal 2022
Auditor/ Statutory Auditor	Bhatter & Company, Chartered Accountants.
Asset Under Management/ AUM	AUM represents gross loans including interest receivables without considering the impact of impairment loss allowance and impact of effective interest rate in accordance with IND AS on standalone and consolidated basis, respectively.
Board/Board of Directors	Board of directors of our Company or any duly constituted committee thereof.
Company Secretary and Compliance Officer	The company secretary and compliance officer of our Company, i.e., Hanna P. Nazir.
Corporate Office	Indel House, Changampuzha Nagar South Kalamassery, Ernakulam 682033, Kerala, India.

Term	Description
Equity Shares	Equity shares of face value of ₹10 each of our Company.
Group Companies	M-Star Satellite Communications Private Limited, M-Star Heritage Hotels Private Limited, Indel Automotives Private Limited and M-Star Hotels Private Limited.
KMP/Key Managerial Personnel	The key managerial personnel of our Company in accordance with the provisions of the Companies Act, 2013. For details, see "*Our Management*" on page 113.
Limited Review Report	Report dated August 9, 2024 on the Unaudited Financial Results, prepared by the Statutory Auditor.
Loan Assets	Assets under financing activities.
Memorandum/ MoA/ Memorandum of Association	Memorandum of association of our Company, as amended from time to time.
NBFC	Non-banking financial company as defined under Section 45-IA of the RBI Act, 1934.
NCD Sub-Committee	The committee of the Board of Directors of the Company constituted for the purposes of, *inter alia*, issuance of debentures of the Company.
Promoter	Indel Corporation Private Limited.
Promoter Group	Includes such persons and entities constituting the promoter group of our Company pursuant to Regulation 2 (1) (ff) of the SEBI NCS Regulations
Registered Office	The registered office of our Company is situated at Office No.301, Floor No.3, Sai Arcade N.S Road, Mulund West, Mumbai - 400 080, Maharashtra, India.
Risk Management Committee	The committee of the Board of Directors of the Company constituted for the purposes of *inter alia*, to assist the Board in the execution of its risk management accountabilities. For further details, see "*Our Management*" on page 113.
RoC	Registrar of Companies, Mumbai, Maharashtra.
Shareholders	The shareholders of our Company.
Senior Management Personnel or SMP	Senior Management Personnel of our Company in accordance with definition of Senior Management in Regulation 2(1)(iia) of the SEBI NCS Regulations, as described in "*Our Management"* on page 113.
Unaudited Financial Results	Unaudited Financial Results of the Company for the quarter ended June 30, 2024 prepared by our Company in the manner and format required by the SEBI Listing Regulations which has been subjected to limited review as described under SEBI Listing Regulations.

Issue Related Terms

Term	Description
Abridged Prospectus	A memorandum accompanying the Application Form containing the salient features of the Prospectus in the format as specified by SEBI.
Acknowledgement Slip	The slip or document issued by the Designated Intermediary to an Applicant as proof of registration of the Application Form
Allotment Advice	The communication sent to the Allottees conveying the details of NCDs allotted to the Allottees in accordance with the Basis of Allotment.
Allot/ Allotment/ Allotted	The issue and allotment of the NCDs to successful Applicants pursuant to the Issue.
Allottee(s)	The successful Applicant to whom the NCDs are being/have been Allotted pursuant to the Issue.
Applicant/Investor	Any prospective applicant who makes an Application pursuant to this Draft Prospectus and the Application Form.
Application Supported by Blocked Amount/ Application/ ASBA Application	An application (whether physical or electronic) to subscribe to the NCDs offered pursuant to the Issue by submission of a valid Application Form and authorising the relevant SCSB to block the Application Amount in the relevant ASBA Account and will include application made by UPI Investors using UPI where the Application amount will be blocked upon acceptance of UPI Mandate Request by UPI Investors, which will be considered as the application for Allotment in terms of this Draft Prospectus.
Application Amount	The aggregate value of NCDs applied for, as indicated in the Application Form for the Issue.
Application Form/ ASBA Form	Form in terms of which an Applicant shall make an offer to subscribe to NCDs through the ASBA process and which will be considered as the Application for Allotment of NCDs and in terms of this Draft Prospectus.
Application Supported by Blocked Amount/ASBA	The Application (whether physical or electronic) used by an ASBA Applicant to make an Application by authorising the SCSB to block the Application Amount in the specified

Term	Description
	bank account maintained with such SCSB
ASBA Account	A bank account maintained with an SCSB by an Applicant, as specified in the Application Form submitted by the Applicant for blocking the Application Amount mentioned in the relevant ASBA Form and includes a bank account maintained by a UPI Investor linked to a UPI ID, which is blocked upon acceptance of a UPI Mandate Request made by the UPI Investor using the UPI Mechanism.
Base Issue	₹7,500 Lakhs.
Basis of Allotment	The basis on which NCDs will be allotted to successful applicants under the Issue and which is described in "*Issue Procedure – Basis of Allotment*" on page 248.
Broker Centres	Broker centres notified by the Stock Exchange, where Applicants can submit the Application Forms (including ASBA Forms under UPI in case of UPI Investors) to a Trading Member. The details of such broker centres, along with the names and contact details of the Trading Members are available on the website of the Stock Exchange and updated from time to time.
Business Days	All days excluding Saturdays, Sundays or a public holiday in India or at any other payment centre notified in terms of the Negotiable Instruments Act, 1881.
Client ID	Client identification number maintained with one of the Depositories in relation to the demat account.
Collection Centres	Centres at which the Designated Intermediaries shall accept the Application Forms, being the Designated Branch for SCSBs, Specified Locations for the Syndicate, Broker Centres for registered brokers, Designated RTA Locations for CRTAs and Designated CDP Locations for CDPs.
Collecting Depository Participants/CDPs	A depository participant, as defined under the Depositories Act, 1996 and registered under the SEBI Act and who is eligible to procure Applications at the Designated CDP Locations in terms of the SEBI Master Circular.
Collecting Registrar and Share Transfer Agents/ CRTAs	Registrar and share transfer agents registered with SEBI and eligible to procure Applications at the Designated RTA Locations in terms of the SEBI Master Circular.
Credit Rating Agency	For the present Issue, the credit rating agency being, Crisil Ratings Limited (A subsidiary of CRISIL Limited)
Coupon Rate / Interest Rate	As specified in the Prospectus
Crisil	Crisil Ratings Limited (A subsidiary of CRISIL Limited).
Debenture Trust Deed	The trust deed to be executed by our Company and the Debenture Trustee for creating the security over the NCDs issued under the Issue.
Debenture Trusteeship Agreement	Debenture Trusteeship Agreement dated September 24, 2024 entered into between our Company and the Debenture Trustee.
Debentures/ NCDs	Secured, redeemable, non-convertible debentures issued pursuant to this Draft Prospectus.
Deemed Date of Allotment	The date on which the Board or a duly authorised committee approves the Allotment of NCDs. All benefits relating to the NCDs including interest on the NCDs shall be available to the investors from the Deemed Date of Allotment. The actual Allotment of NCDs may take place on a date other than the Deemed Date of Allotment.
Demographic Details	The demographic details of an Applicant such as his address, bank account details, category, PAN, UPI ID, etc. for printing on refund/interest orders or used for refunding through electronic mode as applicable.
Depositories Act	The Depositories Act, 1996.
Depository(ies)	National Securities Depository Limited and/or Central Depository Services (India) Limited.
Designated Branches	Such branches of the SCSBs which shall collect the Application Forms, a list of which is available on the website of the SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes or at such other weblink as may be prescribed by SEBI from time to time.
Designated CDP Locations	Such centres of the Collecting Depository Participants where Applicants can submit the Application Forms. The details of such Designated CDP Locations, along with the names and contact details of the CDPs are available on the website of the Stock Exchange and updated from time to time.
Designated Date	The date on which the Registrar to the Issue issues instruction to SCSBs for unblocking of funds from the ASBA Accounts to the Public Issue Account in terms of the Prospectus, the Public Issue Account and Sponsor Bank Agreement and following which the Board,

Term	Description
	shall Allot the NCDs to the successful Applicants.
Designated Intermediaries	The Members of the Syndicate, SCSBs, Registered Stock Brokers, Trading Members, RTAs and CDPs who are authorized to collect Application Forms from the Applicants, in relation to the Issue.
Designated Stock Exchange/ DSE	BSE Limited.
Designated RTA Locations	Such centres of the RTAs where Applicants can submit the Application Forms (including Application Forms by UPI Investors under the UPI Mechanism). The details of such Designated RTA Locations, along with the names and contact details of the RTAs are available on the website of the Stock Exchange and updated from time to time.
DP/Depository Participant	A depository participant as defined under the Depositories Act.
Direct Online Application	The application made using an online interface enabling direct application by Investors to a public issue of their debt securities with an online payment facility through a recognised stock exchange. This facility is available only for demat account holders who wish to hold the NCDs pursuant to the Issue in dematerialised form. Please note that the Applicants will not have the option to apply for NCDs under the Issue, through the direct online applications mechanism of the Stock Exchange.
Draft Prospectus	This Draft Prospectus dated September 27, 2024to be filed with the Stock Exchange and with SEBI for receiving public comments, in accordance with the provisions of the Companies Act, 2013 and the SEBI NCS Regulations.
Existing Secured Creditors	IDFC First Bank Limited, State Bank of India, Dhan Laxmi Bank Limited, Indian Bank, Karur Vysya Bank Limited, Cholamandalam Investment and Finance Company Limited, Hinduja Leyland Finance Limited, STCI Finance Limited, Northern Arc Capital Limited, The South Indian Bank Limited, DCB Bank Limited, JM Financial Products Limited, Bajaj Finance Limited, Indian Overseas Bank Limited, Profectus Capital Private Limited the secured debenture holders of the debentures issued by way of public issue and the debenture holders of the privately placed secured and unsecured non-convertible debentures.
Fugitive Economic Offender	Fugitive economic offender means an individual who is declared a fugitive economic offender under Section 12 of the Fugitive Economic Offenders Act, 2018.
Interest Payment Date / Coupon Payment Date	As specified in the Prospectus
Institutional Portion	Portion of Applications received from Category I of persons eligible to apply for the Issue which includes resident public financial institutions as defined under Section 2(72) of the Companies Act 2013, statutory corporations including state industrial development corporations, scheduled commercial banks, co-operative banks and regional rural banks, and multilateral and bilateral development financial institutions, which are authorised to invest in the NCDs, provident funds of minimum corpus of ₹2,500 lakhs, pension funds of minimum corpus of ₹2,500 lakhs, superannuation funds and gratuity fund, which are authorised to invest in the NCDs, resident venture capital funds and/or alternative investment funds registered with SEBI, insurance companies registered with the IRDAI, national investment fund (set up by resolution no. F. No. 2/3/2005-DDII dated November 23, 2005 of the Government of India and published in the Gazette of India), insurance funds set up and managed by the Indian army, navy or the air force of the Union of India or by the Department of Posts, India, mutual funds registered with SEBI and Middle Layer non-banking financial companies.
Issue or Issue Size	Public issue of secured, redeemable, non-convertible debentures by our Company aggregating up to ₹7,500 lakhs, with an option to retain over-subscription up to ₹7,500 lakhs, aggregating up to ₹15,000 lakhs, on the terms and in the manner set forth herein.
Issue Closing Date	As specified in the Prospectus for the Issue
Issue Opening Date	As specified in the Prospectus for the Issue
Lead Manager	Vivro Financial Services Private Limited.
Market Lot	1 (one) NCD.
Maturity Amount	In respect of NCDs Allotted to NCD Holders, the repayment of the face value of the NCD along with interest that may have accrued as on the redemption date.
NCD Holder/ Debenture Holder	Any debenture holder who holds the NCDs issued pursuant to this Issue and whose name appears on the beneficial owners list provided by the Depositories.
Non-Institutional Portion	Category II of persons eligible to apply for the Issue which includes companies falling

Term	Description
	within the meaning of Section 2(20) of the Companies Act 2013; bodies corporate and societies registered under the applicable laws in India and authorised to invest in the NCDs, educational institutions and associations of persons and/or bodies established pursuant to or registered under any central or state statutory enactment; which are authorised to invest in the NCDs, trust including public/private charitable/religious trusts which are authorised to invest in the NCDs, association of persons, scientific and/or industrial research organisations, which are authorised to invest in the NCDs, partnership firms in the name of the partners, limited liability partnerships formed and registered under the provisions of the Limited Liability Partnership Act, 2008 (No. 6 of 2009), resident Indian individuals and Hindu undivided families through the Karta aggregating to a value exceeding ₹5 lakhs.
Prospectus	The Prospectus to be filed with the RoC in accordance with the SEBI NCS Regulations, containing inter alia the Coupon Rate for the NCDs and certain other information.
Public Issue Account	Account(s) to be opened with the Public Issue Account Bank to receive monies from the ASBA Accounts maintained with the SCSBs (including under the UPI Mechanism) on the Designated Date.
Public Issue Account Bank	As specified in the Prospectus for the Issue
Public Issue Account and Sponsor Bank Agreement	The agreement to be entered into amongst our Company, the Registrar to the Issue, the Lead Manager, the Public Issue Account Bank, the Sponsor Bank for collection of the Application Amounts from ASBA Accounts under the UPI Mechanism and the Refund Bank for collection of the Application Amounts from ASBA Accounts and where applicable remitting refunds, if any, to such Applicants, on the terms and conditions thereof.
Record Date	The record date for payment of interest in connection with the NCDs or repayment of principal in connection therewith shall be 15 Days prior to the date on which interest is due and payable, and/or the date of redemption. Provided that trading in the NCDs shall remain suspended between the aforementioned Record Date in connection with redemption of NCDs and the date of redemption or as prescribed by the Stock Exchange, as the case may be. In case Record Date falls on a day when Stock Exchange is having a trading holiday, the immediate subsequent trading day will be deemed as the Record Date.
Refund Account	Account opened with the Refund Bank from which refunds, if any, of the whole or any part of the Application Amount shall be made and as specified in the Prospectus.
Refund Bank	The Banker(s) to the Issue with whom the Refund Account will be opened and as specified in the Prospectus.
Registrar to the Issue/ Registrar	Link Intime India Private Limited.
Register of NCD Holders	The statutory register in connection with any NCDs which are held in physical form on account of rematerialisation, containing name and prescribed details of the relevant NCD Holders, which will be prepared and maintained by our Company/Registrar in terms of the applicable provisions of the Companies Act.
Retail Investor Portion	Portion of Applications received from Category III of persons eligible to apply for the Issue which includes resident Indian individuals and Hindu undivided families through the Karta aggregating to a value not exceeding and including ₹5 lakhs.
RTAs/ Registrar and Share Transfer Agents	The registrar and share transfer agents registered with SEBI and eligible to procure Application in the Issue at the Designated RTA Locations.
RTA Master Circular	Securities and Exchange Board of India Master Circular for Registrars to an Issue and Share Transfer Agents' dated May 17, 2023, bearing reference number SEBI/HO/MIRSD/POD-1/P/CIR/2023/70.
SCSBs or Self Certified Syndicate Banks	The banks registered with SEBI under the Securities and Exchange Board of India (Bankers to an Issue) Regulations, 1994 offering services in relation to ASBA, including blocking of an ASBA Account, and a list of which is available on www.sebi.gov.in or at such other web-link as may be prescribed by SEBI from time to time. Additionally, the banks registered with SEBI, enabled for UPI Mechanism, list of which is available on www.sebi.gov.in or at such other web-link as may be prescribed by SEBI from time to time.

Term	Description
	A list of the branches of the SCSBs where ASBA Applications submitted to the Lead Manager, Members of the Syndicate or the Trading Member(s) of the Stock Exchange, will be forwarded by such Lead Manager, Members of the Syndicate or the Trading Members of the Stock Exchange is available at www.sebi.gov.in or at such other web-link as may be prescribed by SEBI from time to time.
SEBI Debenture Trustee Master Circular	SEBI circular with reference number SEBI/HO/DDHS-PoD3/P/CIR/2024/46 dated May 16, 2024, as may be amended from time to time.
Security	The principal amount of the NCDs to be issued in terms of this Draft Prospectus together with all interest due on the NCDs, as well as all costs, charges, all fees, remuneration of Debenture Trustee and expenses payable in respect thereof shall be secured by way of first ranking pari passu charge with Existing Secured Creditors, on current assets, including book debts, receivables, loans and advances and cash & bank balances (excluding reserves created in accordance with law and exclusive charge created in favour of secured charge holders in terms of their respective loan agreements/documents), both present and future of the Company.
Specified Locations	Collection centres where the Members of the Syndicate shall accept Application Forms, a list of which is included in the Application Form.
Sponsor Bank	The Banker to the Issue registered with SEBI which is appointed by our Company to act as a conduit between the Stock Exchange and NPCI in order to push the UPI Mandate Requests and/or payment instructions of the UPI Investors into the UPI and carry out any other responsibilities, in terms of the SEBI Master Circular in this case being, [•].
Stock Exchange(s)	BSE Limited.
Syndicate ASBA	Applications through the Designated Intermediaries.
Syndicate ASBA Application Locations	Collection centres where the Designated Intermediaries shall accept Application Forms from Applicants, a list of which is available on the website of the SEBI at www.sebi.gov.in and at such other websites as may be prescribed by SEBI from time to time.
Syndicate SCSB Branches	In relation to ASBA Applications submitted to a Member of the Syndicate, such branches of the SCSBs at the Syndicate ASBA Application Locations named by the SCSBs to receive deposits of the Application Forms from the members of the Syndicate, and a list of which is available on www.sebi.gov.in or at such other website as may be prescribed by SEBI from time to time.
Tenor	Tenor shall mean the tenor of the NCDs which will be specified in the Prospectus.
Trading Member(s)	Individuals or companies registered with SEBI as "trading member(s)" under the SEBI (Stock Brokers and Sub-Brokers) Regulations, 1992, and who hold the right to trade in stocks listed on stock exchanges, through which Investors can buy or sell securities listed on stock exchanges whose list is available on stock exchanges.
Transaction Registration Slip/TRS	The acknowledgement slips or document issued by any of the Members of the Syndicate, the SCSBs, or the Trading Members as the case may be, to an Applicant upon demand as proof of upload of the Application on the application platform of the Stock Exchange.
Tripartite Agreement(s)	Agreements as entered into between the Issuer, Registrar and each of the Depositories under the terms of which the Depositories shall act as depositories for the securities issued by our Company.
Trustee/ Debenture Trustee	Trustee for the holders of the NCDs, in this case being Vistra ITCL (India) Limited.
UPI Application Limit	Maximum limit to utilize the UPI mechanism to block the funds for application value up to ₹5,00,000 for issues of debt securities pursuant to SEBI Master Circular or any other investment limit, as applicable and prescribed by SEBI from time to time
UPI ID	ID created on Unified Payment Interface (UPI) for single-window mobile payment system developed by the NPCI.
UPI Investor	An Applicant who applies with a UPI number whose Application Amount for NCDs in the Issue is up to UPI Application Limit.
UPI Mandate Request	A request (intimating the UPI Investors, by way of a notification on the UPI application and by way of an SMS directing the UPI Investors to such UPI application) to the UPI Investors using the UPI Mechanism initiated by the Sponsor Bank to authorise blocking of funds equivalent to the Application Amount in the relevant ASBA Account through the UPI, and the subsequent debit of funds in case of Allotment.
UPI Mechanism	The optional bidding mechanism that may be used by UPI Investors to make Applications in the Issue, in accordance with SEBI Master Circular, as amended or any other governmental authority in relation thereto from time to time.

Term	Description
UPI PIN	Password to authenticate UPI transaction.
Wilful Defaulter	A person who is categorised as a wilful defaulter by any bank or financial institution or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the RBI and includes an issuer whose director or promoter is categorised as such.
Working Days	All days excluding Sundays or a holiday of commercial banks in Mumbai, except with reference to Issue Period, where Working Days shall mean all days, excluding Saturdays, Sundays and public holiday in Mumbai. Furthermore, for the purpose of post issue period, i.e., period beginning from the Issue Closing Date to listing of the NCDs on the Stock Exchange, Working Day shall mean all trading days of the Stock Exchange, excluding Sundays and bank holidays in Mumbai, as per SEBI NCS Regulations, however, with reference to payment of interest/redemption amount of NCDs, Working Days shall mean those days wherein the money market is functioning in Mumbai.

Business/Industry Related Terms

Term	Description
AFC	Asset Finance Companies
AFI	Administration & Financial Institutions
AMFI	Association of Mutual Funds in India
AIFIs	All-India Financial Institutions
ALM	Asset Liability Management
ALCO	Asset Liability Committee
APEDA	Agricultural and Processed Food Products Export Development Authority
ARI	Agro & Rural Industry
AUM	Assets Under Management
Base Layer	The Base Layer shall comprise of (a) non-deposit taking NBFCs below the asset size of ₹1,00,000 lakhs and (b) NBFCs undertaking the following activities- (i) NBFC-Peer to Peer Lending Platform (NBFC-P2P), (ii) NBFC-Account Aggregator (NBFC-AA), (iii) Non Operative Financial Holding Company (NOFHC) and (iv) NBFCs not availing public funds and not having any customer interface
CCTV	Closed-circuit Television
CMIE	Centre for Monitoring Indian Economy
CPI	Consumer Price Index
CIC-ND-SI	NBFC-Systemically Important Core Investment Company
CRAR	Capital-To-Risk-Weighted Assets Ratio
DATC	Data Analytics and Technical Coordination
DPN	Demand Promissory Note
ECLGS	Emergency Credit Line Guarantee Scheme
EMI	Equated Monthly Instalments
EXIM Bank	Export-Import Bank of India
FIR	First Information Report
GDP	Gross Domestic Product
GFCF	Gross Fixed Capital Formation
GVA	Gross Value Added
HFC	Housing Finance Company
IBJA	India Bullion and Jewellers Association
ICs	Investment companies
ICC	Investment and Credit Company
IFW	Integrated Finance Wing
IIP	Index of Industrial Production
IMD	India Meteorological Department
IMF	International Monetary Fund
KYC/ KYC Norms	Customer identification procedure for opening of accounts and monitoring transactions of suspicious nature followed by NBFCs for the purpose of reporting it to appropriate authority
LAF	Liquidity adjustment facility
LCs	Loan companies

Term	Description
LTV	Loan to value
Master Directions	Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023.
MFIs	Micro Finance Institutions
MGIRI	Mahatma Gandhi Institute for Rural Industrialisation
MOU	Memorandum of understanding
MSF	Marginal standing facility
MSMEs	Micro Small and Medium Enterprises
NABARD	National Bank for Agriculture and Rural Development
NAV	Net Asset Value
NBFC	Non-Banking Financial Company as defined under Section 45-IA of the RBI Act, 1934
NBFC-D	NBFC registered as a deposit accepting NBFC
ICC	Investment and Credit Companies
NBFC-ND	NBFC registered as a non-deposit accepting NBFC
NBFC-ND- (NBFCBL/ NBFC – Base Layer)	Non-deposit taking NBFCs below the asset size of ₹1,00,000 lakh and (b) NBFCs undertaking the following activities- (i) NBFC-Peer to Peer Lending Platform (NBFCP2P), (ii) NBFC-Account Aggregator (NBFC-AA), (iii) Non- Operative Financial Holding Company (NOFHC) and (iv) NBFCs not availing public funds and not having any customer interface
NBFC-ML/ NBFC – Middle Layer	(a) all deposit taking NBFCs (NBFC-Ds), irrespective of asset size, (b) non deposit taking NBFCs with asset size of ₹1,00,000 lakh and above and (c) NBFCs undertaking the following activities (i) Standalone Primary Dealers (SPDs), (ii) Infrastructure Debt Fund - Non-Banking Financial Companies (IDF-NBFCs), (iii) Core Investment Companies (CICs), (iv) Housing Finance Companies (HFCs) and (v) Infrastructure Finance Companies (NBFC-IFC)
NBFC - TL-D	NBFC-UL which in the opinion of RBI has substantial increase in the potential systemic risk NBFCs Deposit Taking
NBFC – UL-ND	NBFCs which are specifically identified by the RBI as warranting enhanced regulatory requirement based on a set of parameters and scoring methodology as provided in SBR Framework NBFCs Non-Deposit Taking
NBFC-P2P	NBFC–Peer to Peer Lending Platform (NBFC-P2P)
NHB	National Housing Bank
NOF	Net Owned Fund
NPA	Non-performing asset
NSIC	National Small Industries Corporation Limited
NSS	National Sample Survey
NTB	New-to-Bank
NTC	New to Credit
OCEN	Open Credit Enablement Network
OTP	One Time Password
PPP	Purchasing Power Parity
PSL	Priority Sector Lending
Public Issue I	Public issue of secured and unsecured non-convertible debentures of face value ₹1,000 each aggregating to ₹9,400.98 lakhs pursuant to the prospectus dated September 20, 2021.
Public Issue II	Public issue of secured non-convertible debentures of face value ₹1,000 each aggregating to ₹8,148.32 lakhs pursuant to the prospectus dated May 24, 2022.
Public Issue III	Public issue of secured non-convertible debentures of face value ₹1,000 each aggregating to ₹8,731.86 lakhs pursuant to the prospectus dated May 16, 2023.
Public Issue IV	Public issue of secured non-convertible debentures of face value ₹1,000 each aggregating to ₹7,812.75 lakhs pursuant to the prospectus dated January 17, 2024.
SCBs	Scheduled Commercial Banks
SDF	Standing deposit facility
SID	Society for Innovation and Development
SIDBI	Small Industries Development Bank of India
CareEdge Report	CARE Analytics and Advisory Private Limited (Formerly known as CARE Risk

Term	Description
	Solutions Private Limited) as the agency issuing the industry report titled "Research Report on Financial Services" prepared by CARE Analytics and Advisory Private Limited forming part of the Industry Overview chapter
Tier I Capital	Tier I capital means owned fund as reduced by investment in shares of other non-banking financial companies and in shares, debentures, bonds, outstanding loans and advances including hire purchase and lease finance made to and deposits with subsidiaries and companies in the same group exceeding, in aggregate, ten per cent of the owned fund; and perpetual debt instruments issued by a non-deposit taking nonbanking financial company in each year to the extent it does not exceed 15% of the aggregate Tier I Capital of such company as on March 31 of the previous accounting year
Tier II Capital	Tier II capital includes the following: a. preference shares other than those which are compulsorily convertible into equity; b. revaluation reserves at discounted rate of fifty five percent; c. General Provisions (including that for Standard Assets) and loss reserves to the extent these are not attributable to actual diminution in value or identifiable potential loss in any specific asset and are available to meet unexpected losses, to the extent of one and one fourth percent of risk weighted assets; d. hybrid debt capital instruments; e. subordinated debt; f. perpetual debt instruments issued by a non-deposit taking non-banking financial company which is in excess of what qualifies for Tier I Capital to the extent the aggregate does not exceed Tier I Capital
TCSP	Technology Centre Systems Program
WEO	World Economic Outlook
WGC	World Gold Council

Conventional and General Terms or Abbreviations

Term	Description
AGM	Annual General Meeting
BSE	BSE Limited
CAGR	Compounded Annual Growth Rate
CDSL	Central Depository Services (India) Limited
CGST Act	Central Goods and Services Tax Act, 2017
Cr.P.C	Code of Criminal Procedure, 1973
Companies Act, 1956	The erstwhile Companies Act, 1956
Companies Act/ Companies Act 2013	The Companies Act, 2013 read with rules framed by the Government of India from time to time
DIN	Director Identification Number
DIPP	Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India
DPIIT	Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India earlier known as Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India
DRR	Debenture Redemption Reserve
EGM	Extraordinary General Meeting
EPS	Earnings per share
FDI Policy	The Government policy, rules and the regulations (including the applicable provisions of the FEMA Non-Debt Rules) issued by the Government of India prevailing on that date in relation to foreign investments in our Company's sector of business as amended from time to time.
FEMA	Foreign Exchange Management Act, 1999
FEMA Non-Debt	Foreign Exchange Management (Non-debt Instruments) Rules, 2019

Term	Description
Regulations	
FEMA Debt Regulations	Foreign Exchange Management (Debt Instrument) Regulations, 2019
FIs	Financial Institutions
FPI	Foreign Portfolio Investors defined under the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019
Financial Year/FY/Fiscal	Financial year ending March 31
GDP	Gross Domestic Product
GoI	Government of India
G-Sec	Government Securities
GST	Goods and Services Tax
HUF	Hindu Undivided Family
IRDAI	Insurance Regulatory and Development Authority of India
IFRS	International Financial Reporting Standards
IFSC	Indian Financial System Code
IGST Act	Integrated Goods and Services Tax Act, 2017
Ind AS	The Indian Accounting Standards referred to in the Companies (Indian Accounting Standard) Rules, 2015
Insurance Act	The Insurance Act, 1938
IT Act	The Income Tax Act, 1961
IT	Information Technology
ISD	International Subscriber Dialling
MCA	Ministry of Corporate Affairs, Government of India
MICR	Magnetic ink character recognition
MIS	Management Information System
MoU	Memorandum of Understanding
NA	Not Applicable
NACH	National Automated Clearing House
NEFT	National Electronic Funds Transfer
NII(s)	Non-Institutional Investor(s)
NIM	Net Interest Margin
NPCI	National Payments Corporation of India
NRI	Non-resident Indian
NSDL	National Securities Depository Limited
OCI	Overseas Citizenship of India
PAN	Permanent Account Number
RBI	Reserve Bank of India
RBI Act	Reserve Bank of India Act, 1934
RTGS	Real Time Gross Settlement
SCRA	Securities Contracts (Regulation) Act, 1956
SCRR	The Securities Contracts (Regulation) Rules, 1957
SEBI	The Securities and Exchange Board of India constituted under the Securities and Exchange Board of India Act, 1992
SEBI Act	The Securities and Exchange Board of India Act, 1992
SEBI Delisting Regulations	SEBI (Delisting of Equity Shares) Regulations, 2021
SEBI Listing Regulations/ Listing Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
SEBI NCS Regulations	Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021, as amended from time to time.

Term	Description
SEBI Master Circular	SEBI master circular no. SEBI/HO/DDHS/PoD1/P/CIR/2024/54 dated May 22, 2024, as amended
SGST Act	State Goods and Services Tax Act, 2017, as enacted by various state governments
SME	Small and medium enterprises
TDS	Tax Deducted at Source
UPI	Unified Payments Interface, a payment mechanism that allows instant transfer of money between any two persons bank account using a payment address which uniquely identifies a person's bank account
VOIP	Voice Over Internet Protocol
WDM	Wholesale Debt Market

Notwithstanding anything contained herein, capitalised terms that have been defined in the chapters titled "*Capital Structure*", "*History and Certain Other Corporate Matters*", "*Our Management*", "*Financial Statements*", "*Financial Indebtedness*", "*Issue Procedure*", "*Outstanding Litigations*", "*Key Regulations and Policies*" and "*Summary of Main Provisions of the Articles of Association*" on pages 46, 111, 113, 126, 128, 228, 162, 178 and 253, respectively will have the meanings ascribed to them in such chapters.

PRESENTATION OF FINANCIAL, INDUSTRY AND OTHER INFORMATION

Certain Conventions

In this Draft Prospectus, unless the context otherwise indicates or implies references to “you,” “offeree,” “purchaser,” “subscriber,” “recipient,” “investors” and “potential investor” are to the prospective Investors to this Issue, references to “our Company”, the “Company” or the “Issuer” are to Indel Money Limited.

Unless otherwise stated, references in this Draft Prospectus to a particular year are to the calendar year ended on December 31 and to a particular “fiscal” or “fiscal year” are to the fiscal year ended on March 31.

All references to “India” are to the Republic of India and its territories and possessions, and the “Government”, the “Central Government” or the “State Government” are to the Government of India, central or state, as applicable.

Financial Data

Our Company publishes its financial statements in Rupees.

For the purposes of disclosure in this Draft Prospectus, we have prepared and presented the Audited Financial Statements for Fiscal 2024 and Audited Financial Statements for Fiscal 2023, prepared in accordance with Ind AS and audited by our Statutory Auditor, Bhatter & Company, Chartered Accountants and Audited Financial Statements for Fiscal 2022 prepared in accordance with Ind AS and audited by our previous auditors, FRG & Company, Chartered Accountants.

Further, for the purposes of disclosure in this Draft Prospectus, we have prepared and presented our Unaudited Financial Results for the quarter ended June 30, 2024 prepared in accordance with the SEBI Listing Regulations which are reviewed by our Statutory Auditor Bhatter & Company, Chartered Accountants which has been subjected to limited review for the quarter ended June 30,2024, in respect of which the Statutory Auditor has issued the Limited Review Report as described under SEBI Listing Regulations.

The Ministry of Corporate Affairs (“**MCA**”), in its press release dated January 18, 2016, issued a roadmap for implementation of Ind AS converged with IFRS for non-banking financial companies, scheduled commercial banks, insurers, and insurance companies, which was subsequently confirmed by the RBI through its circular dated February 11, 2016. The notification further explains that NBFCs whose equity and/or debt securities are listed or in the process of listing on any stock exchange in India or outside India and having a net worth of less than ₹50,000 lakh, shall comply with Ind AS for accounting periods beginning from April 1, 2019 onwards with comparatives for the periods ending on March 31, 2019 or thereafter. Our Company’s financial statements from the year ended March 31, 2022 have been prepared in accordance with Ind AS including the Accounting Standards notified under the Companies Act, 2013 and other applicable statutory and / or regulatory requirements.

The Unaudited Financial Results of our Company have been prepared in accordance with recognition and measurement principles laid down in the aforesaid Ind AS 34 “Interim Financial Reporting” prescribed under Section 133 of the Companies Act, 2013, as amended, read with relevant rules issued there-under and other accounting principles generally accepted in India and Regulation 33 of the SEBI Listing Regulations. The Unaudited Financial Results for the quarter ended June 30, 2024 are not indicative of full year results and are not comparable with Annual Financial Statements. For details see “*Risk Factors – 25 - This Draft Prospectus includes certain unaudited financial information, which has been subjected to limited review, in relation to our Company. Reliance on such information should, accordingly, be limited.”* on page 27.

Unless stated otherwise or unless the context requires otherwise, the financial data used in this Draft Prospectus as at and for the year ended March 31, 2024, March 31, 2023 and March 31, 2022 is derived from our Audited Financial Statements and for the quarter ended June 30, 2024 is derived from our Unaudited Financial Results.

Unless stated otherwise, macroeconomic and industry data used throughout this Draft Prospectus has been obtained from publications prepared by providers of industry information, government sources and multilateral institutions. Such publications generally state that the information contained therein has been obtained from sources believed to be reliable but that their accuracy and completeness are not guaranteed and their reliability cannot be assured. Although the Issuer believes that industry data used in this Draft Prospectus is reliable, it has not been independently verified. Further, the extent to which the market and industry data presented in this Draft Prospectus is meaningful depends on the readers’ familiarity with and understanding of methodologies used in compiling such data.

We have included the following financials along with auditors report/ limited review report issued by the following auditors:

Particulars	Report issued by .
Unaudited Financial Results	Bhatter & Company, Chartered Accountants
Audited Financial Statements for Fiscal 2024	Bhatter & Company, Chartered Accountants
Audited Financial Statements for Fiscal 2023	Bhatter & Company, Chartered Accountants
Audited Financial Statements for Fiscal 2022	FRG & Company, Chartered Accountants

Currency and units of Presentation

In this Draft Prospectus, all references to ‘Rupees’/ ‘₹’/ ‘INR’/ ‘Rs’ are to Indian Rupees, the legal currency of the Republic of India.

Except where stated otherwise in this Draft Prospectus, all figures have been expressed in ‘lakhs’. All references to ‘lakhs/lakh’ mean ‘one hundred thousand’ and ‘crore’ means ‘ten million’ and ‘billion/bn./billions’ means ‘one hundred crores’.

Industry and Market Data

Unless stated otherwise, industry and market data used throughout this Draft Prospectus has been obtained from industry publications. Industry publications generally state that the information contained in those publications has been obtained from sources believed to be reliable but that their accuracy and completeness are not guaranteed, and their reliability cannot be assured. Accordingly, no investment decision should be made on the basis of such information. Also, data from these sources may not be comparable. The extent to which the market and industry data used in this Draft Prospectus is meaningful depends on the reader’s familiarity with and understanding of the methodologies used in compiling such data. There are no standard data gathering methodologies in the industry in which business of our Company is conducted, and methodologies and assumptions may vary widely among different industry sources. Certain information and statistics in relation to the industry in which we operate, which has been included in this Draft Prospectus has been extracted from an industry report titled “Research Report on NBFC Industry”, dated September 2024 prepared and issued by CARE Analytics and Advisory Private Limited (“**CareEdge Report**”). Please refer to “*Industry Overview*” on page 67 for further details. Following is the disclaimer of CARE Advisory Research and Training Limited in relation to the CareEdge Report:

This report is prepared by CARE Analytics and Advisory Private Limited (CareEdge Research). CareEdge Research has taken utmost care to ensure accuracy and objectivity while developing this report based on information available in CareEdge Research’s proprietary database, and other sources considered by CareEdge Research as accurate and reliable including the information in public domain. The views and opinions expressed herein do not constitute the opinion of CareEdge Research to buy or invest in this industry, sector or companies operating in this sector or industry and is also not a recommendation to enter into any transaction in this industry or sector in any manner whatsoever.

This report has to be seen in its entirety; the selective review of portions of the report may lead to inaccurate assessments. All forecasts in this report are based on assumptions considered to be reasonable by CareEdge Research; however, the actual outcome may be materially affected by changes in the industry and economic circumstances, which could be different from the projections. Nothing contained in this report is capable or intended to create any legally binding obligations on the sender or CareEdge Research which accepts no responsibility, whatsoever, for loss or damage from the use of the said information. CareEdge Research is also not responsible for any errors in transmission and specifically states that it, or its Directors, employees, parent company – CARE Ratings Limited, or its Directors, employees do not have any financial liabilities whatsoever to the subscribers/users of this report. The subscriber/user assumes the entire risk of any use made of this report or data herein. This report is for the information of the authorised recipient in India only and any reproduction of the report or part of it would require explicit written prior approval of CareEdge Research. CareEdge Research shall reveal the report to the extent necessary and called for by appropriate regulatory agencies, viz., SEBI, RBI, Government authorities, etc., if it is required to do so. By accepting a copy of this Report, the recipient accepts the terms of this Disclaimer, which forms an integral part of this Report.

General Risk

Investment in NCDs involve is risky and investors should not invest any funds in NCDs unless they can afford to take the risk attached to such investments. Investors are advised to take an informed decision and to read the risk factors carefully before investing in this offering. For taking an investment decision, investors must rely on their examination of the issue including the risks involved in it.

Specific attention of investors is invited to statement of risk factors contained under section "*Risk Factors*". These risks are not, and are not intended to be, a complete list of all risks and considerations relevant to the NCDs or Investor's decision to purchase such securities. This Draft Prospectus has not been and will not be approved by any regulatory authority in India, including the SEBI, RBI, RoC or any stock exchange in India nor do they guarantee the accuracy or adequacy of this document.

Exchange Rates

The exchange rates Rupees (₹) vis-à-vis of USD, as of June 30, 2024, March 31, 2024, March 31, 2023 and March 31, 2022, are provided below:

Currency	June 30, 2024	March 31, 2024	March 31, 2023	March 31, 2022
1 USD	83.45*	83.37	82.22	75.81

Source: https://www.fbil.org.in/#/home and https://www.rbi.org.in/scripts/ReferenceRateArchive.aspx
**Represents the reference rate released by the RBI/FBIL on closing of the last working day of the period*

The above exchange rates are for the purpose of information only and may not represent the rates used by the Company for purpose of preparation or presentation of its financial statements. The rates presented are not a guarantee that any person could have on the relevant date converted any amounts at such rates or at all.

FORWARD LOOKING STATEMENTS

This Draft Prospectus contains certain statements that are not statements of historical fact and are in the nature of "forward-looking statements". These forward-looking statements generally can be identified by words or phrases such as "aim", "anticipate", "believe", "continue", "expect", "estimate", "intend", "objective", "plan", "potential", "project", "will", "will continue", "will pursue", "will likely result", "will seek to", "seek" or other words or phrases of similar import. All statements regarding our expected financial condition and results of operations and business plans and prospects are forward-looking statements. These forward-looking statements include statements as to our business strategy, revenue and profitability and other matters discussed in this Draft Prospectus that are not historical facts.

All forward-looking statements are subject to risks, uncertainties and assumptions about us that could cause actual results, performance or achievements to differ materially from those contemplated by the relevant statement.

Actual results may differ materially from those suggested by the forward looking statements due to risks or uncertainties associated with our expectations with respect to, but not limited to, regulatory changes pertaining to our businesses and our ability to respond to them, our ability to successfully implement our strategies, our growth and expansion, technological changes, our exposure to market risks, general economic and political conditions in India and which have an impact on our business activities or investments, the monetary and fiscal policies of India, inflation, deflation, unanticipated turbulence in interest rates, equity prices or other rates or prices, the performance of the financial markets in India and globally, changes in domestic laws, regulations and taxes and changes in competition in our industry.

Important factors that could cause actual results to differ materially from our expectations include, but not limited to, the following:

1. Any increase in the levels of non-performing assets ("**NPA**") on our loan portfolio, for any reason whatsoever, would adversely affect our business and results of operations;

2. Any volatility in interest rates which could cause our Gross Spreads to decline and consequently affect our profitability;

3. Changes in the value of Rupee and other currency changes;

4. Unanticipated turbulence in interest rates or other rates or prices; the performance of the financial and capital markets in India and globally;

5. Changes in political conditions in India;

6. The rate of growth of our Loan Assets;

7. The outcome of any legal or regulatory proceedings we are or may become a party to;

8. Changes in Indian and/or foreign laws and regulations, including tax, accounting, banking, securities, insurance and other regulations; changes in competition and the pricing environment in India; and regional or general changes in asset valuations;

9. Any changes in connection with policies, statutory provisions, regulations and/or RBI directions in connection with NBFCs, including laws that impact our lending rates and our ability to enforce our collateral;

10. Emergence of new competitors;

11. Performance of the Indian debt and equity markets;

12. Occurrence of natural calamities, pandemics, or natural disasters affecting the areas in which our Company has operations;

13. The performance of the financial markets in India and globally;

14. Volatility in global bullion prices; and

15. Other factors discussed in this Draft Prospectus, including under the chapter titled "*Risk Factors*" on page 18.

For further discussion of factors that could cause our actual results to differ from our expectations, please refer to the chapters "*Risk Factors*", "*Industry Overview*" and "*Our Business*" on pages 18, 67 and 93, respectively.

By their nature, certain market risk disclosures are only estimate and could be materially different from what actually occurs in the future. As a result, actual future gains or losses could materially differ from those that have been estimated. Forward looking statements speak only as on the date of this Draft Prospectus. The forward-looking statements contained in this Draft Prospectus are based on the beliefs of management, as well as the assumptions made by and information currently available to management. Although we believe that the expectations reflected in such forward-looking statements are reasonable at this time, it cannot assure Investors that such expectations will prove to be correct or will hold good at all times. Given these uncertainties, Investors are cautioned not to place undue reliance on such forward-looking statements. If any of these risks and uncertainties materialise, or if any of our underlying assumptions prove to be incorrect, our actual results of operations or financial condition could differ materially from that described herein as anticipated, believed, estimated or expected. All subsequent forward-looking statements attributable to us are expressly qualified in their entirety by reference to these cautionary statements. Neither our Company nor the Lead Manager, nor any of its affiliates have any obligation to, and do not intend to, update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition. Our Company and the Lead Manager will ensure that Investors in India are informed of material developments until the time of the grant of listing and trading permission by the Stock Exchange.

SECTION II - RISK FACTORS

An investment in NCDs involves a certain degree of risk. You should carefully consider all the information contained in this Draft Prospectus, including the chapters "Our Business" and "Financial Statements" on pages 93 and 126, respectively, before making an investment decision. The risk factors set forth below do not purport to be complete or comprehensive in terms of all the risk factors that may arise in connection with our business or any decision to purchase, own or dispose of the NCDs.

If any one of the following stated risks actually occurs, the Company's business, financial conditions and results of operations could suffer and, therefore, the value of the Company's NCDs could decline and/or the Company's ability to meet its obligations in respect of the NCDs could be affected. More than one risk factor may have simultaneous affect with regard to the NCDs such that the effect of a particular risk factor may not be predictable. In addition, more than one risk factor may have a compounding effect which may not be predictable. No prediction can be made as to the effect that any combination of risk factors may have on the value of the NCDs and/or the Company's ability to meet its obligations in respect of the NCDs.

The following risk factors are determined on the basis of their materiality. In determining the materiality of risk factors, we have considered risks which may not be material individually but may be material when considered collectively, which may have a qualitative impact though not quantitative, which may not be material at present but may have a material impact in the future. Additional risks, which are currently unknown or now deemed immaterial, if materialises, may in the future have a material adverse effect on our business, financial condition and results of operations.

Unless stated otherwise, or unless context requires otherwise, the financial data of our Company for (a) the financial data as at and for quarter ended June 30, 2024 has been derived from the Unaudited Financial Results for the quarter ended June 30, 2024; and (b) the Fiscal 2024, 2023 and 2022 has been derived from Audited Financial Statements.

Internal Risk Factors

1. ***Our business is capital intensive and any disruption or restrictions in raising financial resources would have a material adverse effect on our liquidity and financial condition.***

   Our liquidity and ongoing profitability are largely dependent upon our timely access to and the costs associated in, raising financial resources at low costs. Our funding requirements historically have been met from a combination of borrowings such as term loans, working capital limits from banks / financial institutions, issuance of secured redeemable non-convertible debentures, subordinated debts and commercial papers. Thus, our business depends and will continue to depend on our ability to access diversified low-cost funding sources.

   Our ability to raise funds on acceptable terms and at competitive rates depend on various factors like credit ratings, the regulatory environment and policy initiatives in India, developments in the international markets affecting the Indian economy, investors' and/or lenders' perception of demand for debt and equity securities of NBFCs, and our current and future results of operations and financial condition.

   In case of a global financial crisis, the capital and lending markets typically become highly volatile and access to liquidity becomes significantly reduced. In addition, it may become more difficult to renew loans and facilities as many potential lenders and counterparties could also face liquidity and capital concerns, as a result of the stress in the financial markets. If any event of a similar nature and magnitude occurs again in the future, such as the recent liquidity crisis caused on account of debt default by one of the large Indian NBFCs, it may result in increased borrowing costs and difficulty in accessing debt in a cost-effective manner. Moreover, we are a non-deposit taking NBFC, and do not have access to public deposits.

   The RBI guideline bearing reference no. DBOD.BP.BC.No. 106/21.04.172/2011-12 dated May 18, 2012 whereby it has instructed banks to (i) reduce their regulatory exposure on a single NBFC having gold loans to the extent of 50.00% or more of its financial assets from 10.00% to 7.50% of their capital funds; and (ii) have an internal sub-limit as decided by the boards of the respective banks on their aggregate exposure to all such NBFCs having gold loans to the extent of 50% or more of their financial assets, taken together, which sub-limit should be within the internal limits fixed by banks for their aggregate exposure to all NBFCs taken together.

   The RBI vide the Master Directions issued certain guidelines with respect to raising money through private placement by NBFCs in the form of non-convertible debentures. These guidelines include (i) restrictions on the minimum subscription amount for a single investor at ₹20,000; (ii) the issuance of private placement of non-convertible debentures shall be in two separate categories, those with a maximum subscription of less than ₹1 crore and those with a minimum subscription of ₹1 crore per investor; (iii) the restriction of number of investors in an issue to 200 investors for every financial year for a maximum subscription of less than ₹1 crore which shall be fully secured; (iv) there is no limit on the number of subscribers in respect of issuances with a minimum subscription of ₹1 crore and above while the option to create security in favour of subscribers will be with the issuers and such unsecured debentures shall not be treated as public deposits; (v) restriction on NBFCs for issuing debentures only for deployment of funds on its own balance sheet and not to facilitate resource requests of group entities/parent company/associates; and (vi) prohibition on providing loan against its own debentures. This has resulted in limiting our Company's ability to raise fresh debentures on private placement basis.

A significant portion of our debt matures each year. Out of the total amount of our outstanding non-convertible debentures (excluding interest thereon but including non-convertible debentures that are matured but not redeemed), issued by our Company as of June 30, 2024, non-convertible debentures amounting to ₹13,730.39 lakhs will mature during the next 12 months. In order to retire these instruments, we either will need to refinance this debt, which could be difficult in the event of volatility in the credit markets or raise equity capital or generate sufficient cash to retire the debt.

Changes in economic and financial conditions or continuing lack of liquidity in the market could make it difficult for us to access funds at competitive rates. As an NBFC, we also face certain restrictions on our ability to raise money from international markets, which may further constrain our ability to raise funds at attractive rates.

Any disruption in our primary funding sources at competitive costs could have a material adverse effect on our liquidity and financial condition.

2. ***Our financial performance is primarily dependent on interest rate risk. If we are unable to manage interest rate risk in the future it could have an adverse effect on our net interest margin, thereby adversely affecting business and financial condition of our Company.***

Our results of operations are substantially dependent upon the level of our net interest margins. Interest Income from loans and advances is the largest component of our total income, and constituted 79.22%, 89.74%, 98.05% and 98.98%, of our total income for the quarter ended June 30, 2024, Fiscals 2024, 2023, and 2022, respectively. Interest rates are sensitive to many factors beyond our control, including the RBI's monetary policies, domestic and international economic and political conditions and other factors.

Over the years, the Government of India has substantially deregulated the financial sector. As a result, interest rates are now primarily determined by the market, which has increased the interest rate risk exposure of all banks and financial intermediaries in India, including us.

Our policy is to attempt to balance the proportion of the interest earning assets (which bear fixed interest rates), with interest bearing liabilities. A significant portion of our liabilities, such as our non-convertible debentures carry fixed rates of interest and the remaining are linked to the respective banks' benchmark prime lending rate/base rate. We do not hedge our exposure to interest rate changes. We cannot assure you that we can adequately manage our interest rate risk in the future or can effectively balance the proportion of our fixed rate loan assets and liabilities. Further, changes in interest rates could affect the interest rates charged on interest earning assets and the interest rates paid on interest bearing liabilities in different ways. Thus, our results of operations could be affected by changes in interest rates and the timing of any re pricing of our liabilities compared with the re-pricing of our assets.

Any mismatch between the yield on assets and the cost of our funds due to market action/factors could have an impact on our profitability.

3. ***We face increasing competition in our business which may result in declining interest margins. If we are unable to compete successfully, our market share may also decline.***

Our principal business is providing gold loan to customers in India secured by gold jewellery. Historically, the gold loan industry in India has been largely unorganised and dominated by local jewellery pawn shops and money lenders, with little involvement from public sector or private sector banks. Gold loan financing was availed predominantly by lower income group customers with limited or no access to other forms of credit, however, such income group has gained increased access to capital through organised and unorganised money lenders, which has increased our exposure to competition. The demand for gold loans has also increased due to relatively lower and affordable interest rates, increased need for urgent borrowing or bridge financing requirements, the need for liquidity for assets held in gold and increased awareness and acceptance of gold loan financing.

There is increased competition from other lenders in the gold loan industry, including commercial banks and other NBFCs, who also have access to funding from customers' in the form of savings and current deposits. We rely on higher cost loans and debentures for our funding requirements, which could reduce our margins. Our ability to compete effectively will depend on our ability to raise low cost funding. If we are unable to compete effectively with other participants in the gold loan industry, our business, financial condition and results of operations may be adversely affected.

The competition in the gold loan industry has increased in gold loans are becoming increasingly standardised. Variable interest rates, variable payment terms and waiver of processing fees are also becoming increasingly common.

In addition, the government has issued schemes such as Pradhan Mantri Jan-Dhan Yojana to ensure access to financial services in an affordable manner. Further, public sector banks as well as existing private sector banks, have an extensive customer and depositor base, larger branch networks, and in case of public sector banks, Government support for capital augmentation, due to which they may enjoy corresponding economies of scale and greater access to low-cost capital, and accordingly, we may not be able to compete with them. An inability to effectively address such competition may adversely affect our market share, business prospects, results of operations and financial condition.

4. ***Volatility in the market price of gold may adversely affect our financial condition, cash flows and results of operations.***

We extend loans secured mostly by gold jewellery. A sustained decrease in the market price of gold could cause a corresponding decrease in new Gold Loans in our loan portfolio and, as a result, our interest income. In addition, customers may not repay their loans and the gold jewellery securing the loans may have decreased significantly in value, resulting in losses which we may not be able to support. The impact on our financial position and results of operations of a hypothetical decrease in gold values cannot be reasonably estimated because the market and competitive response to changes in gold values is not pre-determinable.

5. ***Our ability to lend against the collateral of gold jewellery has been restricted on account of guidelines issued by RBI, which may have a negative impact on our business and results of operation.***

RBI vide the Master Directions has stipulated all NBFCs to maintain an LTV ratio not exceeding 75% for loans granted against the collateral of gold jewellery and further prohibits lending against bullion/primary gold and gold coins. This notification will limit our ability to provide loan on the collateral of gold jewellery and thereby putting us at a disadvantage vis-à-vis unregulated money lenders offering similar products. Further, RBI in the Master Directions, has mandated NBFCs primarily engaged in lending against gold jewellery (such loans comprising 50% or more of their financial assets) to maintain a minimum Tier I Capital of 12%. Such restrictions imposed by RBI may erode our margins, impact our growth and business prospects.

RBI in the Master Directions further tightened the norms for lending against the security of gold ornaments by pegging the maximum lendable value to preceding 30 day's average of the closing price of 22 carat gold rate of Bombay Bullion Association Limited. Any such future restrictions by RBI could have a negative impact on our business and results of operation.

6. ***We may not be able to successfully sustain our growth strategy. Inability to effectively manage our growth and related issues could materially and adversely affect our business and impact our future financial performance.***

Our growth strategy includes growing our AUM, expanding network of branches and expanding the range of products and services. We cannot assure you that we will be able to execute our growth strategy successfully or continue to achieve or grow at the levels of revenue earned in recent years, or that we will be able to expand further our AUM. Furthermore, there may not be sufficient demand for our services, or they may not generate sufficient revenues relative to the costs associated with offering such services. Even if we were able to introduce new services successfully, there can be no assurance that we will be able to achieve our intended return on such investments. If we grow our AUM too rapidly or fail to make proper assessments of credit risks associated with borrowers, a higher percentage of our loans may become non-performing, which would have a negative impact on the quality of our assets and our financial condition.

Further principal component of our strategy is to continue to grow by expanding the size and geographical scope of our businesses. This growth strategy will place significant demands on our management, financial and other resources. It will require us to continuously develop and improve our operational, financial and internal controls. It also includes undertaking permission from various authorities, including RBI and various regulatory compliances. Continuous expansion increases the challenges involved in financial management, recruitment, training and retaining high quality human resources, preserving our culture, values and entrepreneurial environment, and developing and improving our internal administrative infrastructure.

7. ***If we are not able to control the level of non-performing assets in our portfolio, the overall quality of our loan portfolio may deteriorate, and our results of operations may be adversely affected.***

We may not be successful in our efforts to improve collections and/or enforce the security interest on the gold collateral on existing as well as future non-performing assets. Moreover, as our loan portfolio increases, we may experience greater defaults in principal and/or interest repayments. Thus, if we are not able to control our level of non-performing assets, the overall quality of our loan portfolio may deteriorate, and our results of operations may be adversely affected. Our gross NPAs for the quarter ended June 30, 2024 and the Fiscals ended March 31, 2024, March 31, 2023 and March 31, 2022 was ₹6,878.90 lakhs, ₹5,046.43 lakhs, ₹2,542.62 lakhs and ₹846.47 lakhs, respectively.

The Master Directions prescribe the provisioning required in respect of our outstanding loan portfolio. Should the overall credit quality of our loan portfolio deteriorate, the current level of our provisions may not be adequate to cover further increases in the amount of our non-performing assets. Furthermore, although we believe that our total provision will be adequate to cover all known losses in our asset portfolio, our current provisions may not be adequate when compared to the loan portfolios of other financial institutions. Moreover, there also can be no assurance that there will be no further deterioration in our provisioning coverage as a percentage of gross non-performing assets or otherwise, or that the percentage of non-performing assets that we will be able to recover will be similar to our past experience of recoveries of non-performing assets. In the event of any further increase in our non-performing asset portfolio, there could be an even greater, adverse impact on our results of operations.

8. ***Our Company and some of our Directors are subject to certain legal proceedings and any adverse decision in such proceedings may have a material adverse effect on our business, financial condition and results of operations.***

Our Company and some of our Directors are subject to certain legal proceedings including civil suits, statutory and regulatory proceedings, recovery proceedings etc. We incur cost in defending these proceedings before a court of law. Moreover, we are unable to assure you that we shall be successful in any or all of these actions. In the event we suffer any adverse order, our reputation may suffer and may have an adverse impact on our business and results of operations. Further, our Company has initiated certain criminal proceeding against few of our employees and third parties in relation to our business operations. Any adverse decision in such proceedings may have a material adverse effect on our business and results of operations.

A summary of the outstanding proceedings involving our Company, Directors, Promoter and Group Companies in accordance with requirements under the SEBI NCS Regulations, as disclosed in this Draft Prospectus, to the extent quantifiable, have been set out below:

Name	Criminal Proceedings	Tax Proceedings	Statutory or Regulatory Proceedings	Disciplinary actions by the SEBI or Stock Exchanges	Material Civil Litigations	Aggregate amount involved (₹ in lakh)
Company						
By the Company	108	-	-	-	1	738.05
Against the Company	-	-	-	-	-	-
Directors						
By the Directors	-	-	-	-	-	-
Against the Directors	-	2	-	-	-	75.77
Promoters						
By the Promoters	-	-	-	-	-	-
Against the Promoters	-	-	-	-	-	-
Group Companies						

Name	Criminal Proceedings	Tax Proceedings	Statutory or Regulatory Proceedings	Disciplinary actions by the SEBI or Stock Exchanges	Material Civil Litigations	Aggregate amount involved (₹ in lakh)
By the Group Companies	-	-	-	-	-	-
Against the Group Companies	-	3	-	-	2	109.58
Subsidiaries						
By the Subsidiaries	Not Applicable					
Against the Subsidiaries						

For, further details please see "*Outstanding Litigations*" on page 162.

9. ***Our indebtedness and the conditions and restrictions imposed by our financing agreements could restrict our ability to conduct our business and operations in the manner we desire.***

As of June 30, 2024, we had an outstanding debt (including non-convertible debentures & sub-ordinated debts that are matured but not redeemed) of ₹88,913.09 lakhs. We may incur additional indebtedness in the future. Many of our financing agreements include various restrictive conditions and covenants restricting certain corporate actions, and our Company is required to take the prior approval of the lender before carrying out such activities. For instance, our Company, inter alia, is required to obtain the prior written consent in the following instances:

i. to declare and/or pay dividend to any of its Shareholders whether equity or preference, during any financial year unless the Company has paid to the lender the dues payable by the Company in that year;
ii. to undertake or permit any merger, amalgamation or compromise with its Shareholders, creditors or effect any scheme of amalgamation or reconstruction or disposal of whole of the undertaking;
iii. to create or permit any charges or lien, sell or dispose of any encumbered assets;
iv. to alter its capital structure, or otherwise acquire any share capital;
v. to effect a change of ownership or control, or management of the Company;
vi. to enter into long term contractual obligations directly affecting the financial position of the Company;
vii. to borrow or obtain credit facilities from any bank or financial institution;
viii. to undertake any guarantee obligations on behalf of any other company; and
ix. sell, assign, mortgage or otherwise dispose of any of the fixed assets charged to the banks.

Our indebtedness could have several important consequences, including our cash flows being used towards repayment of our existing debt, which will reduce the availability of our cash flow to fund our working capital, capital expenditures and other general corporate requirements. Moreover, our ability to obtain additional financing or renewal of existing facilities, in the future at reasonable terms may be restricted or our cost of borrowings may increase due to sudden adverse market conditions, including decreased availability of credit or fluctuations in interest rates, particularly because a significant proportion of our financing arrangement are in the form of borrowings from banks. There could be a material adverse effect on our business, financial condition and results of operations if we are unable to service our indebtedness or otherwise comply with financial and other covenants specified in the financing agreements and we may be more vulnerable to economic downturns, which may limit our ability to withstand competitive pressures and may reduce our flexibility in responding to changing business, regulatory and economic conditions.

10. ***We have had negative cash flows in the past. Any negative cash flows in the future could adversely affect our results of operations and financial condition.***

We have had negative cash flows for operating activities in the past on account of high growth in loans and advances i.e., disbursals as compared with collections for the year and may have negative cash flows in the future. If we experience any cash outflow in the future, this could adversely affect our business prospects, financial condition and results of operations. For further information, see the section titled '*Financial Statements*' on page 126.

(₹ in lakhs)

Particulars	Fiscal 2024 (Standalone)	Fiscal 2023 (Consolidated)	Fiscal 2022 (Consolidated)
Net cash generated from/ (used in) operating activities	(18,466.01)	(22,032.65)	(13,571.89)

(₹ *in lakhs*)

Particulars	Fiscal 2024 (Standalone)	Fiscal 2023 (Consolidated)	Fiscal 2022 (Consolidated)
Net cash generated from/ (used in) investing activities	10,765.81	(6,604.82)	(547.24)
Net cash generated from/ (used in) financing activities	13,585.46	24,423.46	21,279.72

11. ***Inaccurate appraisal of gold by our personnel may adversely affect our business and financial condition.***

Accurate appraisal of pledged gold is a significant factor in the successful operation of our business and such appraisal requires a skilled and reliable workforce. Assessing gold jewellery quickly is a specialised skill that requires assessing jewellery for gold content and quality manually without damaging the jewellery. Our Company provides training for our personnel for assessing jewellery for gold content and quality. However, in spite of rigorous training there is no guarantee that the gold ornaments appraised are accurately. Inaccurate appraisal of gold content, by our workforce may result in the gold ornament being overvalued and pledged for a loan that is higher in value than the actual value of gold content, which could adversely affect our reputation and business. We also run the risk of spurious gold being incorrectly assessed and approved for disbursement. Further, we are subject to the risk of inaccurate or fraudulent estimation of the value of pledged gold by our gold appraisers. Any such inaccuracies or fraud in relation to our appraisal of gold may adversely affect our reputation, business and financial condition.

12. ***Our Company has high Debt Equity ratio and any further increase in borrowings may have a material adverse effect on our business, financial condition and results of operations.***

Our Company has raised funds from a combination of borrowings such as working capital limits and term loans from banks and issuance of secured and unsecured redeemable non-convertible debentures on public and private placement basis and subordinated debts. We are subject to the RBI's guidelines on financial regulation of NBFCs, including capital adequacy, exposure and other prudential norms. As on March 31, 2024 our debt-equity ratio stands at 4.30. While this strategic choice has facilitated our ability to undertake various initiatives improving the top lines and bottom lines, it also introduces certain financial considerations. We will continue to monitor and evaluate our capital structure to ensure we maintain a healthy balance between debt and equity financing. For further information, refer section '*Capital Structure - Debt - equity ratio'* on page 50.

13. ***We depend on customer supplied information when evaluating customer credit worthiness.***

In deciding whether to extend credit or enter into other transactions with customers and counter parties, we may rely on information furnished to us by or on behalf of our customers, including the financial information from which we create our credit assessments. We may also rely on customer representations as to the accuracy and completeness of customer supplied information. Any relevant changes in this information may not be made available to us. The information that we have gathered may not be sufficient to create a complete customer risk profile. Because we rely on such customer supplied information, some or all of certain customers' risk profiles may be wilfully or inadvertently wrong or misleading, which may lead us to enter into transactions that may adversely affect our financial condition and results of operations.

14. ***The implementation of our KYC norms as well as our measures to prevent money laundering may not be completely effective, which could adversely affect our reputation and in turn have an adverse impact on our business and results of operations.***

Our implementation of anti-money laundering measures required by the RBI, including KYC policies and the adoption of anti-money laundering and compliance procedures in all our branches, may not be completely effective. There can be no assurance that certain of our customers will not indulge in money laundering activities advertently misusing our business channels. If we were identified to be associated with money laundering operations, our reputation may be adversely affected, which in turn could have an adverse impact on our business and results of operations.

15. ***A major part of our branch network is concentrated in southern India and any disruption or downturn in the economy of the region would adversely affect our operations.***

As on August 31, 2024 out of total 320 branches, 230 branches were located in the southern states of India i.e., Kerala, Tamil Nadu, Karnataka, Telangana, Andhra Pradesh and union territory of Puducherry and these constituted about our entire total gold loan portfolio. For details, see "*Our Business*" on page 93. As a result, we are exposed to risks including any change in policies relating to these states, any localised social unrest, any natural disaster and any event or development which could make business in such states less economically beneficial. Further, any disruption, disturbance or breakdown in these states could adversely affect the result of our business and operations. Our concentration in these southern states of India exposes us to adverse economic or political circumstances that may arise in that region as compared to other NBFCs and commercial banks that may have diversified national presence and may have an adverse effect on our business, market share and results of operations.

16. ***Our customer base comprises entirely of individual borrowers and medium and small enterprises, who generally are more likely to be affected by declining economic conditions than large corporate borrowers. Any decline in the repayment capabilities of our borrowers, may result in increase in defaults, thereby adversely affecting our business and financial condition.***

Individual and MSME borrowers typically are less financially resilient than larger corporate borrowers, and as a result, they are typically more adversely affected by declining economic conditions. In addition, a significant majority of our customer base belongs to the low to medium income group. Furthermore, unlike many developed economies, a nationwide credit bureau has only recently become operational in India, so there is less financial information available about individuals, particularly our focus customer segment of the low to medium income group. It is therefore difficult to carry out precise credit risk analyses on our customers. While we follow certain procedures to evaluate the credit profile of our customers before we sanction a loan, we generally rely on the quality of the pledged gold rather than on a stringent analysis of the credit profile of our customers. Although we believe that our risk management controls are sufficient, we cannot be certain that they will continue to be sufficient or that additional risk management policies for individual borrowers will not be required. Failure to maintain sufficient credit assessment policies, particularly for individual borrowers, could adversely affect our loan portfolio, which could in turn have an adverse effect on our financial condition and results of operations.

17. ***Since we handle high volumes of cash and gold jewellery in a dispersed network of branches, we are exposed to operational risks, including employee negligence, fraud, petty theft, burglary and embezzlement, which could harm our results of operations and financial position.***

As of June 30, 2024, we held cash balance of ₹9,551.40 lakhs and gold jewellery of 3.80 tons, respectively**.** Our gold loan transactions involve handling significant volumes of cash and gold jewellery at our branch offices. Large cash and gold jewellery transactions expose us to the risk of fraud by employees, agents, customers or third parties, theft, burglary and misappropriation or unauthorised transactions by our employees. Our insurance policies, security systems and measures undertaken to detect and prevent these risks may not be sometimes, sufficient to prevent or deter such activities in all cases, which may adversely affect our operations and profitability. Our employees may also become targets of theft, burglary and other crimes if they are present when these crimes are committed and may sustain physical and psychological injuries as a result. We may encounter difficulties recruiting and retaining qualified employees due to this risk and our business and operations may be adversely affected. For the period ended June 30, 2024 please see below details:

Particulars	No. of cases	Amount (*₹ in lakhs*)	No of cases after recovery	Amount after recovery (*₹ in lakhs*)
Internal Fraud	4	103.07	2	97.11
Spurious	1	2.34	-	-
Theft	12	38.3	3	30.52
Total	**17**	**143.71**	**5**	**127.63**

Further, we may be subject to regulatory or other proceedings in connection with any unauthorised transaction, fraud or misappropriation by our representatives and employees, which could adversely affect our goodwill. The nature and size of the items provided as collateral allow these items to be misplaced or misdelivered, which may have a negative impact on our operations and result in losses.

18. ***We are subject to the risk of fraud by our employees and customers. Our lending operations involve significant amounts of cash collection which may be susceptible to loss or misappropriation or fraud by our employees. Specifically, employees operating in remote areas may be susceptible to criminal elements which may adversely affect our business, operations and ability to recruit and retain employees.***

We are exposed to the risk of fraud and other misconduct by employees and customers. While we carefully recruit all of our employees and screen all our employees who are responsible for disbursement of gold loans and custody of gold, there could be instances of fraud with respect to gold loans and cash related misappropriation by our employees. We are required to report cases of internal fraud to the RBI, which may take appropriate action. We have also filed police complaints alleging fraud and misappropriation of gold by our employees in the past. We cannot guarantee you that such acts of fraud will not be committed in the future, and any such occurrence of fraud would adversely affect our reputation, business and results of operations.

Our lending and collection operations involve handling of significant amounts of cash, including collections of instalment repayments in cash which is the norm in the finance industry. Large amounts of cash collection expose us to the risk of loss, fraud, misappropriation or unauthorised transactions by our employees responsible for dealing with such cash collections. While we obtain insurance, coverage including fidelity coverage and coverage for cash in safes and in transit and undertake various measures to detect and prevent any unauthorised transactions, fraud or misappropriation by our employees, these measures may not be sufficient to prevent or deter such activities in all cases, which may adversely affect our business operations and financial condition. In addition, we may be subject to regulatory or other proceedings in connection with any such unauthorised transaction, fraud or misappropriation by our agents or employees, which could adversely affect our goodwill, business prospects and future financial performance. Further, our employees operating in remote areas may be particularly susceptible to criminal elements as they are involved in cash collection and transportation due to lack of local banking facilities. In the event of any such adverse incident our ability to continue our operations in such areas will be adversely affected and our employee recruitment and retention efforts may be affected, thereby affecting our expansion plans. In addition, if we determine that certain areas of India pose a significantly higher risk of crime or political strife and instability, our ability to operate in such areas will be adversely affected.

19. ***We are subject to the risk of unknowingly receiving stolen goods as collateral from customers which may result in loss of collateral for the loan disbursed.***

We have a policy in place to satisfy ownership of the gold jewellery and have taken adequate steps to ensure that the KYC guidelines stipulated by RBI are followed and due diligence of the customer is undertaken prior to the disbursement of loans. However, in the event that we unknowingly receive stolen goods as collateral from a customer, the goods can be seized by authorities. Once seized by the authorities, gold items will be stored in court storage facilities without a surety arrangement. No recourse is generally available to our Company in the event of such seizure, except the recovery of the loss from the customer. Any seizure of the gold ornaments by the authorities shall result in us losing the collateral for the loan disbursed and could adversely affect our reputation, business and results of operations.

20. ***Our insurance may not be adequate to protect us against all potential losses to which we may be subjected to and if we were to incur a significant liability for which we were not fully insured, it could adversely affect our business, results of operations and financial conditions.***

We maintain bankers' indemnity cover and insurance cover for our gold stock and cash with our branches and cash and gold in transit, against burglary, theft, loss or damage by fire as well as against natural calamities including earthquake and floods. As on June 30, 2024, our Company has an insurance cover comprising (a) bankers indemnity cover amounting to ₹3,000 lakhs per branch; (b) standard fire, special perils policy including earthquake amounting to ₹ 3,214.17 lakhs; (c) burglary insurance for coverage of furniture, fixtures and other assets relating to information technology amounting to ₹ 803.54 lakhs; and (d) insurance coverage for signage cover amounting to ₹ 510.73 lakhs. (e) insurance cover for electronic equipment amounting to ₹519.13 lakhs

While we exercise due care in taking out adequate cover, given the nature of fluctuating gold prices, the amount of our insurance coverage may be less than the replacement cost of all covered property and may not be sufficient to cover all financial losses that we may suffer should a risk materialise. There are many events that could significantly affect our operations, or expose us to third party liabilities, for which we may not be adequately insured. If we were to incur a significant liability for which we were not fully insured, it could adversely affect our business, results of operations and financial condition.

21. ***We have securitized/ assigned a portion of the receivables from our loan portfolio and entered into co-lending arrangement with banks and financial institutions. Any deterioration in the performance of any pool of receivables assigned to banks and other financial institutions or any change in RBI or government policies or termination of such co-lending arrangements may adversely affect our result of operations, financial conditions, cash flows and growth of our business.***

We have securitized and assigned a portion of the receivables from our loan portfolio to banks and financial institutions. These securitization and assignment transactions are conducted on the basis of internal estimates of our funding requirements and may vary from time to time. Securitization and assignment transactions help us in maintaining our capital adequacy and it also helps in generation of income by way of collection fees and agreed spread. Any change in RBI or other government regulations in relation to direct assignments and securitizations by NBFCs could have an adverse impact on our assignment and securitization plans in the future.

We have entered into co-lending arrangement with banks and financial institutions where such co-lender disburses 80% of the loan and the Company disburses 20% of the loan to certain customers. We cannot assure that such co-lending arrangements will not be terminated or paused which may impact the growth of our business. Further, our ability to co-originate loans also depends on the banks and financial institutions with which we enter into co-lending agreements. In addition, we may earn lesser spreads on our loans through the co-lending model, which may adversely impact our business, financial condition, cash flows and results of operations.

22. ***A portion of our loans are unsecured. If borrowers under unsecured loans default and we are unable to recover such receivables in a timely manner or at all, our financial condition, results of operations and cash flows may be adversely affected.***

As at June 30, 2024, we had unsecured loans of ₹12,430.53 lakhs which represented 6.96% of our total loans. Since these loans are unsecured, in the event of defaults by such customers, our ability to realise the amounts due to us would be restricted to initiating legal proceedings for recovery. There can be no guarantee as to the length of time it could take to conclude such legal proceedings or for the legal proceedings to result in a favourable decision for us. Any failure to recover the full amount of principal and interest on unsecured loans given to our customers could adversely affect our financial condition, results of operations and cash flows.

23. ***System failures or inadequacy and security breaches in computer systems may adversely affect our operations and result in financial loss, disruption of our businesses, regulatory intervention or damage to our reputation.***

We are vulnerable to risks arising from the failure of employees to adhere to approved procedures, failures of security systems, computer system disruptions, communication systems failure and data interception during transmission through external communication channels and networks. Failure to prevent or detect such breaches in security or data and communications errors may adversely affect our operations.

Despite our internal controls, policies and procedures, certain matters such as fraud and embezzlement cannot be eliminated entirely given the cash nature of our business. If we fail to maintain and continue to enhance our internal controls, policies and systems, we may be unable to prevent fraud, security breaches or system failures.

Our business is increasingly dependent on our ability to process, on a daily basis, a large number of transactions. Our financial, accounting or other data processing systems may fail to operate properly or become disabled as a result of events that are wholly or partially beyond our control, including a disruption of electrical or communications services. If any of these systems do not operate properly or are disabled, or if there are other shortcomings or failures in our internal processes or systems, financial loss, disruption of our business, regulatory intervention or damage to our reputation may result. In addition, our ability to conduct business may be adversely affected by a disruption in the infrastructure that supports our businesses and the localities in which we are located. Our operations also rely on the secure processing, storage and transmission of confidential and other information in our computer systems and networks. Our computer systems, software and networks may be vulnerable to unauthorized access, computer viruses or other malicious code and other events that could compromise data integrity and security. Constant connectivity between our branches across India and our Corporate Office is key to the functioning of our business. Each of our branches accesses the corporate data centre through the Internet, and all data is stored centrally in the corporate data centre. Our disaster recovery system is fully operational, and we continue to engage in technical exercises to test and improve our disaster plan.

24. ***We are subjected to supervision and regulation by the RBI as a NBFC-ND, and changes in RBI's regulations governing us could adversely affect our business.***

We are subject to the RBI's guidelines on financial regulation of NBFCs, including capital adequacy, exposure and other prudential norms. The RBI also regulates the credit flow by banks to NBFCs and provides guidelines to commercial banks with respect to their investment and credit exposure norms for lending to NBFCs. The RBI's regulations of NBFCs could change in the future which may require us to restructure our activities, incur additional cost or could otherwise adversely affect our business and our financial performance. Through the Master Directions, RBI has amended the regulatory framework governing NBFCs to address concerns pertaining to risks, regulatory gaps and arbitrage arising from differential regulations and aims to harmonise and simplify regulations to facilitate a smoother compliance culture among NBFCs.

Even though the RBI, has not provided for any restriction on interest rates that can be charged by non-deposit taking NBFCs, there can be no assurance that the RBI and/or the Government will not implement regulations or policies, including policies or regulations or legal interpretations of existing regulations, relating to or affecting interest rates, taxation, inflation or exchange controls, or otherwise take action, that could have an adverse effect on non-deposit taking NBFCs. In addition, there can be no assurance that any changes in the laws and regulations relative to the Indian financial services industry will not adversely impact our business.

In recent inspection report, through its letter dated March 20, 2024, RBI has identified certain irregularities and, amongst other things, i) suggested implementation of borrower-based asset classification across all portfolios; ii) suggested formulation of and implantation of a board approved ECL policy for calculation of ECL provisions; iii) ensure meticulous adherence to LTV norms for gold loans; v) ensuring adherence to KYC directions including, *inter-alia*, uploading of KYC records to CKYC Registry, risk categorization of customers etc. Our Company has submitted its responses on July 02, 2024 to RBI, in relation to the above points.

25. ***This Draft Prospectus includes certain unaudited financial information, which has been subjected to limited review, in relation to our Company. Reliance on such information should, accordingly, be limited.***

This Draft Prospectus includes certain unaudited financial information, which has been subjected to limited review by our Statutory Auditor, in relation to our Company. This Draft Prospectus includes Limited Review Report for the quarter ended June 30, 2024, in respect of which the Statutory Auditor has issued the limited review report dated August 9, 2024. As the limited review financial information prepared by the Company in accordance with Regulation 52 of the SEBI LODR Regulations have been subject only to a limited review and as described in Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the ICAI. Any reliance by prospective investors on such limited review financial information for the quarter ended June 30, 2024 should, accordingly, be limited. Any financial results published in the future may not be consistent with past performance. Accordingly, prospective investors should rely on their independent examination of our financial position and results of operations, and should not place undue reliance on, or base their investment decision solely on the financial information included in this Draft Prospectus.

26. ***We may not be able to recover the full loan amount, and the value of the collateral may not be sufficient to cover the outstanding amounts due under defaulted loans. Failure to recover the value of the collateral could expose us to a potential loss, thereby adversely affect our financial condition and results of operations.***

We extend loans secured by gold jewellery provided as collateral by the customer. An economic downturn or sharp downward movement in the price of gold could result in a fall in collateral value. In the event of any decrease in the price of gold, customers may not repay their loans and the value of collateral gold jewellery securing the loans may decrease significantly in value, resulting in losses which we may not be able to support. Although we use a technology-based risk management system and follow strict internal risk management guidelines on portfolio monitoring, which include periodic assessment of loan to security value on the basis of conservative market price levels, limits on the amount of margin, ageing analysis and predetermined loan closure call thresholds, no assurance can be given that if the price of gold decreases significantly, our financial condition and results of operations would not be adversely affected. The impact on our financial position and results of operations of a hypothetical decrease in gold values cannot be reasonably estimated because the market and competitive response to changes in gold values is not pre-determinable.

Additionally, we may not be able to realise the full value of our collateral, due to, among other things, defects in the quality of gold or wastage on melting gold jewellery into gold bars though the adequate systems in place like periodical verification of the pledged jewellery by the gold inspectors and employing well trained staff and large segment of the borrowers being repeat customers. In case of a default, we typically sell the collateral gold jewellery through auctions primarily to jewellers however there can be no assurance that we will be able to sell such gold jewellery at prices sufficient to cover the amounts under default. Furthermore, enforcing our legal rights by litigating against defaulting customers is generally a slow and potentially expensive process in India. Accordingly, it may be difficult for us to recover amounts owed by defaulting customers in a timely manner or at all.

We may also be affected by failure of employees to comply with internal procedures and inaccurate appraisal of credit or financial worth of our clients in spite of the periodical verification of the pledged ornaments by gold inspectors and specified interval inspection and auditing by internal auditors. Failure by our employees who are experienced and trained, to properly appraise the value of the collateral provides us with no recourse against the borrower and the loan sanction may eventually result in a bad debt on our books of accounts. In the event we are unable to check the risks arising out of such lapses, our business and results of operations may be adversely affected.

27. ***Any downgrade in our credit ratings could increase borrowing costs and adversely affect our access to capital and lending markets and could also affect our interest margins, business, results of operations and financial condition.***

The cost and availability of capital is also dependent on our short term and long term credit ratings. Our Company has received rating of BBB +/Stable (pronounced as CRISIL triple B plus rating with Stable outlook) *vide* its letter dated September 18, 2024, for the NCDs proposed to be issued pursuant to this Issue Additionally, CRISIL Rating Limited has reaffirmed the rating of CRISIL BBB +/Stable for the non-convertible debentures and bank loan facilities amounting to ₹34,893 lakhs and ₹25,669 lakhs enhanced from ₹22,850 lakhs, respectively, vide its letter dated December 14, 2023. Ratings reflect a rating agency's opinion of our financial strength, operating performance, strategic position, and ability to meet our obligations. Any downgrade of our credit ratings would increase borrowing costs and constrain our access to debt and bank lending markets and, as a result, would adversely affect our business. In addition, downgrades of our credit ratings could increase the possibility of additional terms and conditions being added to any new or replacement of financing arrangements. For details regarding ratings received by our Company, please see "*Our Business – Credit Ratings"* on page 109.

28. ***We may experience difficulties in expanding our business into additional geographical markets in India, which may adversely affect our business prospects, financial conditions and results of operations.***

While the gold loans markets in the south Indian states of Haryana, Uttar Pradesh, Delhi, Madhya Pradesh, Odisha, Maharashtra, Karnataka, Kerala, Tamil Nadu, Andhra Pradesh, Telangana, Andaman and Nicobar, Gujarat, and the union territory of Puducherry remains and is expected to remain our primary strategic focus, we also evaluate attractive growth opportunities in other regions in India and have expanded our operations in the eastern and western states of India. We may not be able to leverage our experience in the states that we are present in to expand our operations in other regions, should we decide to further expand our operations. Factors such as competition, culture, regulatory regimes, business practices and customs, customer attitude, sentimental attachments towards gold jewellery, behaviour and preferences in these cities where we may plan to expand our operations may differ from those in south Indian states of Kerala, Tamil Nadu, Andhra Pradesh, Telangana, and Karnataka, and the union territory of Puducherry and our experience in these states may not provide us with benefits in other geographies. In addition, as we enter new markets and geographical areas, we are likely to compete not only with other large banks and financial institutions in the gold loan business, but also the local unorganised or semi-organised lenders, who are more familiar with local conditions, business practices and customs, have stronger relationships with customers and may have a more established brand name within local communities.

If we plan to further expand our geographical footprint, our business may be exposed to various additional challenges, including obtaining necessary governmental approvals, identifying and collaborating with local business partners with whom we may have no previous working relationship; successfully gauging market conditions in new markets; attracting potential customers; being susceptible to local laws in new geographical areas of India; and adapting our marketing strategy and operations to suit regions where different languages are spoken. Our inability to expand our current operations in additional geographical markets may adversely affect our growth, business prospects, financial conditions and results of operations.

29. ***Our ability to borrow from various banks may be restricted on account of guidelines issued by the RBI imposing restrictions on banks in relation to their exposure to NBFCs. Any limitation on our ability to borrow from such banks may increase our cost of borrowing, which could adversely impact our growth, business and financial condition.***

Under RBI Master Circular DBR.BP.BC.No.5/21.04.172/2015-16 on bank finance to NBFCs issued on July 1, 2015, the exposure (both lending and investment, including off balance sheet exposures) of a bank to a single NBFC engaged in lending against collateral of gold jewellery (i.e., such loans comprising 50% or more of its financial assets) should not exceed 7.5% of its capital funds. Banks may, however, assume exposures on a single NBFC up to 12.5% of their capital funds, provided the exposure in excess of 7.5% is on account of funds on-lent by the NBFC to the infrastructure sector. Further, banks may also consider fixing internal limits for their aggregate exposure to all NBFCs put together and should include internal sub-limit to all NBFCs providing Gold Loans (i.e., such loans comprising 50% or more of their financial assets), including us. This limits the exposure that banks may have on NBFCs such as us, which may restrict our ability to borrow from such banks and may increase our cost of borrowing, which could adversely impact our growth, business and financial condition.

30. ***We have introduced new products and services and we cannot assure you that such products and services will be profitable in the future.***

Our Company has decided to expand these services to other cities and state and have incurred certain costs to expand these services and we cannot assure you that such expansion will be successful, whether due to factors within or outside of our control, such as general economic conditions, a failure to understand customer demand and market requirements or management focus.

We have limited experience in offering such products and commenced offering these services during the Covid 19 induced lockdown. As a result, we may not be able to put together proper processes to accurately assess and manage the credit quality, which may lead to inaccurate appraisal of pledged gold. Further, introduction of such scheme involves rigorous training to our employees there is no guarantee that the gold ornaments will be appraised accurately in set-ups which are unfamiliar to our employees each time. Inaccurate appraisal of gold content, by our workforce may result in the gold ornament being overvalued and pledged for a loan that is higher in value than the actual value of gold content, which could adversely affect our reputation and business. We also run the risk of spurious gold being incorrectly assessed and approved for disbursement.

Further, these operations may be accompanied by operating and marketing challenges that may be different from those we have previously encountered. In addition, if we fail to successfully offer our new products and services in an increasingly competitive market, we may not be able to capture the growth opportunities associated with them or recover the development and marketing costs, and our future results of operations and growth strategies could be adversely affected.

31. ***Attrition rate in our business is quite high and in order to be successful, we must attract, retain and motivate key employees, and failure to do so could adversely affect our business. Failure to hire key executives or employees could have a significant impact on our operations.***

In order to be successful, we are required to attract, train, motivate and retain highly skilled employees, especially branch managers and gold assessment technical personnel. If we cannot hire additional personnel or retain existing qualified personnel, our ability to expand our business will be impaired and our revenue could decline. Hiring and retaining qualified and skilled managers and sales representatives are critical to our future, and competition for experienced employees in the gold loan industry can be intense. In addition, we may not be able to hire and retain enough skilled and experienced employees to replace those who leave or may not be able to re-deploy and retain our employees to keep pace with continuing changes in technology, evolving standards and changing customer preferences. The failure to hire key executives or employees could have a significant impact on our operations.

32. ***We have entered into transactions with related parties in the past. Any transaction with related parties may involve conflicts of interest.***

We have entered into transactions with several related parties in the past. We can give no assurance that we could not have achieved more favourable terms had such transactions not been entered into with related parties. Furthermore, it is likely that we will enter into related party transactions in the future. There can be no assurance that such transactions, individually or in the aggregate, will not have an adverse effect on our financial condition and results of operations. The transactions we have entered into and any future transactions with our related parties have involved or could potentially involve conflicts of interest.

33. ***We are required to comply with the requirements of certain labour laws which may impose additional costs on us.***

Our branches are required to be registered under the relevant shops and establishments laws and verifications under Standards of Weights and Measures Act, 1976 of the states in which they are located. The shops and establishment laws regulate various employment conditions, including working hours, holidays, leave and overtime compensation. If we fail to obtain or retain any of these approvals, exemptions or licenses, or renewals thereof, in a timely manner, or at all, our business may be adversely affected. If we fail to comply, or a regulator claims we have not complied, with any conditions, our certificate of registration may be suspended or cancelled, and we may not be able to carry on such activities.

In addition, our employees are required to be registered under the provisions of certain labour laws such as the Employees' State Insurance Act, 1948, the Payment of Gratuity Act, 1972, the Employees Provident Fund and Miscellaneous Provisions Act, 1952 and state labour laws in the states where we have our offices and branches. We are also required to maintain certain records under the provisions of these laws, which add to our costs. If we are subject to penalties under these labour laws or if we do not obtain the requisite approvals, our business, financial condition and results of operations may be adversely affected.

34. ***Our inability to obtain, renew or maintain our statutory and regulatory permits and approvals required to operate our business may have a material adverse effect on our business, financial condition and results of operations.***

NBFCs in India are subject to strict regulations and supervision by the RBI. In addition to the numerous conditions required for the registration as a NBFC with the RBI, we are required to maintain certain statutory and regulatory permits and approvals for our business. In the future, we will be required to renew such permits and approvals and obtain new permits and approvals for any proposed operations. There can be no assurance that the relevant authorities will issue any of such permits or approvals in the time frame anticipated by us or at all. Failure on our part to renew, maintain or obtain the required permits or approvals may result in the interruption of our operations and may have a material adverse effect on our business, financial condition and results of operations.

In addition, our branches are required to be registered under the relevant shops and establishments laws of the states in which they are located. The shops and establishment laws regulate various employment conditions, including working hours, holidays and leave and overtime compensation. If we fail to obtain or retain any of these approvals or licenses, or renewals thereof, in a timely manner, or at all, our business may be adversely affected. If we fail to comply, or a regulator claims we have not complied, with any of these conditions, our certificate of registration may be suspended or cancelled, and we shall not be able to carry on such activities.

35. ***All our branch premises are acquired on lease. Any termination of arrangements for lease of our branches or our failure to renew the same in a favourable, timely manner, could adversely affect our business and results of operations.***

As on August 31, 2024, we had 320 branches in twelve states and two union territory. All our Branches are located on leased premises. If any of the owners of these premises does not renew an agreement under which we occupy the premises, attempts to evict us or seeks to renew an agreement on terms and conditions non-acceptable to us, we may suffer a disruption in our operations or increased costs, or both, which may adversely affect our business and results of operations.

Further, some of our lease deeds for our properties may not be registered and further some of our lease deeds may not be adequately stamped and consequently, may not be accepted as evidence in a court of law and we may be required to pay penalties for inadequate stamp duty. Further, we may not be able to assess or identify all risks and liabilities associated with any properties, such as faulty or disputed title, unregistered encumbrances or adverse possession rights, improperly executed, unregistered or insufficiently stamped instruments, or other defects that we may not be aware of.

36. ***We rely significantly on our management team, our Senior Managerial Personnel our Key Managerial Personnel and our ability to attract and retain talent. Loss of any member from our management team or that of our Key Managerial Personnel may adversely affect our business and results of operation.***

We rely significantly on our core management team which oversees the operations, strategy and growth of our businesses. Our Key Managerial Personnel and our Senior Managerial Personnel have been integral to our development. Our success is largely dependent on our management team which ensures the implementation of our strategy. If one or more members of our management team are unable or unwilling to continue in their present positions, they may be difficult to replace, and our business and results of operation may be adversely affected.

37. ***We may not be able to maintain our current levels of profitability due to increased costs or reduced spreads.***

Our business involves a large volume of small-ticket size loans and requires manual operational support. Hence, we require dedicated staff for providing our services. In order to grow our portfolio, our expanded operations will also increase our manpower requirements and push up operational costs. Our growth will also require a relatively higher gross spread, or margin, on the consumer lending products we offer in order to maintain profitability. There can be no assurance that we will be able to maintain our current levels of profitability if the gross spreads on our consumer lending products were to reduce substantially, which could adversely affect our results of operations.

38. A decline in our capital adequacy ratio could restrict our future business growth.

All non-deposit taking NBFCs are required to maintain a minimum capital adequacy ratio, consisting of Tier I capital of their aggregate risk weighted assets on balance sheet and risk adjusted value of off-balance sheet items. Further, RBI has introduced minimum Tier I Capital requirement of 12% to be effective from April 1, 2014 for NBFCs primarily for whom loans against gold jewellery comprise more than 50% of their financial assets, including us. Our capital adequacy ratio as compared to the RBI stipulated minimum requirement of 19.23% is, 17.85%, 16.55%, and 15.44% for the quarter ending June 30, 2024 and, Fiscal 2024, 2023 and 2022, respectively. If we continue to grow our loan portfolio and asset base, we will be required to raise additional Tier I Capital in order to continue to meet applicable capital adequacy ratios with respect to our business. There can be no assurance that we will be able to raise adequate additional capital in the future on terms favourable to us or at all and this may adversely affect the growth of our business. Failure to maintain adequate capital adequacy ratio or Tier I Capital may adversely affect the growth of our business. Further, any regulatory change in capital adequacy requirements imposed by the RBI may have an adverse effect on our results of operation.

39. If we fail to maintain effective internal control over financial reporting in the future, the accuracy and timing of our financial reporting may be adversely affected.

We have taken steps to enhance our internal controls commensurate to the size of our business, primarily through the formation of a designated branch audit and inspection team. However, certain matters such as fraud and embezzlement cannot be eliminated entirely given the cash nature of our business. While we expect to remedy such issues, we cannot assure you that we will be able to do so in a timely manner, which could impair our ability to accurately and timely report our financial position, results of operations or cash flows.

40. Our ability to assess, monitor and manage risks inherent in our business differs from the standards of some of our counterparts in India and in some developed countries. Inability to effectively manage our risk management systems can adversely affect our business, financial condition and results of operation.

We are exposed to a variety of risks, including liquidity risk, interest rate risk, credit risk, operational risk and legal risk. The effectiveness of our risk management is limited by the quality and timeliness of available data.

Our hedging strategies and other risk management techniques may not be fully effective in mitigating our risks in all market environments or against all types of risk, including risks that are unidentified or unanticipated. Some methods of managing risks are based upon observed historical market behavior. As a result, these methods may not predict future risk exposures, which could be greater than the historical measures indicated. Other risk management methods depend upon an evaluation of information regarding markets, customers or other matters. This information may not in all cases be accurate, complete, current, or properly evaluated. Management of operational, legal or regulatory risk requires, among other things, policies and procedures to properly record and verify a number of transactions and events. Although we have established these policies and procedures, they may not be fully effective. Our future success will depend, in part, on our ability to respond to new technological advances and evolving NBFC and gold loan sector standards and practices on a cost-effective and timely basis. The development and implementation of such technology entails significant technical and business risks. There can be no assurance that we will successfully implement new technologies or adapt our transaction-processing systems to customer requirements or evolving market standards and any failure to do so can adversely affect our business, financial condition and results of operation.

41. Our internal procedures, on which we rely for obtaining information on our customers and loan collateral, may be deficient and result in business losses.

We rely on our internal procedures for obtaining information on our customers and loan collateral provided. In the event of lapses or deficiencies in our procedures or in their implementation, we may be subject to business or operational risk. For example, in the event that we unknowingly receive spurious gold ornaments, we may not receive any value for such collateral at the time or an auction or where stolen goods are received as collateral from a customer where the stolen goods can be seized by the authorities, under law and once seized by the authorities, gold items will be stored in court storage facilities without a surety arrangement unless released to the Company from safe custody, upon a specific order. No recourse will generally be available to the Company in the event of such seizure, except the recovery of the loss from the customer.

42. ***We may not be able to detect money-laundering and other illegal or improper activities fully or on a timely basis, which could expose us to additional liability and harm our business or reputation.***

We are required to comply with applicable anti-money-laundering, anti-terrorism laws and other applicable regulations in India. We, in the course of our operations, run the risk of failing to comply with the prescribed KYC procedures and the consequent risk of fraud and money laundering by dishonest customers despite putting in place systems and controls to prevent the occurrence of these risks. In our pursuit of business, we run the risk of inadvertently offering our financial products and services ignoring customer suitability and appropriateness despite having a Board approved customer suitability policy and associated processes in place. To the extent the Company fails to fully comply with applicable laws and regulations, the relevant government agencies to which the Company reports have the power and authority to impose fines and other penalties. In addition, the Company's business and reputation could suffer if customers use the Company for money-laundering or illegal or improper purposes. Any potential penalties or liabilities imposed by the relevant regulators on such matters may adversely affect the Company's financial condition and results of operations.

43. ***We may not be able to adequately protect our trademarks.***

Our trademark "*Indel Money - We care for your needs*" is registered with the Registrar of Trademarks in India with a validity till October 16, 2031. However, the trademark "Indel" has not been registered by us or any of our group companies. Any use of "Indel" or similar trade names by third parties may result in loss of our business to such third parties and any potential negative publicity relating to such third parties may adversely affect our reputation, the goodwill of our brand and business prospects.

Any unauthorized or inappropriate use of our brand, trademarks and domain names by others, in their corporate names or product brands or otherwise could harm our brand image, competitive advantages and business and dilute or harm our reputation and brand recognition. If a dispute arises with respect to any of our intellectual property rights or proprietary information, we will be required to produce evidence to defend or enforce our claims, and we may become party to litigation, which may strain our resources and divert the attention of our management. We cannot assure you that any infringement claims that are material will not arise in the future or that we will be successful in defending any such claims when they arise.

Our efforts to protect our intellectual property or proprietary information and the measures we take to identify potential infringement of our intellectual property may not be adequate to detect or prevent infringement, misappropriation or unauthorized use. Any such misappropriation or duplication of our name, registered/ official addresses, corporate logos or other intellectual property or proprietary information may disrupt our business, distract management and employees, reduce revenues and increase expenses.

44. ***We may not be able to register our trademark .***

We have made an application dated February 1, 2023 for registration of the trademark under class 36 of the Trademarks Act, with the Trademarks Registry, Chennai. This application has been acknowledged by the Trademarks Registry and is currently pending registration. There can be no assurance that our trademark application will be accepted. Further, there are no assurances that we will be able to register this mark. In the event we are not able to obtain registrations due to any injunctive or other adverse order issued against us by the appellate authorities in respect of the registration of our logo or slogan, we may not be able to avail legal protections under the trade mark or prevent unauthorised use of such trademarks by third parties, and in case the logo or slogan is used or claimed by a third party, our ability to use such logo or slogan may be restricted or lost, which may adversely affect our goodwill or business.

45. ***We may not be able to register our trademark INDEL MONEY.***

We have made an application dated August 28, 2024 for registration of the trademark INDEL MONEY under class 36 of the Trademarks Act, with the Trademarks Registry, Chennai. This application has been acknowledged by the Trademarks Registry and is currently pending registration. There can be no assurance that our trademark application will be accepted. Further, there are no assurances that we will be able to register this mark. In the event we are not able to obtain registrations due to any injunctive or other adverse order issued against us by the appellate authorities in respect of the registration of our logo or slogan, we may not be able to avail legal protections under the trade mark or prevent unauthorised use of such trademarks by third parties, and in case the logo or slogan is used or claimed by a third party, our ability to use such logo or slogan may be restricted or lost, which may adversely affect our goodwill or business.

46. ***We continue to be controlled by our Promoter and they will continue to have the ability to exercise significant control over us. We cannot assure you that exercise of control by our Promoter will always favour our best interest.***

Our Promoter holds 100% of our total outstanding paid-up Equity Shares as on the date of this Draft Prospectus. Our Promoter exercise significant control over us, including being able to control the composition of our Board and determine matters requiring shareholder approval or approval of our Board. Our Promoter may take or block actions with respect to our business, which may conflict with our interests. By exercising their control, our Promoter could delay, defer or cause a change of our control or a change in our capital structure, delay, defer or cause a merger, consolidation, takeover or other business combination involving us, discourage or encourage a potential acquirer from making a tender offer or otherwise attempting to obtain control of us which may not favour our best interest.

47. ***Our business and activities may be regulated by the Competition Act, 2002.***

The Competition Act, 2002 (the "**Competition Act**") seeks to prevent business practices that have a material adverse effect on competition in India. Under the Competition Act, any arrangement, understanding or action in concert between enterprises, whether formal or informal, which causes or is likely to cause a material adverse effect on competition in India is void and attracts substantial monetary penalties. Any agreement that directly or indirectly determines purchase or sale prices, limits or controls production, shares the market by way of geographical area, market, or number of customers in the market is presumed to have a material adverse effect on competition. Provisions of the Competition Act relating to the regulation of certain acquisitions, mergers or amalgamations which have a material adverse effect on competition and regulations with respect to notification requirements for such combinations came into force on June 1, 2011. The effect of the Competition Act on the business environment in India is unclear. If we are affected, directly or indirectly, by the application or interpretation of any provision of the Competition Act, or any enforcement proceedings initiated by the Competition Commission of India, or any adverse publicity that may be generated due to scrutiny or prosecution by the Competition Commission of India, it may have a material adverse effect on our business, prospects, results of operations, cash flows and financial condition.

48. ***Payments to be made on the NCDs are subordinated to certain taxes and other liabilities preferred by law.***

The NCDs will be subordinated to certain liabilities preferred by law such as the claims of the Government on account of taxes, and certain liabilities incurred in the ordinary course of our business. In particular, in the event of bankruptcy, liquidation or winding-up, our Company's assets will be available to pay obligations on the NCDs only after all of those liabilities that rank senior to the NCDs have been paid as per Section 327 of the Companies Act, 2013 or Section 53 of the Insolvency and Bankruptcy Code, 2016, as the case maybe. In the event of bankruptcy, liquidation or winding-up, there may not be sufficient assets remaining to pay amounts, due on the NCDs.

49. ***Some of our secretarial records are not traceable.***

The secretarial records for certain past allotments of Equity Shares made by our Company, and changes in relation to the name of our Company, could not be traced as the relevant information was not available in the records maintained by our Company, at the MCA Portal maintained by the Ministry of Corporate Affairs and the RoC, despite conducting searches.

While no legal proceedings or regulatory actions have been initiated against our Company in relation to untraceable secretarial and other corporate records and documents as of the date of this Draft Prospectus, we cannot assure you that such legal proceedings or regulatory actions will not be initiated against our Company in future.

Risks Pertaining to this Issue

50. ***Changes in interest rates may affect the price of our NCDs which frequently accompany inflation and/or a growing economy, are likely to have a negative effect on the price of our NCDs.***

All securities where a fixed rate of interest is offered, such as our NCDs, are subject to price risk. The price of such securities will vary inversely with changes in prevailing interest rates, i.e., when interest rates rise, prices of fixed income securities fall and when interest rates drop, the prices increase. The extent of fall or rise in the prices is a function of the existing coupon, days to maturity and the increase or decrease in the level of prevailing interest rates. Increased rates of interest, which frequently accompany inflation and/or a growing economy, are likely to have a negative effect on the price of our NCDs.

51. ***We have not independently verified certain industry data in this Draft Prospectus.***

We and the Lead Manager have not independently verified the data from industry publications contained herein including the Industry Report and although we believe these sources to be reliable, we cannot assure you that they are complete or reliable. Such data may also be produced on a different basis from comparable information compiled with regards to other countries. Unless stated otherwise, macroeconomic and industry data used throughout this Draft Prospectus has been obtained from the report titled "Research Report on NBFC Industry" prepared by CARE Analytics and Advisory Private Limited. Therefore, matters relating to India, the Indian economy, as well as NBFCs, the gold loan industry, personal loan industry and MSME loan industry that are included herein are subject to the caveat that the statistical and other data upon which it is based have not been verified by us and may be incomplete, inaccurate or unreliable. Due to possibly flawed or ineffective data collection methods or discrepancies between published information and market practice and other problems, the statistics herein may be inaccurate or may not be comparable to statistics produced elsewhere and should not be unduly relied upon. Further, we cannot assure you that they are stated or compiled on the same basis or with the same degree of accuracy, as the case may be, elsewhere.

52. ***You may not be able to recover, on a timely basis or at all, the full value of the outstanding amounts and/or the interest accrued thereon in connection with the NCDs. Failure or delay in recovering the expected value from a sale or disposition of the assets charged as security in connection with the NCDs could expose you to a potential loss.***

Our ability to pay interest accrued on the NCDs and/or the principal amount outstanding from time to time in connection therewith would be subject to various factors inter alia including our financial condition, profitability and the general economic conditions in India and in the global financial markets. We cannot assure you that we would be able to repay the principal amount outstanding from time to time on the NCDs and/or the interest accrued thereon in a timely manner or at all.

Further, in case of NCDs, although our Company will create appropriate security in favour of the Debenture Trustee to the Issue for the Debenture Holders for the NCDs on the assets adequate to ensure 100.00% security cover on the outstanding amounts of the NCDs and interest thereon, the realisable value of the secured assets may be lower than the outstanding principal and/or interest accrued thereon in connection with the NCDs. A failure or delay in recovering the expected value from a sale or disposition of the assets charged as security in connection with the NCDs could expose you to a potential loss.

53. ***There is no assurance that the NCDs issued pursuant to this Issue will be listed on BSE Limited in a timely manner, or at all.***

In accordance with Indian law and practice, permission for listing and trading of the NCDs issued pursuant to this Issue will not be granted until after the NCDs have been issued and allotted. Approval for listing and trading will require all relevant documents authorising the issue of NCDs to be submitted. There could be a failure or delay in listing the NCDs in BSE.

54. ***There may be no active market for the NCDs on the retail debt market/capital market segment of the BSE. As a result, the liquidity and market prices of the NCDs may fail to develop and may accordingly be adversely affected.***

The Issue will be a new public issue of NCDs for our Company and the liquidity in NCDs at present is very low in the secondary market. There can be no assurance that an active market for the NCDs will develop. If an active market for the NCDs fails to develop or be sustained, the liquidity and market prices of the NCDs may be adversely affected. The liquidity and market prices of the NCDs can be expected to vary with changes in market and economic conditions, our financial condition and prospects and other factors that generally influence market price of NCDs. The market price of the NCDs would depend on various factors *inter alia* including (i) the interest rate on similar securities available in the market and the general interest rate scenario in the country, (ii) the market for listed debt securities, (iii) general economic conditions, (iv) our financial performance, growth prospects and results of operations and (v) limited and sporadic trading. The aforementioned factors may adversely affect the liquidity and market price of the NCDs, which may trade at a discount to the price at which you purchase the NCDs and/or be relatively illiquid.

55. Our Company may raise further borrowings and charge its assets after receipt of necessary consents from its existing lenders. In such a scenario, the Debenture Holders holding NCDs will rank pari passu with other secured creditors and to that extent, may reduce the amounts recoverable by the Debenture Holders upon our Company's bankruptcy, winding up or liquidation.

Our Company may, subject to receipt of all necessary consents from its existing lenders and the Debenture Trustee to the Issue, raise further borrowings and charge its assets. Our Company is free to decide the nature of security that may be provided for future borrowings. In such a scenario, the Debenture Holders holding NCDs will rank pari passu with other creditors and to that extent, may reduce the amounts recoverable by the Debenture Holders upon our Company's bankruptcy, winding up or liquidation.

56. Payments to be made on the NCDs are subordinated to certain taxes and other liabilities preferred by law. In the event of bankruptcy, liquidation or winding up, there may not be sufficient assets of our Company remaining, to pay amounts due on the NCDs.

The NCDs will be subordinated to certain liabilities preferred by law such as the claims of the Government on account of taxes, and certain liabilities incurred in the ordinary course of our business. In particular, in the event of bankruptcy, liquidation or winding-up, our Company's assets will be available to pay obligations on the NCDs only after all of those liabilities that rank senior to the NCDs have been paid as per Section 327 of the Companies Act, 2013 or Section 53 of the Insolvency and Bankruptcy Code, 2016, as the case maybe. In the event of bankruptcy, liquidation or winding-up, there may not be sufficient assets remaining to pay amounts, due on the NCDs.

57. We cannot guarantee the accuracy or completeness of facts and other statistics with respect to India, the Indian economy and the NBFC, Gold Loan industry, Personal Loan industry and MSME Loan industry contained in this Draft Prospectus.

While facts and other statistics in this Draft Prospectus relating to India, the Indian economy as well as the gold loan industry have been based on various publications and reports from agencies that we believe are reliable, we cannot guarantee the quality or reliability of such materials, particularly since there is limited publicly available information specific to the Gold Loan industry, personal loan industry and MSME loan industry. While we have taken reasonable care in the reproduction of such information, industry facts and other statistics, the same have not been prepared or independently verified by us or any of our respective affiliates or advisors and, therefore we make no representation as to their accuracy or completeness. These facts and other statistics include the facts and statistics included in the chapter titled "*Industry Overview*" beginning on page 67. Due to possibly flawed or ineffective data collection methods or discrepancies between published information and market practice and other problems, the statistics herein may be inaccurate or may not be comparable to statistics produced elsewhere and should not be unduly relied upon. Further, there is no assurance that they are stated or compiled on the same basis or with the same degree of accuracy, as the case may be, elsewhere.

58. The Issuer, being a NBFC, is not required to maintain a debenture redemption reserve ("DRR").

Pursuant to a Ministry of Corporate Affairs notification dated August 16, 2019 amending Section 71 of the Companies Act, 2013 and Rule 18 (7) of the Companies (Share Capital and Debentures) Rules, 2014, an NBFC is not required to maintain DRR for debentures issued through a public issue. Hence, investors shall not have the benefit of reserve funds to cover the re-payment of the principal and interest on the NCDs.

59. The fund requirement and deployment mentioned in the Objects of the Issue have not been appraised by any bank or financial institution.

We intend to use the proceeds of the Issue, after meeting the expenditures of and related to the Issue, for the purpose of onward lending, financing and for repayment of interest and principal of existing borrowings of our Company. For further details, see "*Objects of the Issue*" beginning on page 52. The fund requirement and deployment are based on internal management estimates and has not been appraised by any bank or financial institution. The management will have significant flexibility in applying the proceeds received by us from the Issue. Further, according to the provisions of the SEBI NCS Regulations, we are not required to appoint a monitoring agency and therefore no monitoring agency has been appointed for this Issue.

External Risk Factors

60. Financial difficulties and other problems in certain financial institutions in India could cause our business to suffer and adversely affect our results of operations.

We are exposed to the risks of the Indian financial system, which in turn may be affected by financial difficulties and other problems faced by certain Indian financial institutions. Certain Indian financial institutions have experienced difficulties during recent years. Some co-operative banks (which tend to operate in rural sector) have also faced serious financial and liquidity crises. There has been a trend towards consolidation with weaker banks, NBFCs and HFCs being merged with stronger entities. The problems faced by individual Indian financial institutions and any instability in or difficulties faced by the Indian financial system generally could create adverse market perception about Indian financial institutions, banks and NBFCs. This in turn could adversely affect our business, our future financial performance, our shareholders' funds and the market price of our NCDs.

61. Terrorist attacks, civil unrest and other acts of violence or war involving India and other countries could adversely affect the financial markets and our business.

Terrorist attacks and other acts of violence or war may negatively affect our business and may also adversely affect the worldwide financial markets. These acts may also result in a loss of business confidence. In addition, any deterioration in relations between India and its neighbouring countries might result in investor concern about stability in the region, which could adversely affect our business.

India has also witnessed civil disturbances in recent years, and it is possible that future civil unrest as well as other adverse social, economic and political events in India could have a negative impact on us. Such incidents could also create a greater perception that investment in Indian companies involves a higher degree of risk and could have an adverse impact on our business and the market price of our NCDs.

62. Natural calamities could have a negative impact on the Indian economy, particularly the agriculture sector, and cause our business to suffer.

India has experienced natural calamities such as earthquakes, a tsunami, floods and drought in the past few years. The extent and severity of these natural disasters determines their impact on the Indian economy. Further, prolonged spells of below normal rainfall or other natural calamities could have a negative impact on the Indian economy thereby, adversely affecting our business.

63. Instability of economic policies and the political situation in India could adversely affect the fortunes of the industry.

There is no assurance that the liberalisation policies of the government will continue in the future. Protests against privatization could slow down the pace of liberalisation and deregulation. The Government of India plays an important role by regulating the policies and regulations that govern the private sector. The current economic policies of the government may change at a later date. The pace of economic liberalisation could change and specific laws and policies affecting the industry and other policies affecting investments in our Company's business could change as well. A significant change in India's economic liberalisation and deregulation policies could disrupt business and economic conditions in India and thereby affect our Company's business.

Unstable domestic as well as international political environment could impact the economic performance in the short term as well as the long term. The Government of India has pursued the economic liberalisation policies including relaxing restrictions on the private sector over the past several years. The present Government has also announced polices and taken initiatives that support continued economic liberalisation.

The Government has traditionally exercised and continues to exercise a significant influence over many aspects of the Indian economy. Our Company's business may be affected not only by changes in interest rates, changes in Government policy, taxation, social and civil unrest but also by other political, economic or other developments in or affecting India.

64. We may be adversely affected by increase in taxes and duties.

Tax and other levies imposed by the central and state governments in India that affect our tax liability include central and state taxes and other levies, income tax, goods and service tax, stamp duty and other special taxes and surcharges which are introduced on a temporary or permanent basis from time to time. Moreover, the central and state tax scheme in India is extensive and subject to change from time to time. Taxes and duties, including those taxes and duties on certain types of trade transactions and industries affecting the movement and transportation of goods in India, may affect our business, financial condition and results of operations. There can be no assurance that the current levels of taxes, tariffs and duties will not increase in the future, or that State Governments will not introduce additional levies, each of which may result in increased operating costs and lower income. To the extent additional levies are imposed, there can be no assurance that we will be able to pass such cost increases on to our customers.

65. ***Significant fluctuations in exchange rates between the Rupee and foreign currencies may have an adverse effect on our results of operations.***

Our results of operations may be adversely affected if the Indian rupee fluctuates significantly against foreign currencies or if our hedging strategy is unsuccessful. To the extent that our income and expenditures are not denominated in Indian rupees, despite us entering into foreign exchange hedging contracts from time to time, exchange rate fluctuations could affect the amount of income and expenditure we recognise. In addition, the policies of RBI may also change from time to time, which may limit our ability to hedge our foreign currency exposures adequately.

66. ***If more stringent labour laws or other industry standards in the jurisdictions in which we operate become applicable to us, our profitability may be adversely affected.***

We are subject to a number of stringent labour laws and restrictive contractual covenants related to levels of employment. India has stringent labour legislation that protects the interests of workers, including legislation that sets forth detailed procedures for dispute resolution and employee removal, payment of overtime to employees and legislation that imposes financial obligations on employers upon retrenchment. In the future, if we are also required to supply manpower as part of our services, we shall incur additional cost in addition to be exposed to other labour legislation. If labour laws become more stringent or are more strictly enforced, it may become difficult for us to maintain flexible human resource policies, discharge employees or downsize, any of which could adversely affect our business, results of operations, financial condition and cash flows.

67. ***Any downgrading of India's sovereign rating by an international rating agency (ies) may affect our business and our liquidity to a great extent.***

Any adverse revision to India's credit rating for domestic and international debt by international rating agencies may adversely impact our ability to raise additional finances at favourable interest rates and other commercial terms. This could have an adverse effect on our growth, financial performance and our operations. Instances of corruption in India have the potential to discourage investors and derail the growth prospects of the Indian economy. Corruption creates economic and regulatory uncertainty and could have an adverse effect on our business, profitability and results of operations. The Indian economy has had sustained periods of high inflation. Should inflation continue to increase sharply, our profitability and results of operations may be adversely impacted. High rates of inflation in India could increase our employee costs which could have an adverse effect on our profitability and results of operations.

68. ***A decline in India's foreign exchange reserves may affect liquidity and interest rates in the Indian economy, which could adversely impact our financial condition.***

A decline in India's foreign exchange reserves could impact the valuation of the Rupee and could result in reduced liquidity and higher interest rates which could adversely affect our financial condition.

69. ***Changing laws, rules and regulations and legal uncertainties, including adverse application of tax laws and regulations, may adversely affect our business and financial performance.***

Our business and financial performance could be adversely affected by unfavourable changes in or interpretations of existing, or the promulgation of new laws, rules and regulations applicable to us and our business.

There can be no assurance that the Government of India may not implement new regulations and policies which will require us to obtain approvals and licenses from the Government of India and other regulatory bodies or impose onerous requirements and conditions on our operations. Any such changes and the related uncertainties with respect to the applicability, interpretation and implementation of any amendment to, or change to governing laws, regulation or policy in the jurisdictions in which we operate may have a material adverse effect on our business, financial condition and results of operations. In addition, we may have to incur expenditures to comply with the requirements of any new regulations, which may also materially harm our results of operations. Any unfavourable changes to the laws and regulations applicable to us could also subject us to additional liabilities.

The application of various Indian tax laws, rules and regulations to our business, currently or in the future, is subject to interpretation by the applicable taxation authorities. If such tax laws, rules and regulations are amended, new adverse laws, rules or regulations are adopted or current laws are interpreted adversely to our interests, the results could increase our tax payments (prospectively or retrospectively) and/or subject us to penalties. Further, changes in capital gains tax or tax on capital market transactions or sale of shares could affect investor returns. As a result, any such changes or interpretations could have an adverse effect on our business and financial performance.

Any such future increases or amendments may affect the overall tax efficiency of companies operating in India and may result in significant additional taxes becoming payable.

SECTION III – INTRODUCTION

GENERAL INFORMATION

Our Company was incorporated under the provisions of the Companies act, 1956 on September 11, 1986, under the name of 'Payal holdings Private Limited'. The name of our Company was changed to '*Indel Money Private Limited*' pursuant to fresh certificate of incorporation dated January 9, 2013, issued by Registrar of Companies, Maharashtra, Mumbai. Pursuant to a special resolution passed in the general meeting of our Shareholders held on August 16, 2021, our Company was converted into a public limited company and a fresh certificate of incorporation was issued by the RoC on August 26, 2021, and our name was changed to 'Indel Money Limited'. For further details about our Company, see "*History and Certain Other Corporate Matters*" on page 111.

Registration

The registration number and corporate identity number of our Company are as follows:

i. Company Registration Number with RoC: 040897

ii. Corporate Identification Number issued by the RoC: U65990MH1986PLC040897

Our Company has obtained a certificate of registration dated February 13, 2002 bearing registration no. – B13.01564 issued by the RBI to carry on the activities of a NBFC under Section 45 IA of the RBI Act. Further, our Company has received certificate of registration dated September 27, 2021 bearing registration number B-13.01564 issued by RBI under Section 45IA of the Reserve Bank of India Act, 1934 pursuant to the change in name from '*Indel Money Private Limited*' to '*Indel Money Limited*' consequent upon its conversion as a public limited company and receipt of revised certificate of incorporation from RoC, dated August 26, 2021. Our Company is a non-deposit taking NBFC-Middle Layer.

Registrar of Companies

Our Company is registered with the Registrar of Companies, Maharashtra at Mumbai, which is situated at the following address:

100 Everest
Marine Drive
Mumbai – 400 002
Maharashtra, India

Registered Office

Office No.301, Floor No.3
Sai Arcade N.S Road
Mulund West, Mumbai – 400 080
Maharashtra, India
Tel: +91 22 6798 9889
Email: cs@indelmoney.com
Website: www.indelmoney.com

Corporate Office

Indel House
Changampuzha Nagar
South Kalamassery
Ernakulam – 682 033
Kerala, India
Telephone: +91 484 293 3999
E-mail**:** cs@indelmoney.com

Board of Directors

The following table sets out the details regarding the Board of Directors as on the date of this Draft Prospectus:

Name	Designation	DIN	Address
Mohanan Gopalakrishnan	Managing Director	02456142	Dhanya, Naduvakkad Kannadi, Kannadi I, Palakkad, Kerala – 678 701
Umesh Mohanan	Executive Whole Time Director	02455902	Dhanya, Naduvakkad, Kinnasery, Kannadi Post, Kannadi – I, Palakkad, Kerala – 678 701
Anantharaman Trikkur Ramachandran	Non-Executive Director	05262157	6/604 Ayodhya Gandhi Nagar 2 Street, Cheroor, Peringavu, Thrissur, Kerala – 680 008, India
Salil Venu	Non-Executive Director	06531662	8B, 8th Floor, Asset Silver Swan, Aluva, Aluva, Aluva, Ernakulam, Kerala – 683 101.
Kavitha Menon	Non-Executive Director	08074657	514/12 Vikas A/10 Santhi Colony, Chandranagar, Marutha Road, Palakkad, Kerala – 678 007
Narasinganallore Srinivasan Venkatesh	Independent Director	01893686	Flat No 1505 C Wing,Chembur Heights II, Opp Vivekananda College,Sindhi Society, Chembur East,Mumbai – 400 071
Chitethu Ramakrishna Sasikumar	Independent Director	05202465	Naadan, Kara-101 C, 8th Street, Near N S, Ayapankav Road, Kanimanigalam P O, Thrissur, Kerala, India – 680 027
Sethuraman Ganesh	Independent Director	07152185	C/O, 305, Vensa Lakeview, Kempapura Main Road, Opp. Rechenahalli Lake, Dasarahalli, Bangalore North, Bengaluru, Karnataka – 560 092

For further details of Directors of our Company, please see "*Our Management*" on page 113.

Chief Financial Officer

Narayanan P.
Indel House, Changampuzha Nagar
South Kalamassery
Ernakulam – 682 033
Kerala, India
Email: cfo@indelmoney.com
Tel: +91 484 2933989

Company Secretary and Compliance Officer

Hanna P Nazir
Indel House, Changampuzha Nagar
South Kalamassery
Ernakulam – 682 033
Kerala, India
E-mail: cs@indelmoney.com
Tel: +91 484 2933 988

Investors may contact the Registrar to the Issue or the Compliance Officer in case of any pre-Issue or post Issue related issues such as non-receipt of Allotment Advice, demat credit of allotted NCDs.

All grievances relating to the Issue may be addressed to the Registrar to the Issue, giving full details such as name of the Applicant, Application Form number, Applicant's DP ID, Client ID, PAN, address of Applicant, number of NCDs applied for, ASBA Account number in which the amount equivalent to the Application Amount was blocked or the UPI ID (for UPI Investors who make the payment of Application Amount through the UPI Mechanism), date of Application Form and the name and address of the relevant Designated Intermediary where the Application was submitted.

All grievances relating to the ASBA process may be addressed to the Registrar to the Issue with a copy to the relevant SCSB, giving full details such as name, address of Applicant, Application Form number, number of NCDs applied for, amount blocked on Application and the Designated Branch or the Collection Centres of the SCSB where the Application Form was submitted by the ASBA Applicant.

All grievances relating to ASBA process where the Application is submitted to a Member of Syndicate should be addressed to the Registrar to the Issue with a copy to the relevant Member of Syndicate and the relevant SCSB.

All grievances arising out of Applications for the NCDs made through the Online Stock Exchange Mechanism (app based/web interface platform) of the Stock Exchange, or through Trading Members, may be addressed directly to the Stock Exchange, with a copy to the Registrar to the Issue.

Lead Manager to the Issue

VIVRO

Vivro Financial Services Private Limited
Vivro House 11, Shashi Colony,
Opposite Suvidha Shopping Center,
Paldi, Ahmedabad - 380007
Gujarat, India.
Telephone: +91 7940404242/40/41
Email: investors@vivro.net
Contact Person: Jay Dodiya / Kruti Saraiya
Website: www.vivro.net
SEBI Registration No.: INM000010122

Debenture Trustee

VISTRA

Vistra ITCL (India) Limited
The Capital Building, Unit no. 505-A2,
Bandra Kurla Complex, Bandra East,
Mumbai, Maharashtra, India, 400051
Tel: 022 2659 3333
Fax: 022 26533297
Email: itclcomplianceofficer@vistra.com
Investor Grievance Email: itclcomplianceofficer@vistra.com
Website: www.vistraitcl.com
Compliance Officer/ Contact Person: Jatin Chonani
SEBI Registration No.: IND000000578

Vistra ITCL (India) Limited has by its letter dated September 24, 2024, given its consent for its appointment as Debenture Trustee to the Issue and for its name to be included in this Draft Prospectus and in all the subsequent periodical communications to be sent to the holders of the NCDs issued pursuant to this Issue.

All the rights and remedies of the NCD Holders under this Issue shall vest in and shall be exercised by the appointed Debenture Trustee for this Issue without having it referred to the NCD Holders. All investors under this Issue are deemed to have irrevocably given their authority and consent to the Debenture Trustee so appointed by our Company for this Issue to act as their trustee and for doing such acts and signing such documents to carry out their duty in such capacity. Any payment by our Company to the NCD Holders/Debenture Trustee, as the case may be, shall, from the time of making such payment, completely and irrevocably discharge our Company *pro tanto* from any liability to the NCD Holders. For details on the terms of the Debenture Trust Deeds see, "*Issue Related Information*" on page 207.

Registrar to the Issue

LINK Intime

Link Intime India Private Limited
C-101, 247 Park
L.B.S. Marg, Vikhroli West
Mumbai – 400 083
Tel: +91 810 811 4949
F: +91 22 49186060
Email: indelmoney.ncd2024@linkintime.co.in

Investor Grievance Id: indelmoney.ncd2024@linkintime.co.in
Website: www.linkintime.co.in
Contact Person: Shanti Gopalkrishnan
Compliance Officer: B. N. Ramakrishnan
SEBI Registration Number: INR000004058

Credit Rating Agency

CRISIL Ratings

CRISIL Ratings Limited (A subsidiary of CRISIL Limited)
CRlSIL House, Central Avenue
Hiranandani Business Park
Powai, Mumbai – 400 076
Tel: +91 22 3342 3000
Fax: 91-22-3342 3050
Email: crisilratingdesk@crisil.com
Website: www.crisilratings.com
Contact Person: Ajit Velonie
SEBI Registration Number: IN/CRA/001/1999

Legal Advisor to the Issue

KHAITAN & CO ADVOCATES SINCE 1911

Khaitan & Co
One World Centre
10th & 13th Floors, Tower 1C
841 Senapati Bapat Marg
Mumbai – 400 013
Maharashtra, India
Telephone: + 91 22 6636 5000

Statutory Auditors

Bhatter & Company, Chartered Accountants
307, Tulsiani Chambers,
Nariman Point, Mumbai – 400 021
Maharashtra, India
Tel: +91 22 2285 3039/3020 8868
Email: dhbhatter@gmail.com
Website: NA
Contact Person: D.H. Bhatter

Bankers to the Issue

As specified in the Prospectus

Public Issue Account Bank, Sponsor Bank and Refund Bank

As specified in the Prospectus

Syndicate Member

As specified in the Prospectus

Designated Intermediaries

Self-Certified Syndicate Banks

The list of banks that have been notified by SEBI to act as the SCSBs for the ASBA and UPI Mechanism process is provided on the website of SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes and https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40 respectively as updated from time to time. For a list of branches of the SCSBs named by the respective SCSBs to receive the ASBA Forms and UPI Mechanism through app/web interface from the Designated Intermediaries, refer to the above-mentioned link.

In relation to Bids submitted under the ASBA process to a member of the Syndicate, the list of branches of the SCSBs at the Specified Locations named by the respective SCSBs to receive deposits of the ASBA Forms from the Members of the Syndicate is available on the website of SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=45 and updated from time to time. For more information on such branches collecting Bid cum Application Forms from the Syndicate at Specified Locations, see the website of SEBI at http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised or any such other website as may be prescribed by SEBI from time to time =yes) or any such other website as may be prescribed by SEBI from time to time.

Syndicate SCSB Branches

In relation to Applications submitted to a member of the Syndicate or the Trading Members of the Stock Exchange only in the Specified Cities (Mumbai, Chennai, Kolkata, Delhi, Ahmedabad, Rajkot, Jaipur, Bengaluru, Hyderabad, Pune, Vadodara and Surat), the list of branches of the SCSBs at the Specified Locations named by the respective SCSBs to receive deposits of Application Forms from the Members of the Syndicate is available on the website of the SEBI (https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=45) and updated from time to time or any such other website as may be prescribed by SEBI from time to time. For more information on such branches collecting Application Forms from the Syndicate at Specified Locations, see the website of the SEBI (https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=45) as updated from time to time or any such other website as may be prescribed by SEBI from time to time.

SCSBs eligible as issuer banks for UPI Mechanism and eligible mobile applications

In accordance with SEBI Master Circular, UPI Investors making an Application in the Issue using the UPI Mechanism, may apply through the SCSBs and mobile applications whose names appears on the website of the SEBI at www.sebi.gov.in, and updated from time to time.

RTAs / CDPs

The list of the RTAs and CDPs, eligible to accept Applications in the Issue, including details such as postal address, telephone number and email address, are provided on the websites of BSE at http://www.bseindia.com, for RTAs and CDPs, as updated from time to time.

Broker Centres/ Designated CDP Locations/ Designated RTA Locations

In accordance with SEBI Circular No. CIR/CFD/14/2012 dated October 4, 2012 and RTA Master Circular and the SEBI Master Circular, Applicants can submit the Application Forms with the registered brokers at the Broker Centers, CDPs at the Designated CDP Locations or the RTAs at the Designated RTA Locations, respective lists of which, including details such as address and telephone number, are available at www.bseindia.com. The list of branches of the SCSBs at the Broker Centres, named by the respective SCSBs to receive deposits of the Application Forms from the registered brokers will be available on the website of the SEBI (www.sebi.gov.in) and updated from time to time.

Arrangers to the Issue

There are no arrangers to the Issue**.**

Minimum Subscription

In terms of the SEBI NCS Regulations, for an issuer undertaking a public issue of debt securities, the minimum subscription for public issue of debt securities shall be 75% of the Base Issue. If our Company does not receive the minimum subscription of 75% of the Base Issue i.e. ₹5,625 lakhs within the prescribed timelines under Companies Act and any rules thereto, the entire subscription amount blocked shall be unblocked in the respective ASBA Accounts of each Applicant, within eight Working Days from the date of closure of the Issue, provided wherein, the Application Amount has been transferred to the Public Issue Account from the respective ASBA Accounts, such Application Amount shall be refunded from the Refund Account to the relevant ASBA Accounts(s) of the Applicants within eight Working Days from the Issue Closing Date, failing which the Company will become liable to refund the Application Amount along with interest at the rate 15 (fifteen) percent per annum for the delayed period.

Under Section 39(3) of the Companies Act, 2013 and Rule 11(2) of the Companies (Prospectus and Allotment of Securities) Rules, 2014 if the stated minimum subscription amount is not received within the specified period, the application money received is to be credited only to the bank account from which the subscription amount was remitted. To the extent possible, where the required information for making such refunds is available with our Company and/or Registrar, refunds will be made to the account prescribed. However, where our Company and/or Registrar does not have the necessary information for making such refunds, our Company and/or Registrar will follow the guidelines prescribed by SEBI in this regard included in the SEBI Master Circular.

Credit Rating and Rationale

Our Company has received rating of CRISIL BBB+/Stable (pronounced as CRISIL triple B plus rating with Stable outlook) by Crisil Ratings Limited vide its letter dated September 18, 2024 read with press release dated September 18, 2024, for the NCDs proposed to be issued pursuant to this Issue. The rating of the NCDs by Crisil Ratings Limited indicates that the instruments with this rating are considered to have moderate degree of safety and moderate credit risk. The rating given by Crisil Ratings Limited is valid as on the date of this Draft Prospectus and shall remain valid on date of the issue and allotment of NCDs and the listing of the NCDs on BSE. The ratings provided by Crisil Ratings Limited may be suspended, withdrawn or revised at any time by the assigning rating agency and should be evaluated independently of any other rating. These ratings are not a recommendation to buy, sell or hold securities and Investors should take their own decisions. Please refer to Annexure A on page 274 for the rating letter and rating rationale.

Disclaimer Statement of CRISIL Ratings Limited (A subsidiary of CRISIL Limited)

A rating by CRISIL Ratings reflects its current opinion on the likelihood of timely payment of the obligations under the rated instrument and does not constitute an audit of the rated entity by CRISIL Ratings. Our ratings are based on information provided by the Issuer or obtained by Crisil Ratings from sources it considers reliable. CRISIL Ratings does not guarantee the completeness or accuracy of the information on which the rating is based. A rating by CRISIL Ratings is not a recommendation to buy/sell or hold the rated instrument; it does not comment on the market price or suitability for a particular investor. CRISIL Ratings has a practice of keeping all its ratings under surveillance and ratings are revised as and when circumstances so warrant. CRISIL Ratings is not responsible for any errors as especially states that it has no financial liability whatsoever to the subscribers/users/transmitters/distributers of its ratings. CRISIL Ratings' criteria are available without charge to the public on the website, www.crisilratings.com. CRISIL Ratings or its associates may have other commercial transactions with the company/entity. For the latest rating information on any instrument of any company rated by CRISIL Ratings, please visit www.crisilratings.com or contact Customer Service Helpdesk at CRISILratingdesk@crisil.com or at 1800-267-1301.

Consents

Consents in writing of Directors of our Company, Company Secretary and Compliance Officer, Chief Financial Officer, Statutory Auditors, legal advisor to the Issue, Lead Manager, the Registrar to the Issue, Credit Rating Agency, the Debenture Trustee, CARE Analytics and Advisory Private Limited, and the lenders to our Company to act in their respective capacities, have been obtained and will be filed along with a copy of this Draft Prospectus with the RoC as required under Section 26 of the Companies Act, 2013. Further such consents shall not be withdrawn up to the time of delivery of this Draft Prospectus with the RoC.

Underwriting

This Issue is not underwritten.

Utilisation of Issue proceeds

For details on utilization of Issue proceeds, please refer to "*Objects of the Issue*" on page 52.

Issue Programme

ISSUE OPENS ON	As specified in the Prospectus
ISSUE CLOSES ON	As specified in the Prospectus #
PAY IN DATE	Application Date. The entire Application Amount is payable on Application
DEEMED DATE OF ALLOTMENT	The date on which the Board or a duly authorised committee approves the Allotment of NCDs. All benefits relating to the NCDs including interest on the NCDs shall be available to the investors from the Deemed Date of Allotment. The actual Allotment of NCDs may take place on a date other than the Deemed Date of Allotment.

The Issue shall remain open for subscription on Working Days from 10:00 a.m. to 5:00 p.m. (Indian Standard Time), during the period indicated in the Prospectus, except that the Issue may close on such earlier date or extended date (subject to a minimum period of 2 working days and a maximum period of 10 working days from the date of opening of the issue and subject to not exceeding thirty 30 days from filing the Prospectus with ROC) including any extensions), as may be decided by the Board of Directors of our Company ("Board") or the NCD Sub-Committee, subject to relevant approvals, in accordance with the SEBI NCS Regulations. In the event of such an early closure of or extension subscription list of the Issue, our Company shall ensure that notice of such early closure or extension is given to the prospective investors through an advertisement in a national daily newspaper and a regional daily newspaper in Maharashtra where the registered office is located, with wide circulation on or before such earlier date or extended date of closure. Applications Forms for the Issue will be accepted only from 10:00 a.m. to 5:00 p.m. (Indian Standard Time) or such extended time as may be permitted by the Stock Exchange, on Working Days during the Issue Period. On the Issue Closing Date, Application Forms will be accepted only between 10:00 a.m. to 3:00 p.m. and uploaded until 5:00 p.m. (Indian Standard Time) or such extended time as may be permitted by the Stock Exchange.

Due to limitation of time available for uploading the Applications on the Issue Closing Date, the Applicants are advised to submit their Applications one day prior to the Issue Closing Date and, in any case, no later than 3.00 p.m. (IST) on the Issue Closing Date. All times mentioned in the Prospectus are Indian Standard Time. Applicants are cautioned that in the event a large number of Applications are received on the Issue Closing Date, as is typically experienced in public offerings, some Applications may not get uploaded due to lack of sufficient time. Such Applications that cannot be uploaded will not be considered for allocation under the Issue. Applications will be accepted only on Working Days. Neither our Company, nor the Lead Manager, nor any Member of the Syndicate, registered brokers at the Broker Centres, CDPs at the Designated CDP Locations or the RTAs at the Designated RTA Locations or Designated Branches of SCSBs nor the Stock Exchange are liable for any failure in uploading the Applications due to faults in any software/hardware system or otherwise. Please note that, within each category of Investors, the Basis of Allotment under the Issue will be on date priority basis except on the day of oversubscription, if any, where the Allotment will be proportionate.

CAPITAL STRUCTURE

1. **Details of share capital**

The following table lays down the details of our authorised, issued, subscribed and paid-up share capital as on June 30, 2024:

(in ₹)

Particulars	Aggregate value
Authorised share capital	
26,50,00,000 Equity Shares of ₹10 each	265,00,00,000
Issued, subscribed and paid-up share capital	
19,11,83,724 Equity shares of ₹10 each	191,18,37,240

2. **Issue size**

Public issue by our Company of secured, redeemable, non-convertible debentures aggregating up to ₹7,500 lakhs, with an option to retain over-subscription up to ₹7,500 lakhs, aggregating up to ₹15,000 lakhs, on the terms and in the manner set forth herein.

3. **Details of change in the authorised share capital of our Company for the preceding three financial years and current financial year:**

Date of changes (AGM/EGM)	Particulars
March 4, 2022	The authorized share capital of the company was increased from ₹85,00,00,000 (Rupees eighty-five crore) divided into 8,50,00,000 equity shares of ₹10 each to ₹125,00,00,000 (Rupees one hundred and twenty-five crore) divided into 12,50,00,000 equity shares of ₹10 each vide an extraordinary general meeting.
March 16, 2023	The authorized share capital of the company was increased from ₹125,00,00,000 (Rupees one hundred and twenty-five crore) divided into 12,50,00,000 equity shares of ₹10 each to ₹165,00,00,000 (Rupees one hundred and sixty-five crore) divided into 16,50,00,000 equity shares of ₹10 each vide an extraordinary general meeting
May 24, 2024	The authorized share capital of the company was increased from ₹165,00,00,000 (Rupees one hundred and sixty-five crore) divided into 16,50,00,000 equity shares of ₹10 each to ₹265,00,00,000 (Rupees two hundred and sixty-five crore) divided into 26,50,00,000 equity shares of ₹10 each vide an extraordinary general meeting.

4. **Equity Share capital history of our Company for the preceding three financial years and current financial year up June 30, 2024 is set out below:**

Date of Allotment	No. of Equity Shares	Face value (₹)	Issue Price (₹)	Consideration (Cash, other cash, etc)	Nature for Allotment	Cumulative		
						No. of equity shares	Equity Share Capital (₹)	Equity Share Premium (₹ in lakhs)
March 31, 2022	1,10,00,000	10	10	Cash	Rights Issue[1]	9,31,46,979	93,14,69,790	-
June 30, 2022	50,00,000	10	10	Cash	Rights Issue[2]	9,81,46,979	98,14,69,790	-
July 20, 2022	81,00,000	10	10	Cash	Rights Issue[3]	10,62,46,979	1,06,24,69,790	-
September 13, 2022	10,00,000	10	10	Cash	Rights Issue[4]	10,72,46,979	1,07,24,69,790	-
September 30, 2022	42,50,000	10	10	Cash	Rights Issue[5]	11,14,96,979	1,11,49,69,790	-
February 20,2023	50,00,000	10	10	Cash	Rights Issue[6]	11,64,96,979	1,16,49,69,790	-
March 15, 2023	30,00,000	10	10	Cash	Rights Issue[7]	11,94,96,979	1,19,49,69,790	-

Date of Allotment	No. of Equity Shares	Face value (₹)	Issue Price (₹)	Consideration (Cash, other cash, etc)	Nature for Allotment	Cumulative		
						No. of equity shares	Equity Share Capital (₹)	Equity Share Premium (₹ in lakhs)
March 31, 2023	1,36,50,000	10	10	Cash	Rights Issue[8]	13,31,46,979	1,33,14,69,790	-
September 30, 2023	1,00,00,000	10	10	Cash	Rights Issue[9]	14,31,46,979	1,43,14,69,790	-
May 24, 2024	50,00,000	10	10	Cash	Rights Issue[10]	14,81,46,979	1,48,14,69,790	-
May 31, 2024	3,70,36,745	10	10	Other than cash	Bonus Issue[11]	18,51,83,724	1,85,18,37240	-
June 29, 2024	60,00,000	10	10	Cash	Rights Issue[12]	19,11,83,724	1,91,18,37,240	-

[1]*Rights Issue Allotment of 1,10,00,000 Equity Shares made to the Indel Corporation Private Limited, as enlisted in the return of allotment filed*
[2]*Rights Issue Allotment of 50,00,000 Equity Shares made to the Indel Corporation Private Limited, as enlisted in the return of allotment filed*
[3]*Rights Issue Allotment of 81,00,000 Equity Shares made to the Indel Corporation Private Limited, as enlisted in the return of allotment filed*
[4]*Rights Issue Allotment of 10,00,000 Equity Shares made to the Indel Corporation Private Limited, as enlisted in the return of allotment filed*
[5]*Rights Issue Allotment of 42,50,000 Equity Shares made to the Indel Corporation Private Limited, as enlisted in the return of allotment filed*
[6]*Rights Issue Allotment of 50,00,000 Equity Shares made to the Indel Corporation Private Limited, as enlisted in the return of allotment filed*
[7]*Rights Issue Allotment of 30,00,000 Equity Shares made to the Indel Corporation Private Limited, as enlisted in the return of allotment filed*
[8]*Rights Issue Allotment of 1,36,50,000 Equity Shares made to the Indel Corporation Private Limited, as enlisted in the return of allotment filed.*
[9]*Rights Issue Allotment of 1,00,00,000 Equity Shares made to the Indel Corporation Private Limited, as enlisted in the return of allotment filed.*
[10]*Rights Issue Allotment of 50,00,000 Equity Shares made to the Indel Corporation Private Limited, as enlisted in the return of allotment filed.*
[11]*Bonus Issue Allotment of 3,70,36,745 Equity Shares made to the Indel Corporation Private Limited, as enlisted in the return of allotment filed.*
[12]*Rights Issue Allotment of 60,00,000 Equity Shares made to the Indel Corporation Private Limited, as enlisted in the return of allotment filed.*

5. **Issue of Equity Shares for consideration other than cash for the preceding three financial years and current financial year.**

Date of Allotment	Name of allottees/ Shareholder	Number of Equity Shares allotted	Face value per Equity Share (in ₹)	Issue price per Equity Share (in ₹)	Reason for allotment
May 31, 2024	Indel Corporation Private Limited	3,70,36,745	10	10	Bonus Issue

6. **List of top ten holders of Equity Shares of our Company as on June 30, 2024 are as follows**

Sr. No.	Name of the Shareholder	Number of Equity Shares held	Number of shares in demat form	Total shareholding as a percent of total number of Equity Shares (in %)
1.	Indel Corporation Private Limited	19,11,83,718	19,11,83,718	99.99
2.	Mohanan Gopalakrishnan (Holding as nominee shareholder for M/s Indel Corporation Private Limited)	1	1	Negligible
3.	Umesh Mohanan	1	1	Negligible

Sr. No.	Name of the Shareholder	Number of Equity Shares held	Number of shares in demat form	Total shareholding as a percent of total number of Equity Shares (in %)
	(Holding as nominee shareholder for M/s Indel Corporation Private Limited)			
4.	Ushadevi Pathiyil (Holding as nominee shareholder for M/s Indel Corporation Private Limited)	1	1	Negligible
5.	Kavitha Menon (Holding as nominee shareholder for M/s Indel Corporation Private Limited)	1	1	Negligible
6.	Um Ventures Private Limited (Holding as nominee shareholder for M/s Indel Corporation Private Limited)	1	1	Negligible
7.	Indel Plantation Private Limited (Holding as nominee shareholder for M/s Indel Corporation Private Limited)	1	1	Negligible
Total		19,11,83,724	19,11,83,724	**100.00**

7. **List of top ten debentures holders of our Company (on cumulative basis) as on June 30, 2024, are as follows:**

Sr. No.	Name of holders	Category of Holder	Amount (in ₹lakh)	Holding as a % of outstanding non-convertible securities
1.	Credavenue Securities Private Limited	NCD Secured	2,170.00	6.34%
2.	IKF Finance Limited	NCD Secured	1,000.00	2.92%
3.	Poddar Tyres Limited	NCD Secured	600.00	1.75%
4.	Santosh Rubber Machinery Private Limited	NCD Secured	450.00	1.32%
5.	Indel Capital Ventures and Investments Private Limited	NCD Secured	380.80	1.11%
6.	Shri Ram Finance Corporation	NCD Secured	370.00	1.08%
7.	Ramesh Hariharan	NCD Secured	300.00	0.88%
8.	Mas Financial Services Limited	NCD Secured	260.00	0.76%
9.	Asokan	NCD Secured	246.00	0.72%
10.	Arunkumar Ramanlal Gandhi	NCD Secured	200.00	0.58%

8. ***List of top 10 holders of commercial paper as on June 30, 2024 in terms of value (on cumulative basis):***

Nil

9. **Shareholding pattern of our Company**

The following table sets forth the shareholding pattern of our Company as on June 30, 2024:

Category (I)	Category of Shareholder (II)	Number of Shareholders (III)	No. of fully paid up Equity Shares held (IV)	No. of partly paid-up Equity Shares held (V)	No. of shares underlying depository receipts (VI)	Total nos. shares held (VII) = (IV)+(V)+ (VI)	Shareholding as a % of total no. of shares (calculated as per SCRR) (VIII) As a % of (A+B+C2)	Number of voting rights held in each class of securities (IX)			No. of Shares Underlying Outstanding convertible securities (including Warrants)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) As a % of (A+B+C2)	Number of Locked in shares		Number of Shares pledged or otherwise encumbered		Number of equity shares held in dematerialised form
								No of voting rights									
								Class – Equity	Total	Total as a % of (A+B+C)			No. (a)	As a % of total Shares held (b)	No. (a)	As a % of total Shares held (b)	
(A)	Promoter and Promoter Group	7*	19,11,83,724	Nil	Nil	19,11,83,724	100	19,11,83,724	19,11,83,724	100	Nil	100	Nil	Nil	Nil	Nil	19,11,83,724
(B)	Public	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	NA		Nil
(C)	Non Promoter – Non Public	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	NA		Nil
(C1)	Shares Underlying DRs	Nil	Nil	Nil	Nil	Nil	NA	Nil	Nil	Nil	Nil	Nil	Nil	Nil	NA		Nil
(C2)	Shares held by Employee Trusts	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	NA		Nil
	Total		**19,11,83,724**	**Nil**	**Nil**	**19,11,83,724**	**100**	**19,11,83,724**	**19,11,83,724**	**100**	**Nil**	**100**	**Nil**	**Nil**	**Nil**	**Nil**	**19,11,83,724**

Shareholders, namely Mohanan Gopalakrishnan , Umesh Mohanan, Ushadevi Pathiyil, Kavitha Menon, U M Ventures Private Limited & Indel Plantations Private Limited hold 1 Equity Share each of our Company as the nominee of Indel Corporation Private Limited.

10. **Details of holding of Equity Shares by our Directors as on the date of this Draft Prospectus**

For details of shareholding of our Directors in the Company, please refer to "*Our Management- Shareholding of our Directors*" on page 119.

11. **Debt – Equity ratio**

The debt-equity ratio of our Company, as of March 31, 2024:

(₹ in lakhs)

Particulars	March 31, 2024	
	Pre-Issue	Post- Issue#
Borrowings		
Long Term Borrowings (Including current maturities of Long-Term Borrowings)	61,009.37	76,009.37
Short Term Borrowings	25,906.49	25,906.49
Interest Accrued on Borrowings	3,855.07	3,855.07
Total Borrowings	**90,770.93**	**1,05,770.93**
Shareholder's Funds		
Equity Share Capital	14,314.70	14,314.70
Reserves and Surplus		
Statutory reserve	1,328.74	1,328.74
Retained Earnings	5,474.68	5,474.68
Total Shareholder's Funds	**21,118.12**	**21,118.12**
Debt/Equity	4.30	5.01

 # The debt-equity ratio post the Issue is indicative and is on account of inflow of ₹15,000 lakhs from the Issue and does not include contingent and off-balance sheet liabilities. The actual debt-equity ratio post the Issue would depend upon the actual position of debt and equity on the date of allotment.

12. ***Statement of the aggregate number of securities of our Company and our subsidiary purchased or sold by our Promoters, Promoter Group, our Directors/or their relatives and the directors of our Promoters within six months immediately preceding the date of filing of this Draft Prospectus.***

NIL

13. For details on the total outstanding debt of our Company, please refer to *"Financial Indebtedness"* on page 128.

14. **Details of any acquisition or amalgamation in the last one year**

Our Company has not made any acquisition or amalgamation in the last one year prior to the date of this Draft Prospectus.

15. **Details of any reorganization or reconstruction in the last one year**

Our Company has not made any reorganization/reconstruction in the last one year prior to the date of this Draft Prospectus

16. **Details of debt securities that were issued at a premium or a discount by the Company**

Our Company does not have any outstanding borrowings taken/debt securities issued where taken/issued (i) for consideration other than cash, whether in whole or part, (ii) at a premium or discount, or (iii) in pursuance of an option.

17. **Details of pledge or encumbrance of equity shares held by Promoters and Promoter Group**

None of the Equity Shares held by our Promoter are pledged or encumbered otherwise.

18. As on the date of this Draft Prospectus, 23,31,67,224 Equity Shares of our Company are in dematerialised form.

19. **Employee Stock Option Scheme**

    Our Company does not have any employee stock option scheme.

OBJECTS OF THE ISSUE

Our Company proposes to utilise the funds which are being raised through the Issue, after deducting the Issue related expenses to the extent payable by our Company ("**Net Proceeds**"), estimated to be approximately **₹[•] lakhs**, towards funding the following objects (collectively, referred to herein as the "**Objects**"):

1. For the purpose of onward lending, financing, and for repayment/prepayment of principal and interest on borrowings of the Company; and

2. General corporate purposes.

The main objects clause of the Memorandum of Association of our Company permits our Company to undertake the activities for which the funds are being raised through the present Issue and also the activities which our Company has been carrying on till date.

The details of the proceeds of the Issue are set forth in the following table:

(₹ in lakhs)

Sr. No.	Description	Amount*
1.	Gross proceeds of the Issue	Up to 15,000
2.	(less) Issue related expenses	[•]
	Net Proceeds	**[•]**

**Assuming the issue is fully subscribed and our Company retains oversubscription up to ₹7,500 lakhs.*

Requirement of funds and Utilisation of Net Proceeds

The following table details the objects of the Issue and the amount proposed to be financed from the Net Proceeds:

Sr. No.	Objects of the Issue	Percentage of amount proposed to be financed from Net Proceeds
1.	For the purpose of onward lending, financing, and for repayment/ prepayment of principal and interest on borrowings of the Company	At least 75%
2.	General corporate purposes*	Maximum of up to 25%
Total		**100%**

**The Net Proceeds will be first utilized towards the Objects mentioned above. The balance is proposed to be utilized for general corporate purposes, subject to such utilization not exceeding 25% of the gross proceeds, in compliance with the SEBI NCS Regulations*.

For further details of our Company's outstanding indebtedness, see "*Financial Indebtedness*" on page 128.

Funding plan

Not applicable

Summary of the project appraisal report

Not applicable

Schedule of implementation of the project

Not applicable

Interim Use of Proceeds

Our management, in accordance with the policies formulated by it from time to time, will have flexibility in deploying the proceeds received from the Issue. Pending utilization of the proceeds out of the Issue for the purposes described above, our Company intends to temporarily invest funds in high-quality, interest-bearing liquid instruments including money market mutual funds, deposits with banks or temporarily deploy the funds in investment grade interest bearing securities as may be approved by the Board. Such investment would be in accordance with the investment policies approved by the Board or any committee thereof from time to time. Also, such investments shall be in line with the guidelines and regulations prescribed by RBI.

Monitoring of Utilization of Funds

There is no requirement for appointment of a monitoring agency in terms of the SEBI NCS Regulations. Our Board shall monitor the utilization of the proceeds of the Issue. For the relevant Fiscals commencing from Fiscal 2024-2025, our Company will disclose in our financial statements, the utilisation of the Net Proceeds of the Issue under a separate head along with details, if any, in relation to all such proceeds of the Issue that have not been utilised thereby also indicating investments, if any, of such unutilised proceeds of the Issue. Our Company shall utilise the proceeds of the Issue only upon the execution of the documents for creation of security and receipt of final listing and trading approval from the Stock Exchange.

Variation in terms of contract or objects in this Draft Prospectus

The Company shall not, in terms of Section 27 of the Companies Act, 2013, at any time, vary the terms of the objects for which this Draft Prospectus is issued, except as may be prescribed under the applicable laws and under Section 27 of the Companies Act, 2013.

Issue related expenses

The expenses for this Issue include, *inter alia*, Lead Manager's fees and selling commission to the Lead Manager, brokers' fees, fees payable to Debenture Trustee, the Registrar to the Issue, Sponsor Bank, SCSBs' commission/fees, printing and distribution expenses, legal fees, advertisement expenses and listing fees. The Issue expenses and listing fees will be paid by our Company. Our Company shall include the details of commission and processing fees payable to each intermediary and the timelines for payment will be made on the basis of valid invoices within such timelines mutually agreed to/prescribed by the Company with the Designated Intermediaries/Sponsor Bank.

The estimated breakdown of the total expenses for the Issue is as follows:

Particulars	Amount (₹ in lakhs)*	As percentage of Issue proceeds (in %)	As percentage of total expenses of the Issue (in %)
Lead managers fees	[•]	[•]	[•]
Underwriting commission	[•]	[•]	[•]
Brokerage, selling commission and upload fees	[•]	[•]	[•]
Fee Payable to the registrar to the issue	[•]	[•]	[•]
Fees payable to the legal advisors	[•]	[•]	[•]
Advertising and marketing expenses	[•]	[•]	[•]
Fees payable to the regulators including stock exchange.	[•]	[•]	[•]
Expenses incurred on printing and distribution of issue stationary	[•]	[•]	[•]
Any other fees, commission or payments under whatever nomenclature.	[•]	[•]	[•]
Grand Total	[•]	[•]	[•]

The above expenses are indicative and are subject to change depending on the actual level of subscription to the Issue and the number of Allottees, market conditions and other relevant factors.

Our Company shall pay processing fees to the SCSBs for Application forms procured by the Designated Intermediaries and submitted to the SCSBs for blocking the Application Amount of the applicant, at the rate of ₹[•] per Application Form procured (plus other applicable taxes). However, it is clarified that in case of Application Forms procured directly by the SCSBs, the relevant SCSBs shall not be entitled to any ASBA processing fee.

Our Company shall pay to the Sponsor Bank ₹[•] per valid block of application amount (plus applicable taxes)**.** The Sponsor Bank shall be responsible for making payments to the third parties such as remitter bank, NPCI and such other parties as required in connection with the performance of its duties under applicable SEBI circulars, agreements and other applicable laws.

Other Confirmation

In accordance with the SEBI Master Circular, our Company will not utilise the proceeds of the Issue for providing loans to any Group Company.

No part of the Issue Proceeds will be paid by our Company to our Promoters, our Directors, Key Managerial Personnel, Senior Managerial Personnel or companies promoted by our Promoter.

The Issue Proceeds shall not be utilised towards full or part consideration for the purchase or any other acquisition, inter alia by way of a lease, of any property. The Issue Proceeds shall not be used for buying, trading or otherwise dealing in equity shares of any other listed company.

Our Company undertakes that the Issue Proceeds from NCDs Allotted to banks will not be utilised for any purpose which may be in contravention of the RBI guidelines on bank financing to NBFCs including those relating to classification as capital market exposure or any other sectors that are prohibited under the RBI regulations.

Our Company confirms that it will not use the proceeds of the Issue for the purchase of any business or in the purchase of any interest in any business whereby our Company shall become entitled to the capital or profit or losses or both in such business exceeding 50% thereof, directly or indirectly in the acquisition of any immovable property or acquisition of securities of any other body corporate.

The fund requirement as above is based on our current business plan and is subject to change in light of variations in external circumstances or costs, or in our financial condition, cash flows, business or strategy. Our management, in response to the competitive and dynamic nature of the industry, will have the discretion to revise its business plan from time to time and consequently our funding requirements and deployment of funds may also change.

Utilisation of Issue Proceeds

a. All monies received pursuant to the issue of NCDs to public shall be transferred to a separate bank account referred to in Section 40 (3) of the Companies Act, 2013;

b. Details of all monies utilised out of the Issue referred to in sub-item (a) shall be disclosed under an appropriate separate head in our Company's balance sheet indicating the purpose for which such monies had been utilised;

c. The Issue Proceeds shall not be utilised towards full or part consideration for the purchase or any other acquisition, *inter alia*, by way of a lease, of any immovable property; and

d. Details of all utilised and unutilised monies out of the monies collected in the previous issue made by way of public offer shall be disclosed and continued to be disclosed in the balance sheet till the time any part of the proceeds of such previous issue remains unutilised indicating the purpose for which such monies have been utilised and the securities or other forms of financial assets in which such unutilised monies have been invested.

STATEMENT OF POSSIBLE TAX BENEFITS

To,
Indel Money Limited
Office no. 301, Floor No.3,
Sai Arcade, N.S. Road,
Mulund West, Mumbai 400080

And

Vivro Financial Services Private Limited
Vivro House 11, Shashi Colony,
Opposite Suvidha Shopping Center,
Paldi, Ahmedabad – 380007, Gujarat, India
(“**Lead Manager**” or “**LM**”)

Sub: Proposed public offering of Secured Rated Listed Redeemable Non-Convertible Debenture of face value of ₹1,000 each (“NCDs” or “Debentures”) amounting up to ₹7,500 (“Base Issue”), with an option to retain over-subscription up to ₹7,500, aggregating up to ₹15,000 ("Issue") by Indel Money Limited (“Company” or “Issuer”)

This certificate is issued in accordance with the terms of our engagement letter dated August 28, 2024.

The accompanying note prepared by the Company, discusses the special tax provisions applicable to the Potential Debenture holders (“**Debenture Holders**”) subscribing in the NCDs of the Company in Annexure A (hereinafter referred to as “**Statement of Possible Tax Benefits/Statement**”), under the Income-tax Act, 1961 (read with Income Tax Rules, circulars, notifications) as amended by the Finance Act, 2024 (hereinafter referred to as the “**IT Act**”) in connection with the offering.

Management’s Responsibility

The preparation of this Statement as of the date of our certificate which is to be included in the draft prospectus filed by the Company with the BSE Limited (“**BSE**”/ **Stock Exchange**”) and the Securities and Exchange Board of India (“**SEBI**”) (“**Draft Prospectus**”), the prospectus to be filed by the Company with the Registrar of Companies, Mumbai (“**ROC**”), SEBI and Stock Exchange (“**Prospectus**”) (the “**Offer Document**”) is the responsibility of the management of the Company.

This responsibility includes designing, implementing and maintaining internal control relevant to the preparation and presentation of the Statement, and applying an appropriate basis of preparation; and making estimates that are reasonable in the circumstances. The management is also responsible for identifying and ensuring that the Company complies with the laws and regulations applicable to its activities.

Our Responsibility

Our responsibility is to examine whether the Statement prepared by the Company, in all material respects, is in accordance with applicable provision of the IT Act. For this purpose, we have read the statement of possible tax benefits as given in Annexure I, and evaluated with reference to the provisions of the IT Act to confirm that statements made are correct in all material respect.

We draw attention to the fact that the Statement includes certain inherent limitations that can influence the reliability of the information. The benefits discussed in the enclosed Annexure I are not exhaustive. Several of these benefits are dependent on the Investors fulfilling the conditions prescribed under the relevant tax laws. Therefore, the ability of Investors to derive the tax benefits is dependent on fulfilling such conditions.

The statement is only intended to provide general information and is neither designed nor intended to be a substitute for the professional tax advice. In view of the individual nature of the tax consequences and the changing tax laws, each investor is advised to consult their own tax consultant with respect to specific tax implications arising out of their participation. Neither are we suggesting nor advising the investor to invest money based on this statement.

We do not express any opinion or provide any assurance as to whether:

i) Debenture holders of the Company will continue to obtain these benefits in future;

ii) the conditions prescribed for availing the benefits have been/would be met with; and

iii) the revenue authorities/ Courts will concur with the views expressed herein.

The contents of the enclosed statement are based on information, explanations and representations obtained from the Company and on the basis of our understanding of the business activities and operations of the Company. We have relied upon the information and documents of the Company being true, correct and complete and have not audited or tested them. Our view, under no circumstances, is to be considered as an audit opinion under any regulation or law. No assurance is given that the revenue authorities/ courts will concur with the views expressed herein.

Our views are based on existing provisions of law and its interpretation, which are subject to change from time to time. We do not assume any responsibility to update the views consequent to such changes.

All capitalized terms used herein and not specifically defined shall have the same meaning as ascribed to them in the Offer Documents.

In our opinion, the Statement of Possible Tax Benefits prepared by the Company as set out in Annexure I materially covers all tax benefits available as at the date of our report to Debenture Holders, in accordance with provisions of the IT Act as amended.

Restriction on Use

We hereby consent to inclusion of the extracts of this certificate in the Draft Prospectus and, Prospectus and/or any other document in relation to the Issue, and is not to be used, referred to or distributed for any other purpose without our prior written consent. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing. Any subsequent amendment / modification to provisions of the applicable laws may have an impact on the views contained in our statement. While reasonable care has been taken in the preparation of this certificate, we accept no responsibility for any errors or omissions therein or for any loss sustained by any person who relies on it.

Yours faithfully

For Bhatter & Company
Chartered Accountants
Firm Registration No: 131092W
UDIN: 24016937BKBYSD4588

D H Bhatter
Proprietor
Membership No: 016937
Date : September 27, 2024
Place : Mumbai
Encl: Annexure

Annexure A
Statement of Possible Tax Benefits/Statement

To,
Indel Money Limited
Office no. 301, Floor No.3,
Sai Arcade, N.S. Road,
Mulund West, Mumbai 400080

And

Vivro Financial Services Private Limited
Vivro House 11, Shashi Colony,
Opposite Suvidha Shopping Center,
Paldi, Ahmedabad – 380007, Gujarat, India
("**Lead Manager**" or "**LM**")

Sub: Proposed public offering of Secured Rated Listed Redeemable Non-Convertible Debenture of face value of ₹1,000 each ("NCDs" or "Debentures") amounting up to ₹7,500 ("Base Issue"), with an option to retain over-subscription up to ₹7,500, aggregating up to ₹15,000 ("Issue") by Indel Money Limited ("Company" or "Issuer")

We, Bhatter & Company, Chartered Accountants, hereby confirm that the accompanying statement of possible tax benefits available to the debenture holder(s) states the possible tax benefits available to the debenture holders of the Company under the Income-tax Act, 1961 (the "**IT Act**"), as amended by the Finance Act, 2024, i.e. applicable for the Financial Year 2024-25 relevant to the assessment year 2025-26 respectively, presently in force in India (hereinafter referred to as the "**Indian Income Tax Regulations**") for the purpose of inclusion in the Offer document, in connection with the Issue, has been prepared by the management of the Company, which we have initiated for identification purposes. We are informed that such debentures raised in the Issue will be listed on BSE Limited ("**Stock Exchange**") and the Statement has been prepared by the Company's management on such basis.

We have performed the following procedures:

i. Read the statement of tax benefits as given in **Annexure I**, and

ii. Evaluated with reference to the provisions of the IT Act to confirm that statements made are correct in all material respect.

We confirm that the Statement as set out in **Annexure I** materially covers all the provisions of the Indian Income Tax Regulations with respect to debenture holders of the Company. Several of these benefits are dependent on the debenture holders fulfilling the conditions prescribed under the relevant tax laws.

The benefits discussed in the enclosed **Annexure I** are not exhaustive. The statement is only intended to provide general information and is neither designed nor intended to be a substitute for the professional tax advice. In view of the individual nature of the tax consequences and the changing tax laws, each investor is advised to consult their own tax consultant with respect to specific tax implications arising out of their participation.

The contents of the enclosed **Annexure I** are based on the information, explanations and representations obtained from the Company and on the basis of our understanding of the business activities and operations of the Company.

No assurance is given that the revenue authorities/ courts will concur with the views expressed herein. Our views are based on existing provisions of law and its interpretation, which are subject to change from time to time. We do not assume any responsibility to update the views consequent to such changes.

We hereby consent to inclusion of this report and the accompanying Statement in the relevant Offer document and/or any other document in relation to the Issue to be filed by the Company with the Stock Exchange, the Securities and Exchange Board of India, and the Registrar of Companies, and any other regulatory authority in relation to the Issue and such other documents as may be prepared in connection with the Issue. Further we consent the inclusion of our name as "Expert" as defined under section 2 (38) Companies Act, 2013 to the extent to which it relates to the Statement of Possible Tax Benefits.

This report has been issued at the request of the Company for use in connection with the Issue and may accordingly be furnished as required to SEBI, BSE Limited or any other regulatory authorities, as required, and shared with and relied on as necessary by the Company's advisors and intermediaries duly appointed in this regard.

For Bhatter & Company
Chartered Accountants
Firm Registration No: 131092W
UDIN: 24016937BKBYSD4588

D H Bhatter
Proprietor
Membership No: 016937
Date : September 27, 2024
Place : Mumbai

Annexure I

STATEMENT OF POSSIBLE TAX BENEFITS UNDER THE INCOME TAX ACT, 1961 (“IT ACT”) AVAILABLE TO THE DEBENTURE HOLDERS UNDER THE APPLICABLE INCOME-TAX LAWS IN INDIA.

The following tax benefits will be available to the debenture holders of the Company (“**Debenture Holders**”) as per the existing provisions of law. The tax benefits are given as per the prevailing tax laws under the provisions of the IT Act, as on date, taking into account the amendments made by the Finance Act, 2024, and may vary from time to time in accordance with amendments to the law or enactments thereto. The Debenture Holders are advised to consider the tax implications in respect of subscription to the Debentures after consulting his tax advisor as alternate views are possible.

IMPLICATIONS UNDER THE IT ACT

I. TO THE RESIDENT DEBENTURE HOLDER (“RESIDENT” AS DEFINED UNDER SECTION 6 OF THE IT ACT)

A. <u>In Respect of Interest on Debentures (NCDs)</u>

1. Interest on NCD received by Debenture Holders would be subject to income tax at the normal rates of tax in accordance with and subject to the provisions of the IT Act. Interest will be assessed to Income tax on receipt basis or mercantile basis (accrual basis) depending on the method of accounting regularly employed by the NCD holders under Section 145 of the IT Act.

2. Income Tax is deductible at source at the rate of 10% on interest on debentures held by resident Indians as per the provisions of Section 193 of the IT Act (in case where interest is paid to Individual or HUF, no TDS will be deducted where interest paid is less than ₹5,000 and interest is paid by way of account payee cheque).
Further, Tax will be deducted at source at reduced rate, or no tax will be deducted at source in the following cases:

   a) When the Assessing Officer issues a certificate on an application by a Debenture Holder on satisfaction that the total income of the Debenture holder justifies no/lower deduction of tax at source as per the provisions of Section 197(1) of the IT Act; and that a valid certificate is filed with the Company before the prescribed date of closure of books for payment of debenture interest;

   b) When the resident Debenture Holder with Permanent Account Number (‘PAN’) (not being a company or a firm) submits a declaration as per the provisions of section 197A(1A) of the IT Act in the prescribed Form 15G verified in the prescribed manner to the effect that the tax on his estimated total income of the financial year in which such income is to be included in computing his total income will be NIL. However, under section 197A(1B) of the IT Act, Form 15G cannot be submitted nor considered for exemption from tax deduction at source if the dividend income referred to in section 194, interest on securities, interest, withdrawal from NSS and income from units of mutual fund or of Unit Trust of India as the case may be or the aggregate of the amounts of such incomes credited or paid or likely to be credited or paid during the financial year in which such income is to be included exceeds the maximum amount which is not chargeable to income tax;

   c) Senior citizens, who are 60 or more years of age at any time during the financial year, enjoy the special privilege to submit a self-declaration in the prescribed Form 15H for non-deduction of tax at source in accordance with the provisions of section 197A(1C) of the Act even if the aggregate income credited or paid or likely to be credited or paid exceeds the maximum amount not chargeable to tax, provided that the tax due on the estimated total income of the year concerned will be NIL; and

   d) In all other situations, tax would be deducted at source as per prevailing provisions of the IT Act. Please find below the class of resident investors and respective documents that would be required for granting TDS exemption:

Sr No.	Class of Investors	Relevant Section which grants TDS exemption	Documents to be taken on record from Investors
1	Resident Individual or resident HUF	Claiming non-deduction or lower deduction of tax at source under section 193 of the IT Act,	Form No.15G with PAN / Form No.15H with PAN / Certificate issued u/s 197(1) has to be filed with the Company.

Sr No.	Class of Investors	Relevant Section which grants TDS exemption	Documents to be taken on record from Investors
			However in case of NCD Holders claiming non-deduction or lower deduction of tax at source, as the case may be, the NCD Holder should furnish either (a) a declaration (in duplicate) in the prescribed form i.e. (i) Form 15H which can be given by individuals who are of the age of 60 years or more (ii) Form 15G which can be given by all applicants (other than companies, and firms), or (iii) a certificate, from the Assessing Officer which can be obtained by all applicants (including companies and firms) by making an application in the prescribed form i.e. Form No.13.
2	Life insurance Corporation of India	Clause vi of Proviso to Section 193	Copy of Registration certificate
3	a. General Insurance Corporation of India, b. 4 companies formed under section 16(1) of General Insurance Business Act, 1972 and c. any company in which GIC and aforesaid 4 companies has full beneficial interest (100% shareholding)	Clause vii of Proviso to Section 193	a. Copy of Registration certificate b. Copy of Registration certificate c. Copy of shareholding pattern
4	Any Insurer	Clause viii of Proviso to Section 193	Copy of Registration certificate issued by IRDA
5	Mutual Funds	Section 196(iv) read with Section 10(23D)	Copy of Registration certificate issued by SEBI / RBI and notification issued by Central Government
6	Government, RBI and corporation established under Central / State Act whose income is exempt from tax	Section 196(i),(ii) and (iii)	In case of Corporation, Declaration that their income is exempt from tax with applicable provisions
7	Recognized Provident Funds, Recognized Gratuity Funds, Approved Superannuation Funds, Employees' State Insurance Fund etc.	Section 10(25) and 10(25A) and CBDT Circular - 18/2017	Copy of Registration and Recognition certificate issued by relevant statutory authorities and income-tax authorities and Declaration from the funds that there income is exempt u/s 10(25) and 10(25A)
8	New Pension System Trust	Section 10(44) read with Section 196(iii) and CBDT Circular - 18/2017	Relevant Registration certificate issued to NPS Trust under section Indian Trusts Act, 1882
9	Other entities like Local authority,	Section 10(20) etc. read with CBDT Circular - 18/2017	Declaration that they fall within the relevant income-tax section and eligible for income-tax exemption on their income

Sr No.	Class of Investors	Relevant Section which grants TDS exemption	Documents to be taken on record from Investors
	Regimental Funds, IRDA etc.		
10	Alternative Investment Funds (Category I and II)	Section 197A(1F)	Copy of Registration certificate issued by SEBI

B. <u>In respect of Capital Gains</u>

1. Long Term Capital Gain

Under Section 2(29AA) read with section 2(42A) of the IT Act, listed Debentures held as Capital Asset as defined under section 2(14) of the IT Act is treated as long term capital asset if it is held for more than 12 Months. Debentures held as capital asset for a period of 12 Months or less will be treated as short term capital asset.

Long Term Capital Gain will be chargeable to tax under Section 112 of the IT Act at the rate of 20% (plus applicable surcharge and education cess). However, in the case of listed debentures, as per first proviso to section 112(1) of the IT Act, tax payable is only 10% (plus applicable surcharge and education cess). No indexation benefit is available for debentures. Hence, the tax payable on long term capital gains on transfer of NCD will be 10%(plus applicable surcharge and education cess) and the capital gains have to be computed without indexation.

In case of an individual or HUF, being a resident, where the total income as reduced by such long-term capital gains is below the maximum amount which is not chargeable to income-tax, then, such long-term capital gains shall be reduced by the amount by which the total income as so reduced falls short of the maximum amount which is not chargeable to income-tax and the tax on the balance of such long-term capital gains shall be computed at the rate mentioned above.

2. Short Term Capital Gains

Listed Debentures held as capital asset under Section 2(14) of the IT Act for a period of not more than 12 months would be treated as Short term capital asset under Section 2(42A) of the IT Act. Short Term Capital Gains on transfer of NCD will be taxed at the normal rates of tax in accordance with the provisions of the IT Act. The provisions relating to maximum amount not chargeable to tax would apply to short term capital gains.

3. Capital Loss on transfer of Debentures.

As per Section 74 of the IT Act, short-term capital loss on transfer of debentures suffered during the year is allowed to be set-off against short-term as well as long-term capital gains of the said year. Balance loss, if any could be carried forward for eight years for claiming set-off against subsequent years’ short term as well as long-term capital gains. Long-term capital loss on debentures suffered during the year is allowed to be set-off only against long-term capital gains. Balance loss, if any, could be carried forward for eight years for claiming set-off against subsequent year’s long-term capital gains.

4. Exemption available for Individuals and HUF for Long Term Capital gains U/s 54F of the IT Act.

As per the provisions of Section 54F of the IT Act, any long-term capital gains on transfer of a long term capital asset arising to a Debenture Holder who is an individual or Hindu Undivided Family, is exempt from tax if the entire net sales consideration is utilized, within a period of one year before, or two years after the date of transfer, in purchase of a new residential house in India, or for construction of residential house in India within three years from the date of transfer subject to conditions. If part of such net sales consideration is invested within the prescribed period in a residential house, then such gains would be chargeable to tax on a proportionate basis. This exemption is available, subject to the conditions stated therein.

Under section 54EE of the IT Act, long term capital gains arising to the Debenture Holder(s) on transfer of debentures in the company shall not be chargeable to tax to the extent such capital gains are invested in long term specified asset (a unit or units issued before 01.04.2019) as notified by Central Government within six months after the date of transfer. If only part of the capital gain is so invested, the exemption shall be proportionately reduced. However, if the said notified bonds are transferred or converted into money within a period of three years from their date of acquisition, the amount of capital gains exempted earlier would become chargeable to tax as long-term capital gains in the year in which the bonds are transferred or converted into money. However, the exemption is subject to a limit of investment of ₹50 lakhs during any financial year in the notified bonds. Where the benefit of Section 54EE of the IT Act has been availed of on investments in the notified bonds, a deduction from the income with reference to such cost shall not be allowed under section 80C of the Act.

As per provisions of section 54EE of the IT Act, capital gain on the transfer of a long-term capital asset, arising to a debenture holder is exempt from tax, if the assessee / debenture holder invested the whole or any part of capital gains in the long-term specified asset at any time within a period of six months. If the cost of the long-term specified asset is less than the capital gain arising from the transfer of the original asset, then such gains would be chargeable to tax on a proportionate basis. This exemption is available, subject to the condition that the investment in the long-term specified asset by an assessee during any financial year does not exceed fifty lakh rupees: If the long term specified asset in which the investment has been made is transferred within a period of three years from the date of its acquisition, the amount of capital gains tax claimed earlier would became chargeable to tax as capital gains in the year in which such long term specified asset is transferred. Specified Asset means a unit or units, issued before the 1st day of April, 2019, of such fund as may be notified by the Central Government in this behalf.

C. **<u>In respect of Business Income</u>**

In case the Debentures are held as stock in trade by the debenture holder, the income/loss from transfer of debentures would be taxed as Income from Business. Such income is to be computed in accordance with the Income Computation and Disclosure Standard VIII, which is notified by the Ministry of Finance, Government of India under Section 145(2) of the IT Act. Where debentures are held as stock in trade and unpaid interest has accrued before acquisition of Debentures and is included in the price paid for the Debentures, subsequent receipt of interest is to be allocated between pre-acquisition and post-acquisition periods, the pre-acquisition portion of the interest is reduced from the actual cost and is to be treated as interest. In the case of Debentures held by Scheduled Bank and Public Financial Institutions, income is to be recognized in accordance with the guidelines issued by the Reserve Bank of India in this regard.

D. <u>Debentures received as gift without consideration or inadequate consideration.</u>

As per section 56(2)(x) of the IT Act, except in cases which are specifically exempted under this clause (such as gift received from relative as defined under the section), where the debentures are received without consideration where the aggregate market value of all gifts received exceeds ₹50,000/- the aggregate market value of the debentures shall be taxable as income in the hands of the recipient. Similarly, if debentures are received for inadequate consideration, the shortfall in the consideration will be treated as income of the recipient subject to the provisions contained in section 56(2)(x) of the IT Act. There is no gift tax for the Donor of the Debentures.

II. TO THE NON-RESIDENT DEBENTURE HOLDER.

A Non – Resident Indian has an option to be governed by Chapter XII – A of the IT Act, subject to the provisions contained therein which are given in brief as under:

a) As per Section 115E of the IT Act, interest income from debentures acquired or purchased with or subscribed to in convertible foreign exchange will be taxable at 20%, whereas long term capital gains on transfer of such Debentures will be taxable at 10% of such capital gains without indexation of cost of acquisition. Short-term capital gains will be taxable at the normal rates of tax in accordance with and subject to the provisions contained therein.

b) As per Section 115G of the IT Act, it shall not be necessary for a non-resident Indian to file a return of income under Section 139(1) of the IT Act, if his total income consists only of investment income as defined under Section 115C and/or long term capital gains earned on transfer of such investment acquired out of convertible foreign exchange, and the tax has been deducted at source from such income under the provisions of Chapter XVII- B of the IT Act in accordance with and subject to the provisions contained therein.

c) As per Section 115D (1) of the IT Act no deduction in respect of any expenditure or allowance shall be allowed under any provisions of the IT Act in the computation of income of a non-resident Indian under Chapter XII – A of the IT Act.

d) In accordance with and subject to the provisions of Section 115-I of the IT Act, a Non-Resident Indian may opt not to be governed by the provisions of Chapter XII – A of the IT Act.

e) Long Term capital gains on transfer of listed debentures would be subject to tax at the rate of 10% computed without indexation.

f) Interest income and Short-term capital gains on the transfer of listed debentures, where debentures are held for a period of not more than 12 months preceding the date of transfer, would be taxed at the normal rates of tax in accordance with and subject to the provisions of the IT Act.

g) Where debentures are held as stock in trade, the income on transfer of debentures would be taxed as business income or loss in accordance with and subject to the provisions of the IT Act.

h) Under Section 195 of the IT Act, the applicable rate of tax deduction at source is 20% on investment income and 10% on any long-term capital gains as per Section 115E, and 30% for Short Term Capital Gains if the payee debenture Holder is a Non Resident Indian.

i) The income tax deducted shall be increased by applicable surcharge and health and education cess. As per Section 74 of the IT Act, short-term capital loss on transfer of debentures suffered during the year is allowed to be set-off against short-term as well as long-term capital gains of the said year. Balance loss, if any could be carried forward for eight years for claiming set-off against subsequent years' short-term as well as long-term capital gains. Long-term capital loss on debentures suffered during the year is allowed to be set-off only against long-term capital gains. Balance loss, if any, could be carried forward for eight years for claiming set-off against subsequent year's long-term capital gains.

   As per Section 90(2) of the IT Act read with the Circular No. 728 dated October 30, 1995 issued by the Central Board of Direct Taxes, in the case of a remittance to a country with which a Double Tax Avoidance Agreement (DTAA) is in force, the tax should be deducted at the rate provided in the Finance Act of the relevant year or at the rate provided in the DTAA, whichever is more beneficial to the assessee. However, submission of tax residency certificate (TRC), is a mandatory condition for availing benefits under any DTAA. If the tax residency certificate does not contain the prescribed particulars as per CBDT Notification 57/2013 dated August 1, 2013, a self-declaration in Form 10F would need to be provided by the assessee along with TRC.

j) Alternatively, to avail non deduction or lower deduction of tax at source, as the case may be, the Debenture Holder should furnish a certificate under Section 195(2) and 195(3) of the IT Act, from the Assessing Officer before the prescribed date of closure of books for payment of debenture interest.

k) In case the Debentures are held as stock in trade by the debenture holder, the income/loss from transfer of debentures would be taxed as Income from Business. Such income is to be computed in accordance with the Income Computation and Disclosure Standard VIII which is notified by the Ministry of Finance, Government of India under Section 145(2) of the IT Act. Where debentures are held as stock in trade and unpaid interest has accrued before acquisition of Debentures and is included in the price paid for the Debentures, subsequent receipt of interest is to be allocated between pre-acquisition and post-acquisition periods, the pre-acquisition portion of the interest is reduced from the actual cost and is to be treated as interest. In the case of Debentures held by Scheduled Bank, income is to be recognized in accordance with the guidelines issued by the Reserve Bank of India in this regard.

l) As per section 56(2)(x) of the IT Act, except in cases which are specifically exempted under this clause (such as gift received from relative as defined under the section), where the debentures are received without consideration where the aggregate market value of all gifts received exceeds Rs. 50,000/- the aggregate market value of the debentures shall be taxable as income in the hands of the recipient. Similarly, if debentures are received for inadequate consideration, the shortfall in the consideration will be treated as income of the recipient subject to the provisions contained in section 56(2)(x) of the IT Act. There is no gift tax for the Donor of the Debentures.

m) As per the provisions of Section 54F of the IT Act, any long-term capital gains on transfer of a long term capital asset arising to a Debenture Holder who is an individual or Hindu Undivided Family, is exempt from tax if the entire net sales consideration is utilized, within a period of one year before, or two years after the date of transfer, in purchase of a new residential house in India, or for construction of residential house in India within three years from the date of transfer subject to conditions. If part of such net sales consideration is invested within the prescribed period in a residential house, then such gains would be chargeable to tax on a proportionate basis. This exemption is available, subject to the conditions stated therein

III. TO THE FOREIGN INSTITUTIONAL INVESTORS/ FOREIGN PORTFOLIO INVESTORS (FIIs/ FPIs)

1. As per Section 2(14)(b) of the IT Act, any securities held by FIIs which has invested in such securities in accordance with the regulations made under the Securities and Exchange Board of India Act, 1992, shall be treated as capital assets. Accordingly, any gains arising from transfer of such securities shall be chargeable to tax in the hands of FIIs as capital gains.

2. In accordance with and subject to the provisions of Section 115AD of the IT Act, long term capital gains on transfer of debentures by FIIs are taxable at 10% (plus applicable surcharge and cess) and short-term capital gains are taxable at 30% (plus applicable surcharge and cess). The benefit of cost indexation will not be available. Further, benefit of provisions of the first proviso of Section 48 of the IT Act will not apply.

3. Interest on NCD may be eligible for concessional tax rate of 5% (plus applicable surcharge and health and education cess) for interest referred under Section 194LD.

4. Further, in case where section 194LD is not applicable, the interest income earned by FIIs/FPIs should be chargeable to tax at the rate of 20% under section 115AD of the IT Act. Tax shall be deducted u/s. 196D of the IT Act on such income 141 at 20%. Where DTAA is applicable to the payee, the rate of tax deduction shall be lower of rate as per DTAA or 20%, subject to the conditions prescribed therein.

5. Section 194LD in the IT Act provides for lower rate of withholding tax at the rate of 5% on payment by way of interest paid by an Indian Company to FIIs and Qualified Foreign Investor in respect of rupee denominated bond of an Indian Company between June 1, 2013 and July 1, 2023 provided such rate does not exceed the rate as may be notified by the Government.

6. The income tax deducted shall be increased by applicable surcharge and health and education cess.

7. In accordance with and subject to the provisions of Section 196D(2) of the IT Act, no deduction of tax at source is applicable in respect of capital gains arising on the transfer of debentures by FIIs referred to in section 115AD.

8. The CBDT has issued a Notification No. 9 dated 22 January 2014 which provides that Foreign Portfolio Investors (FPI) registered under SEBI (Foreign Portfolio Investors) Regulations, 2014 shall be treated as FII for the purpose of Section 115AD of the IT Act.

IV. TO MUTUAL FUNDS

All mutual funds registered under Securities and Exchange Board of India or set up by public sector banks or public financial institutions or authorized by the Reserve Bank of India are exempt from tax on all their income, including income from investment in Debentures under the provisions of Section 10 (23D) of the IT Act in accordance with the provisions contained therein. Further, as per the provisions of section 196 of the IT Act, no deduction of tax shall be made by any person from any sums payable to mutual funds specified under Section 10(23D) of the IT Act, where such sum is payable to it by way of interest or dividend in respect of any securities or shares owned by it or in which it has full beneficial interest, or any other income accruing or arising to it.

V. TO SPECIFIED FUNDS ("SPECIFIED FUND" AS DEFINED UNDER SECTION 10(4D) OF THE IT ACT)

The income of Specified Funds is taxable for the year beginning April 1, 2020, to the extent attributable to units held by non-resident (not being a permanent establishment of a non-resident in India), and in accordance with and subject to the provisions of Section 115AD of the IT Act, as under:

a) The interest income earned are chargeable to tax at the rate of 10%;

b) long term capital gains on transfer of debentures to the specified extent are taxable at 10% (benefit of provisions of the first proviso of section 48 of the IT Act will not apply); and

c) Short-term capital gains are taxable at 30%.

Further, where any income in respect of NCD is payable to Specified Funds, tax shall be deducted at the rate of 10% on the income other than exempt under section 10(4D) with effect from November 1, 2020 as per Section 196D of the IT Act.

The income tax deducted shall be increased by applicable surcharge and health and education cess.

VI. REQUIREMENTS TO FURNISH PAN/FILING OF RETURNS UNDER THE IT ACT

1. SEC. 139A (5A):

Section 139A (5A) requires every person from whom income tax has been deducted at source under chapter XVII – B of the IT Act to furnish his PAN to the person responsible for deduction of tax at source.

2. **SEC. 206AA**:

a) Section 206AA of the IT Act requires every person entitled to receive any sum, on which tax is deductible under Chapter XVIIB (‘deductee’) to furnish his PAN to the deductor, failing which tax shall be deducted at the higher of the following rates:

(i) at the rate specified in the relevant provision of the IT Act; or
(ii) at the rate or rates in force; or
(iii) at the rate of twenty per cent. 142

b) A declaration under Section 197A (1) or 197A (1A) or 197A (1C) shall not be valid unless the person furnishes his PAN in such declaration and the deductor is required to deduct tax as per Para (a) above in such a case.

c) Where a wrong PAN is provided, it will be regarded as non-furnishing of PAN and Para (a) above will apply.

d) As per Rule 37BC, the higher rate under section 206AA shall not apply to a non resident, not being a company, or to a foreign company, in respect of payment of interest, if the non-resident deductee furnishes the prescribed details inter alia TRC and Tax Identification Number (TIN).

3. SEC. 206AB

Further, the Finance Act, 2021 inserted new section for punitive withholding tax rate for non-filers of return of income with effect from 1 July 2021 as per which payments made to the specified persons will be subject to TDS at higher of twice the applicable rate or 5% in respect of all TDS/TCS provisions except for specific exclusions.

NOTES FORMING PART OF STATEMENT OF TAX BENEFITS

1. The above Statement sets out the provisions of law in a summary manner only and is not a complete analysis or listing of all potential tax consequences of the purchase, ownership and disposal of debenture/bonds.

2. The above statement covers only certain relevant benefits under the IT Act and does not cover benefits under any other law.

3. The above statement of possible tax benefits is as per the current direct tax laws relevant for the Assessment Year 2025-2026 (Financial year 2024-25) and taking into account the amendments made by the Finance Act, 2024.

4. This statement is intended only to provide general information to the Debenture Holders and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of tax consequences, each debenture Holder is advised to consult his/her/its own tax advisor with respect to specific consequences of his/her/its holding in the debentures of the Company.

5. Several of the above tax benefits are dependent on the debenture holders fulfilling the conditions prescribed under the relevant tax laws and subject to Chapter X and Chapter XA of the IT Act.

6. The stated benefits will be available only to the sole/ first named holder in case the debenture is held by joint holders.

7. In respect of non-residents, the tax rates and consequent taxation mentioned above will be further subject to any benefits available under the relevant tax treaty, if any, between India and the country in which the non-resident has fiscal domicile.

8. In respect of non-residents, taxes paid in India could be claimed as a credit in accordance with the provisions of the relevant tax treaty and applicable domestic tax law.

9. No assurance is given that the revenue authorities/ courts will concur with the views expressed herein. Our views are based on the existing provisions of law and its interpretation, which are subject to changes from time to time. We do not assume responsibility to update the views consequent to such changes. We shall not be liable to any claims, liabilities or expenses relating to this assignment except to the extent of fees relating to this assignment, as finally judicially determined to have resulted primarily from bad faith or intentional misconduct. We will not be liable to any other person in respect of this statement.

SECTION IV – ABOUT OUR COMPANY

INDUSTRY OVERVIEW

Unless otherwise indicated, all of the information and statics disclosed in this section are extracted from an industry report titled "Research Report on NBFC Industry", dated September 2024 prepared and issued by CARE Analytics and Advisory Private Limited. For details of risks in relation to CareEdge Report and other publications, see "Risk Factors- 57. "We cannot guarantee the accuracy or completeness of facts and other statistics with respect to India, the Indian economy and the NBFC, Gold Loan industry, Personal Loan industry and MSME Loan industry contained in this Draft Prospectus" on page 35. The information presented in this section, including forecasts and projections, have not been prepared or independently verified by us, our Directors, our Promoter, the Lead Manager or any of our or their respective advisors.

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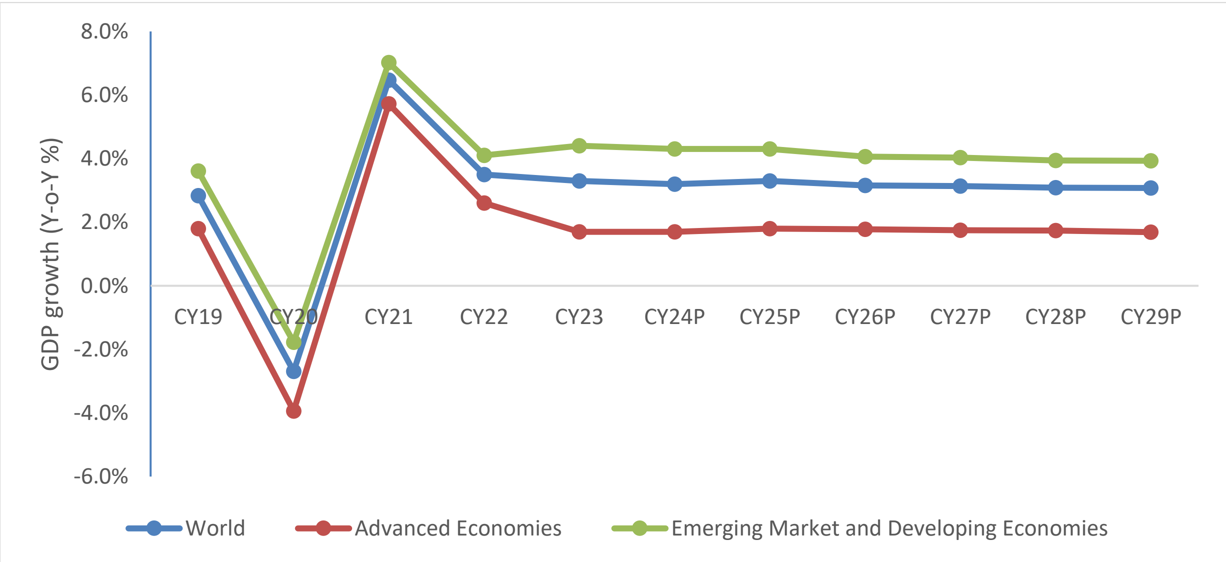
1. Economic Outlook

1.1. Global Economy

Global growth, which stood at 3.3% in CY23, is anticipated to fall to 3.2% in CY24 and then bounce back again to 3.3% in CY25. The CY24 forecast has remained same compared to the April 2024 World Economic Outlook (WEO) Update, and increased by 0.1 percentage point compared to the January 2024 WEO. Despite this, the expansion remains historically low, attributed to factors including sustained high borrowing costs, inflation woes, reduced fiscal support, lingering effects of Russia's Ukraine invasion, Iran–Israel Cold War, sluggish productivity growth, and heightened geo-economic fragmentation.

Chart 1: Global Growth Outlook Projections (Real GDP, Y-o-Y change in %)



Notes: P-Projection; Source: IMF – World Economic Outlook, July 2024

Table 1: GDP growth trend comparison - India v/s Other Economies (Real GDP, Y-o-Y change in %)

	Real GDP (Y-o-Y change in %) Real GDP (Y-o-Y change in %)									
	CY20	CY21	CY22	CY23	CY24P	CY25P	CY26P	CY27P	CY28P	CY29P
India	-5.8	9.7	7.0	8.2	7.0	6.5	6.5	6.5	6.5	6.5
China	2.2	8.5	3.0	5.2	5.0	4.5	3.8	3.6	3.4	3.3
Indonesia	-2.1	3.7	5.3	5.0	5.0	5.1	5.1	5.1	5.1	5.1
Saudi Arabia	-3.6	5.1	7.5	-0.8	1.7	4.7	4.0	3.5	3.0	3.5
Brazil	-3.3	4.8	3.0	2.9	2.1	2.4	2.1	2.0	2.0	2.0
Euro Area	-6.1	5.9	3.4	0.5	0.9	1.5	1.4	1.3	1.3	1.2
United States	-2.2	5.8	1.9	2.5	2.6	1.9	2.0	2.1	2.1	2.1

P- Projections; Source: IMF- World Economic Outlook Database (July 2024)

1.1.1. Advanced Economies Group

- Advanced economies are expected to experience a gradual increase in growth, remaining same at 1.7% in CY23 and CY24 and increasing to 1.8% in CY25. The projection for CY24 and CY25 remains unchanged compared to the April 2024 WEO Update.
- The **United States** is expected to see growth rise to 2.6% in CY24, followed by a slight slowdown to 1.9% in CY25. This deceleration is attributed to gradual fiscal tightening and labor market softening, which dampen aggregate demand. The CY24 projection has been revised downward by 0.1 percentage points since the April CY24 WEO Update. This revision primarily reflects carryover effects from stronger-than-expected growth in the fourth quarter of CY23, with some of this momentum expected to continue into CY24.
- The **Euro Area's** growth is anticipated to rebound from its sluggish rate of 0.5% in CY23, mainly influenced by significant exposure to the conflict in Ukraine. Projections indicate an increase to 0.9% in CY24 and further to 1.5% in CY25. This recovery is driven by stronger household consumption, as the impact of elevated energy prices diminishes and declining inflation bolsters real income growth. Additionally, strong momentum in services, higher than expected net exports, and higher investments have further driven this growth. But, countries like Germany are expected to have a sluggish recovery on account of weak manufacturing growth.

1.1.2. Emerging Market and Developing Economies Group

- Emerging market and developing economies are forecasted to maintain stable growth at 4.3% in both CY24 and CY25. This forecast has been revised upwards by 0.1 percentage point as compared to the April 2024 WEO update on account of stronger activity in Asia, particularly China and India. Growth prospects in economies across the Middle East and Central Asia continue to be weighed down by oil production and regional conflicts. Growth forecast of sub-Saharan Africa has also been revised downward on account of weak economic activity. Low-income developing countries are anticipated to experience a gradual growth uptick, starting at 3.9% in CY23 and climbing to 4.4% in CY24 and 5.3% in CY25, as certain constraints on near-term growth begin to ease.
- The economic forecast for emerging and developing Asia reveals a modest deceleration in growth, with projections indicating a decline from 5.7% in CY23 to 5.4% in CY24 and 5.1% in CY25. **China's** trajectory reflects a slowdown, transitioning from 5.2% in CY23 to 5.0% in CY24 and 4.5% in CY25 due to fading post-pandemic stimuli and ongoing property sector challenges. In contrast, **India's** growth remains robust, with anticipated rates of 7.0% in CY24 and 6.5% in CY25, bolstered by resilient domestic demand and a burgeoning working-age populace.
- The **Indonesian** economy is expected to register growth of 5.0% in CY24 and 5.1% in CY25 with a strong domestic demand, a healthy export performance, policy measures, and normalization in commodity prices. **Saudi Arabia's** growth slowed at -0.8% in CY23 attributed to lower oil production. CY24 is predicted to see a revamp in the growth rates to 1.7% on account of Vision 2030 reforms that helped advance the country's economic diversification agenda, including through reduced reliance on oil. The forecast for CY24 has been revised downward as compared to the April 2024 WEO update on account of extension of oil production cuts. Going forward, GDP is expected to grow at 4.7% and 4.0% in CY25 and CY26, respectively. On the other hand, **Brazil's** growth is projected to ease to 2.1% in CY24, driven by fiscal consolidation, the lingering impact of tight monetary policies, and reduced contributions from the agricultural sector. There has been a downward revision in forecast for CY24 compared to April 2024 WEO update on account of the near-term impact of flooding. Going forward, GDP is expected to grow at 2.4% in CY25 on account of reconstruction following the floods and supportive structural factors.

- Despite the turmoil in the last 2-3 years, India bears good tidings to become a USD 5 trillion economy by CY27. According to the IMF dataset on Gross Domestic Product (GDP) at current prices, the nominal GDP has been at USD 3.6 trillion for CY23 and is projected to reach USD 5.3 trillion by CY27 and USD 6.4 trillion by CY29. India's expected GDP growth rate for coming years is almost double compared to the world economy.
- Besides, India stands out as the fastest-growing economy among the major economies. The country is expected to grow at more than 6.5% in the period of CY24-CY29, outshining China's growth rate. By CY27, the Indian economy is estimated to emerge as the third-largest economy globally, hopping over Japan and Germany. Currently, it is the third-largest economy globally in terms of Purchasing Power Parity (PPP) with a ~7.6% share in the global economy, with China [~18.7%] on the top followed by the United States [~15.6%]. Purchasing Power Parity is an economic performance indicator denoting the relative price of an average basket of goods and services that a household needs for livelihood in each country.
- Despite Covid-19's impact, high inflationary environment and interest rates globally, and the geopolitical tensions in Europe, India has been a major contributor to world economic growth. India is increasingly becoming an open economy as well through growing foreign trade. Despite the global inflation and uncertainties, Indian economy continues to show resilience. This resilience is mainly supported by stable financial sector backed by well-capitalized banks and export of services in trade balance. With this, the growth of Indian economy is expected to fare better than other economies majorly on account of strong investment activity bolstered by the government's capex push and buoyant private consumption, particularly among higher income earners.

1.2. Indian Economic Outlook

1.2.1. GDP Growth and Outlook

Resilience to External Shocks remains Critical for Near-Term Outlook

- India's real GDP grew by 7.0% in FY23 and stood at ~Rs. 161 trillion, as per the First Revised Estimate, despite the pandemic in previous years and geopolitical Russia-Ukraine spillovers. In Q1FY24, the economic growth accelerated to 8.2%. The manufacturing sector maintained an encouraging pace of growth, given the favorable demand conditions and lower input prices. The growth was supplemented by a supportive base alongside robust services and construction activities. This momentum remained in the range in the Q2FY24 with GDP growth at 8.1%, mainly supported by acceleration in investments. However, private consumption growth was muted due to weak rural demand and some moderation in urban demand amid elevated inflationary pressures in Q2FY24. The GDP growth number improved for Q3FY24 at 8.6%.
- India's GDP at constant prices surged to Rs. 47.24 trillion in Q4FY24 from Rs. 43.84 trillion in Q4FY23, marking a 7.8% growth rate. This upswing was fueled by robust performances in construction, mining & quarrying, utility services, and manufacturing sectors and investment drove the GDP growth, while both private and government consumption remained subdued.
- Real GDP in the year FY24 is estimated to grow at 8.2% at Rs. 173.82 trillion as per provisional estimate of the Ministry of Statistics and Programme Implementation. It is expected that domestic demand, especially investment, to be the main driver of growth in India, amid sustained levels of business and consumer confidence.

1.2.2. GDP Growth Outlook

- Driven by fixed investment and improving global environment, domestic economic activity continues to expand. The provisional estimates (PE) placed real GDP growth at 8.2% for FY24.
- Industrial activity led by manufacturing continues its momentum on the back of strengthening domestic demand. Moreover, the services sector-maintained buoyancy as could be observed by growth in high frequency indicators such as E-way bills, GST revenues, toll collections, aggregate, and a healthy growth in domestic air cargo and port cargo. The purchasing managers' index for both manufacturing and services continues to exhibit a sustained and healthy expansion.
- Domestic economic activity remains strong. On the supply side, the south-west monsoon is progressing well, with higher cumulative kharif sowing and improving reservoir levels, which bodes well for kharif output. The potential development of La Niña conditions in the latter half of the monsoon season could impact agricultural production in 2024-25. On the demand side, household consumption is bolstered by a recovery in rural demand and consistent discretionary spending in urban areas. Fixed investment activity is robust, supported by the government's ongoing focus on capital expenditure, healthy balance sheets of banks and corporates, and other policy measures. Private corporate investment is picking up, driven by an increase in bank credit. Merchandise exports grew in June, albeit at a slower rate, while the growth in non-oil-non-gold imports accelerated, indicating

resilience of domestic demand. Services exports saw double-digit growth in May 2024 before slowing down in June 2024.

- Improved agricultural activity would improve rural consumption, while urban consumption would be supported by buoyancy in services activity. Additionally, improvement in global trade prospects are expected to support external demand.

- Persistent geopolitical tensions and volatility in international financial markets and geo-economic fragmentation do pose risk to this outlook. Based on these considerations, the RBI, in its August 2024 monetary policy, has projected real GDP growth at 7.2% y-o-y for FY25.

Table 2: RBI's GDP Growth Outlook (Y-o-Y %)

FY25P (complete year)	Q1FY25P	Q2FY25P	Q3FY25P	Q4FY25P	Q1FY26P
7.2%	7.1%	7.2%	7.3%	7.2%	7.2%

Note: P-Projected; Source: Reserve Bank of India

1.2.3. Gross Value Added (GVA)

Gross Value Added (GVA) is the measure of the value of goods and services produced in an economy. GVA gives a picture of the supply side whereas GDP represents consumption.

Industry and Services sector leading the recovery charge

- The gap between GDP and GVA growth turned positive in FY22 (after a gap of two years) due to robust tax collections. Of the three major sector heads, the service sector has been the fastest-growing sector in the last 5 years.

- The **agriculture sector** was holding growth momentum till FY18. In FY19, the acreage for the rabi crop was marginally lower than the previous year which affected the agricultural performance. Whereas FY20 witnessed growth on account of improved production. During the pandemic-impacted period of FY21, the agriculture sector was largely insulated as timely and proactive exemptions from COVID-induced lockdowns to the sector facilitated uninterrupted harvesting of rabi crops and sowing of kharif crops. However, supply chain disruptions impacted the flow of agricultural goods leading to high food inflation and adverse initial impact on some major agricultural exports. However, performance remained steady in FY22.

- In FY23, the agriculture sector performed well despite weather-related disruptions, such as uneven monsoon and unseasonal rainfall, impacting yields of some major crops and clocked a growth of 4% y-o-y, garnering Rs. 22.3 trillion.

- In Q1FY24, this sector expanded at a slower pace of 3.7% y-o-y growth compared to y-o-y growth a quarter ago. This further stumbled to 1.7% in Q2FY24.Further, it experienced y-o-y growth of 0.4% in Q3 and 0.6% in Q4. leading to expectations of a modest 1.4% rise for the full year, contrasting sharply with the 4.7% growth recorded in FY23. In the Budget 2024-25, the government plans to boost private and public investment in post-harvest activities and expand the application of Nano-DAP across agro-climatic zones. Strategies for self-reliance in oilseeds and dairy development are to be formulated, alongside ramping up the Pradhan Mantri Matsaya Sampada Yojana and establishing Integrated Aquaparks. Allocation for PM-Formalisation of Micro Food Processing Enterprises scheme has increased from Rs. 639 in FY24 to Rs. 880 crores in FY25.

- Going forward, rising bank credit to the sector and increased exports will be the drivers for the agriculture sector. However, a deficient rainfall may have impact on the reservoir level, weighing on prospects of Kharif sowing. Considering these factors, the agriculture sector is estimated to attain Rs. 23.7 trillion and mark 1.4% y-o-y growth for complete FY24.

- From March 2020 onwards, the nationwide lockdown due to the pandemic significantly impacted the **industrial sector**. In FY20 and FY21, this sector felt turbulence due to the pandemic and recorded a decline of 1.4% and 0.9%, respectively, on a y-o-y basis. With the opening up of the economy and resumption of industrial activities, it registered 11.6% y-o-y growth in FY22, albeit on a lower base.

- The industrial output in FY23 grew by only 2.1% with estimated value Rs. 44.74 trillion owing to decline in manufacturing activities.

- The industrial sector grew by 6.0% in Q1FY24, while Q2FY24 growth was up by 13.6% owing to positive business optimism and strong growth in new orders supported manufacturing output. The industrial growth was mainly supported by sustained momentum in the manufacturing and construction sectors. Within manufacturing, industries such as pharma, motor vehicles, metals, petroleum and pharma witnessed higher production growth during the quarter. The construction sector (13.6% growth in Q2FY24) benefited from poor rainfall during August and September and higher implementation of infrastructure projects. This was reflected in robust cement and steel production and power demand in Q2FY24. Overall, H1FY24 picked up by 9.3% with manufacturing and construction activities witnessing significant acceleration. In Q3FY24, growth rate slowed down to 10.5%. It further fell down to 8.4% in Q4FY24.

- India's industrial sector is experiencing strong growth, driven by significant expansion in manufacturing, mining, and construction. This growth is supported by positive business sentiment, declining commodity prices, beneficial government policies like production-linked incentive schemes, and efforts to boost infrastructure development. These factors collectively contribute to the sustained buoyancy in industrial growth due to which the industrial growth is estimated at 9.5% on y-o-y basis registering the value of Rs. 48.9 trillion in FY24.

- The **Services sector** was the hardest hit by the pandemic and registered an 8.2% y-o-y decline in FY21. The easing of restrictions aided a fast rebound in this sector, with 8.8% y-o-y growth witnessed in FY22.

- Overall, in FY23, benefitting from the pent-up demand, the service sector was valued at Rs. 80.6 trillion and registered growth of 10.0% y-o-y.

- In Q1FY24, the services sector growth jumped to 10.7%. Within services, there was a broad-based improvement in growth across different sub-sectors. However, the sharpest jump was seen in financial, real estate, and professional services. Trade, hotels, and transport sub-sectors expanded at a healthy pace gaining from strength in discretionary demand. The service sector growth in Q2FY24 moderated to 6.0% partly due to the normalization of base effect and some possible dilution in discretionary demand. Considering these factors, service sector marked 8.3% growth in H1FY24. In Q3FY24 growth increased to 7.1% compared to 7.2% last year in the same quarter. In Q4FY24, growth declined to 6.7% compared to 7.2% last year in the same quarter.

- With this performance, steady growth in various service sector indicators like air passenger traffic, port cargo traffic, GST collections, and retail credit are expected to support the services sector. With this, the growth of service sector is estimated at Rs. 86.7 trillion registering 7.6% growth in FY24 overall.

Table 3: Sectoral Growth (Y-o-Y % Growth) - at Constant Prices

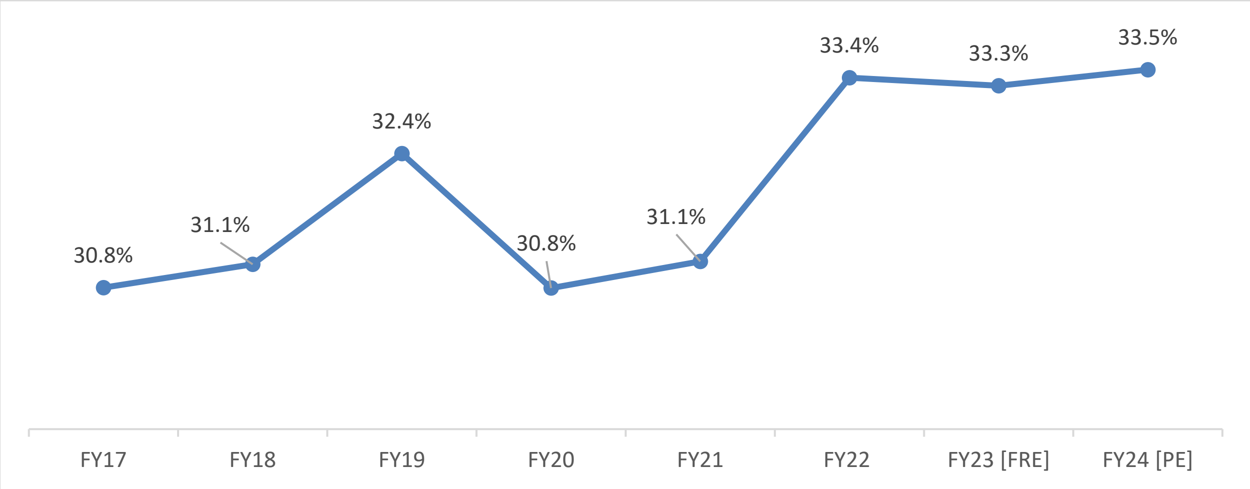
At constant Prices	FY19	FY20	FY21	FY22	FY23 (FRE)	FY24 (PE)
Agriculture, Forestry & Fishing	**2.1**	**6.2**	**4.1**	**3.5**	**4.7**	**1.4**
Industry	**5.3**	**-1.4**	**-0.9**	**11.6**	**2.1**	**9.5**
Mining & Quarrying	-0.9	-3.0	-8.6	7.1	1.9	7.1
Manufacturing	5.4	-3.0	2.9	11.1	-2.2	9.9
Electricity, Gas, Water Supply & Other Utility Services	7.9	2.3	-4.3	9.9	9.4	7.5
Construction	6.5	1.6	-5.7	14.8	9.4	9.9
Services	**7.2**	**6.4**	**-8.2**	**8.8**	**10.0**	**7.6**
Trade, Hotels, Transport, Communication & Broadcasting	7.2	6.0	-19.7	13.8	12.0	6.4
Financial, Real Estate & Professional Services	7.0	6.8	2.1	4.7	9.1	8.4
Public Administration, Defence and Other Services	7.5	6.6	-7.6	9.7	8.9	7.8
GVA at Basic Price	**5.8**	**3.9**	**-4.2**	**8.8**	**6.7**	**7.2**

Note: FRE – First Revised Estimates, PE – Provisional Estimate; Source: MOSPI

1.2.4. Investment Trend in Infrastructure

Gross Fixed Capital Formation (GFCF), which is a measure of the net increase in physical assets, witnessed an improvement in FY22. As a proportion of GDP, it is estimated to be at 33.4%, which is the highest level in 5 years (since FY17). In FY23, the ratio of investment (GFCF) to GDP remained flat at 33.3%. Continuing in its growth trend, this ratio has reached 33.5% in FY24.

Chart 2: Gross Fixed Capital Formation (GFCF) as % of GDP (At constant prices):



Note: 3RE – Third Revised Estimate, 2RE – Second Revised Estimates, 1RE – First Revised Estimates, PE – Provisional Estimate, FAE-First Advance Estimate; Source: MOSPI

Overall, the support of public investment in infrastructure is likely to gain traction due to initiatives such as Atmanirbhar Bharat, Make in India, and Production-linked Incentive (PLI) scheme announced across various sectors.

1.2.5. Industrial Growth

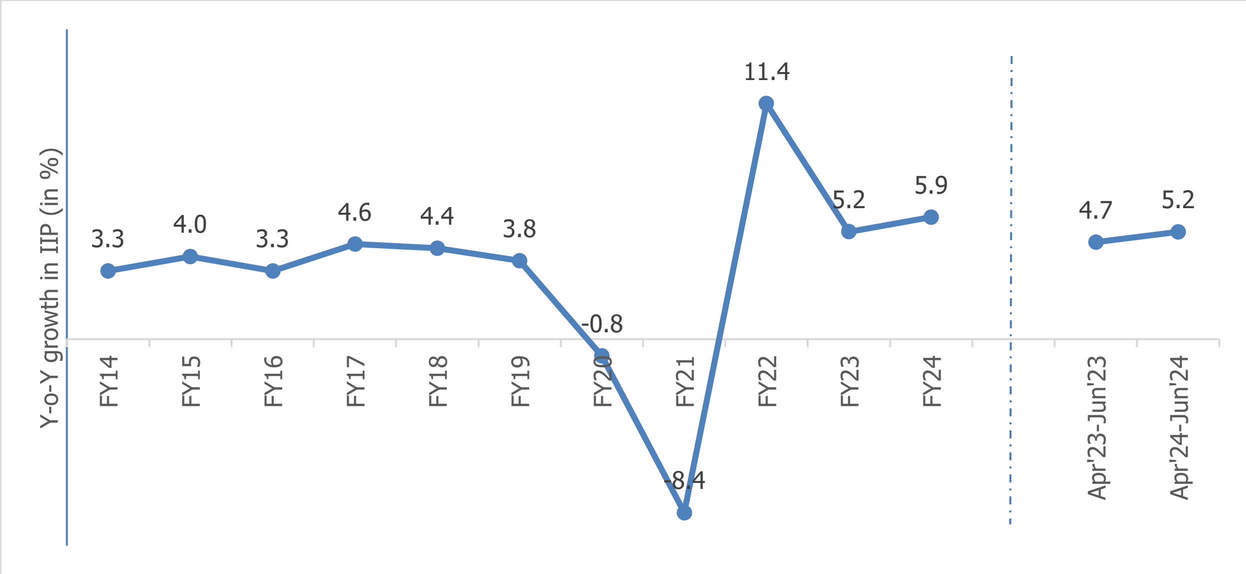
Improved Core and Capital Goods Sectors helped IIP Growth Momentum

- The Index of Industrial Production (IIP) is an index to track manufacturing activity in an economy. On a cumulative basis, IIP grew by 11.4% y-o-y in FY22 post declining by 0.8% y-o-y and 8.4% y-o-y, respectively, in FY20 and FY21. This high growth was mainly backed by a low base of FY21. FY22 IIP was higher when compared with the pre-pandemic level of FY20, indicating that while economic recovery was underway. During FY23, the industrial output recorded a growth of 5.2% y-o-y supported by a favorable base and a rebound in economic activities.

- During FY24, the industrial output recorded a growth of 5.9% y-o-y supported by growth in manufacturing and power generation sectors. The period April 2024 – June 2024, industrial output grew by 5.2% compared to the 4.7% growth in the corresponding period last year. For the month of June 2024, the IIP growth increased to 4.2% compared to the last year's 4.0%, on account of growth in mining. The manufacturing sector showed a decline in June 2024 from 3.5% in June 2023 to 2.6% in June 2024. Within the growth in manufacturing, the top three positive contributors were Manufacture of basic metals, Manufacture of electrical equipment, and Manufacture of motor vehicles, trailers, and semi-trailers.

- So far in the current fiscal, the government's spending on infrastructure has been strong, and there are visible signs of pick up in private investment. Consumer durables production increased due to favorable conditions, while non-durables saw a slight decline. Urban demand is driving consumption, while rural demand is recovering. Good monsoon forecasts are positive, but high unemployment and food inflation pose challenges. Infrastructure/construction output is growing well due to government spending. Private investment and manufacturing capacity utilization are increasing, supporting hopes for private sector growth. Good monsoon could boost rural demand, but food inflation remains a concern. Overall, sustained improvements in consumption and private investment are crucial for industrial performance.

Chart 3: Y-o-Y growth in IIP (in %)



Source: MOSPI

1.2.6. Consumer Price Index

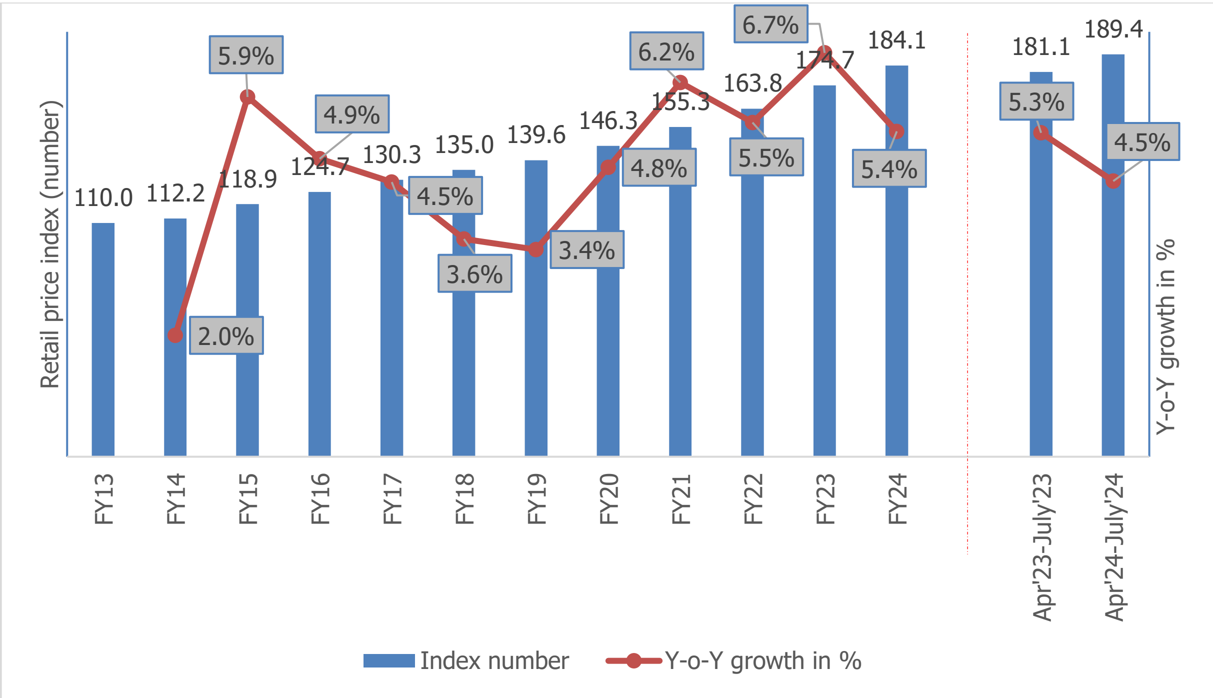
- India's consumer price index (CPI), which tracks retail price inflation, stood at an average of 5.5% in FY22 which was within RBI's targeted tolerance band of 6%. However, consumer inflation started to upswing from October 2021 onwards and reached a tolerance level of 6% in January 2022. Following this, CPI reached 6.9% in March 2022.

- CPI remained elevated at an average of 6.7% in FY23, above the RBI's tolerance level. However, there was some respite toward the end of the fiscal wherein the retail inflation stood at 5.7% in March 2023, tracing back to the RBI's tolerance band. Apart from a favorable base effect, the relief in retail inflation came from a moderation in food inflation.

- In FY24, the CPI moderated for two consecutive months to 4.7% in April 2023 and 4.3% in May 2023. This trend snapped in June 2023 with CPI rising to 4.9%. In July 2023, the CPI had reached its highest point at 7.4%, this was largely due to increase in food prices. The notable surge in vegetable prices and in other food categories such as cereals, pulses, spices, and milk have driven this increase. In August 2023, the food inflation witnessed some moderation owing to government's active intervention. This was further moderated for second consecutive month in September 2023 to 5%, led by a sharp correction in vegetables prices and lower LPG prices. Helped by deflation in the fuel and light category, the retail inflation in October 2023 softened at 4.9%. This trend reversed in November 2023 due to spike in certain vegetable prices as well as sticky inflation in non-perishable food items such as cereals, pulses and spices and the CPI rose to 5.6%. In the month of December 2023, elevated food prices and an unfavourable base drove headline inflation to a four-month peak of 5.7%. However in the month of January and February, food prices softened and the inflation was reported at 5.1% for both the months. March witnessed furthur softning of prices registering 4.9% growth. For FY24 inflation moderated to 5.4% which are within the boundaries set of 2% to 6% by the RBI.

- High inflation in specific food items poses inflation risk, even though an improvement in south-west monsoon and progress in sowing are improving the food inflation outlook. This makes it crucial to monitor monsoon distribution. Additionally, global food prices also show some softening in July, post increases in March 2024. While government initiatives are expected to mitigate upward price pressure, external risks from geopolitical tensions may affect supply chains and commodity prices. The numbers for April 2024-July 2024 show a decline in inflation growth y-o-y to 4.5% as compared to inflation growth y-o-y of 5.3% in April 2023-July 2023 period. For July 2024, CPI inflation stood at 3.5% which has been the lowest retail inflation in the last 5 years. There was a decline in inflation among all groups with significant decline in vegetables, spices, and fruits subgroup. Additionally, food inflation was also at the lowest in this month since June 2023.

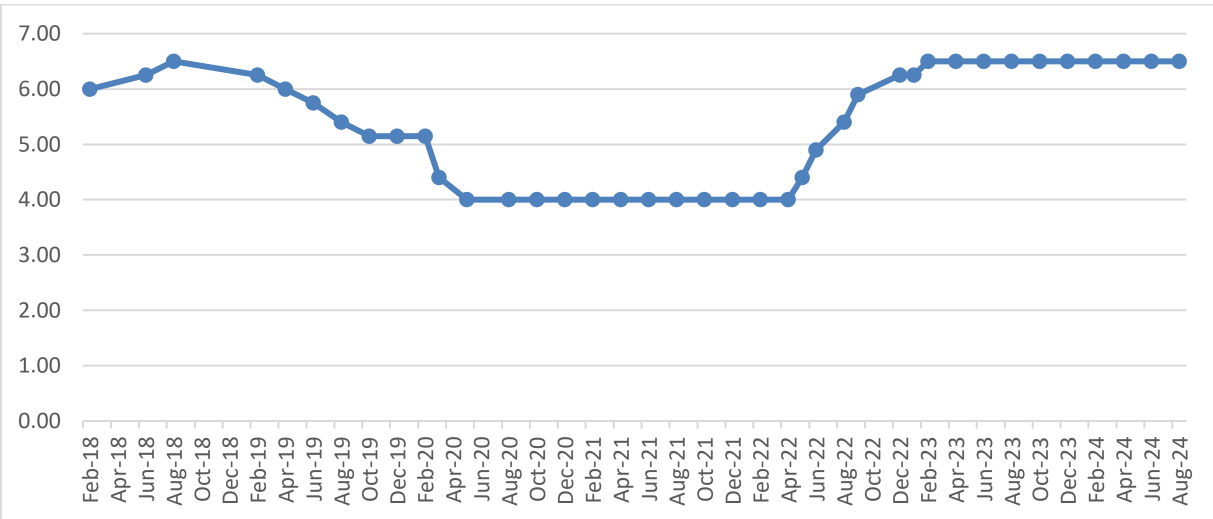
Chart 4: Retail Price Inflation in terms of index and Y-o-Y Growth in % (Base: 2011-12=100)



Source: MOSPI

- The CPI is primarily factored in by RBI while preparing their bi-monthly monetory policy. At the bi-monthly meeting held in August 2024, RBI projected inflation at 4.5% for FY25 with inflation during Q2FY25 at 4.4%, Q3FY25 at 4.7%, Q4FY25 at 4.3%, and Q1FY26 at 4.4%.
- Considering the current inflation situation, RBI has kept the repo rate unchanged at 6.5% again in the August 2024 meeting of the Monetary Policy Committee.

Chart 5: RBI historical Repo Rate



Source: RBI

- In a meeting held in August 2024, RBI also maintained the liquidity adjustment facility (LAF) corridor by adjusting the standing deposit facility (SDF) rate of 6.25% as the floor and the marginal standing facility (MSF) at the upper end of the band at 6.75%.
- Further, the central bank continued to remain focused on the withdrawal of its accommodative stance. While headline inflation has started easing due to softening in core component and economic activity has been resilient supported by domestic and investment demand, volatility in food proces due to adverse weather conditions pose a risk to the path of disinflation. Given the uncertainities in food prices that might derail the path to bring down inflation, the Central Bank has decided to be vigilant and maintain an active disinflationary stance to ensure

complete transmission of past rate cuts and anchoring of inflation expectations until a better alignment of the headline CPI inflation with the target is achieved, while supporting growth.

1.2.7. Concluding Remarks

- The major headwinds to global economic growth are escalating geopolitical tensions, volatile global commodity prices, high interest rates, inflation woes, volatility in international financial markets, climate change, rising public debt, and new technologies. Despite the global economic growth uncertainties, the Indian economy is relatively better placed in terms of GDP growth compared to other emerging economies. According to IMF's forecast, it is expected to be 7% in CY24 compared to the world GDP growth projection of 3.2%. The bright spots for the economy are continued healthy domestic demand, support from the government towards capital expenditure, moderating inflation, investments in technology and improving business confidence.
- Likewise, several high-frequency growth indicators including the purchasing managers index, E-way bills, bank credit, toll collections and GST collections have shown improvement in FY24. Moreover, normalizing the employment situation after the opening up of the economy is expected to improve and provide support to consumption expenditure.
- The India Meteorological Department (IMD) has made a significant forecast, predicting "above normal" rainfall for the upcoming monsoon season, marking the first time in a decade that such an optimistic outlook has been declared at the initial stage. This forecast, coupled with an anticipated eight-year-high rainfall, offers promising prospects for the agrarian economy and inflation. The expected development of La Nina conditions in the second half of the year (August-September) further adds to the positive outlook. La Nina is a climate patter that tends to enhance rainfall activity. IMD's more optimistic prediction is expected to bolster agricultural growth and incomes, while also potentially alleviating stubborn food inflation pressures.
- At the same time, public investment is expected to exhibit healthy growth as the government has allocated a strong capital expenditure of about Rs. 11.11 lakh crores for FY25. The private sector's intent to invest is also showing improvement as per the data announced on new project investments and resilience shown by the import of capital goods. Additionally, improvement in rural demand owing to healthy sowing, improving reservoir levels, and progress in south-west monsoon along with government's thrust on capex and other policy support will aid the investment cycle in gaining further traction.

2. Non-Banking Financial Company (NBFC)

2.1. Overview

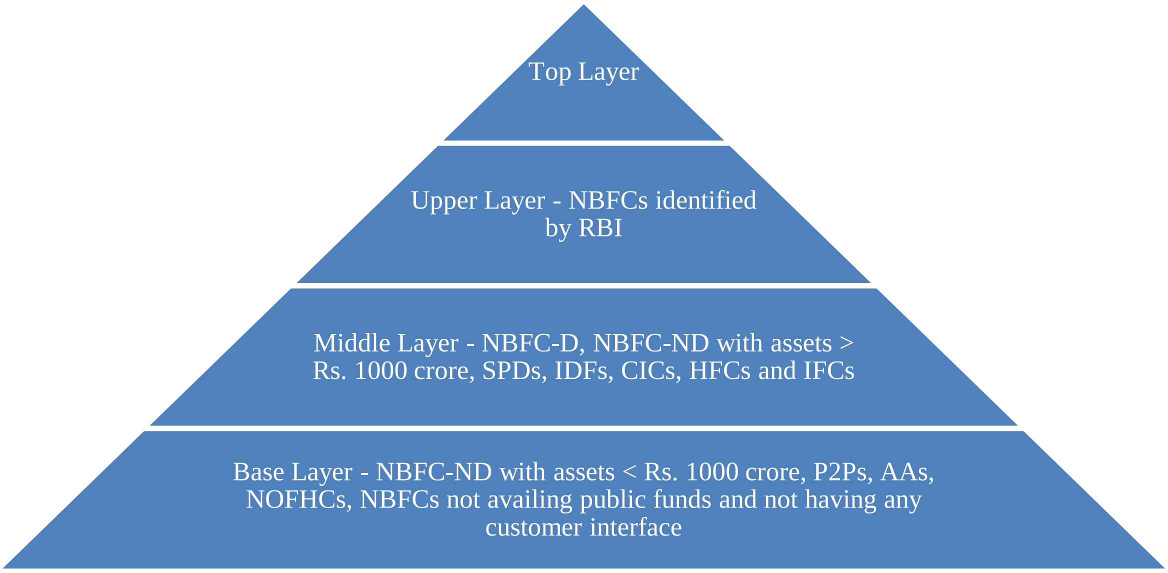
2.1.1. Non-banking financial institutions (NBFIs) encompass a heterogeneous group of financial intermediaries. Those under the regulatory purview of the Reserve Bank comprise:

- All-India Financial Institutions (AIFIs) that include the National Bank for Agriculture and Rural Development (NABARD), the Export-Import Bank of India (EXIM Bank), the Small Industries Development Bank of India (SIDBI), and the National Housing Bank (NHB) are apex financial institutions that play an important role in meeting the long-term funding requirements of agriculture and the rural sector, foreign trade, small industries, housing finance companies (HFCs), NBFCs, Micro Finance Institutions (MFIs), and other specialised segments and institutions.
- Non-banking financial companies (NBFCs) are government/public/private limited companies that specialise in delivering credit to a wide variety of specific segments, ranging from infrastructure to consumer durables and vehicle financing. Housing finance companies (HFCs) extend housing finance to individuals, cooperative societies, and corporate bodies and lease commercial and residential premises to support housing activity in the country.
- Primary dealers (PDs) came into existence in 1995 and act as market makers in the government securities (G-secs) market, besides ensuring subscription to primary issuances.

2.1.2. Non-Banking Financial Companies (NBFCs) play an important role in the Indian financial system by complementing and competing with banks and bringing efficiency and diversity into financial intermediation. NBFCs have evolved considerably in terms of operations, heterogeneity, asset quality and profitability, and regulatory architecture.

2.2. Classification of NBFCs

According to RBI, NBFCs are classified based on size and risk perception using Scale Based Approach –



Source: RBI, CareEdge Research
Notes: 1. NBFCs-D, CICs, NBFC-IFCs and HFCs will be included in the middle or the upper layer.
2. The remaining NBFCs, viz., NBFC-ICC, NBFC-MFI, NBFC Factors and NBFC-MGC could lie in any of the layers depending on the parameters of SBR.
3. Government owned NBFCs shall be placed in the Base Layer or Middle Layer, as the case may be.

And since NBFCs cater to niche areas, they are also categorized on the basis of the activities they undertake. Till February 21, 2019, NBFCs were divided into 12 categories. Thereafter, these categories were harmonized in order to provide NBFCs with greater operational flexibility. As a result, asset finance companies (AFCs), loan companies (LCs), and investment companies (ICs) were merged into a new category called Investment and Credit Companies (NBFC-ICC). At present, there are 11 categories of NBFCs in the activity-based classification.

Table 4: Types of NBFCs

Classification	Activity
Investment and Credit Company (NBFC-ICC)	Lending which supports productive/economic activities and acquisition of securities for investment.
NBFC-Infrastructure Finance Company (NBFC-IFC)	Infrastructure loans.
Core Investment Company (CIC)	Investment in equity shares, preference shares, debt, or loans of group companies.
NBFC-Infrastructure Debt Fund (NBFC-IDF)	Facilitation of flow of long-term debt post commencement operations date (COD) infrastructure projects which have completed at least one year of satisfactory performance and finance toll operate transfer project as the direct lender.
NBFC-Micro Finance Institution (NBFC-MFI)	Providing collateral free small ticket loans to economically disadvantaged groups.
NBFC-Factors	Acquisition of receivables of an assignor or extending loans against the security interest of the receivables at a discount.
NBFC-Non-Operative Financial Holding Company (NBFC-NOFHC)	Facilitation of promoters/ promoter groups in setting up new banks.
Mortgage Guarantee Company (MGC)	Undertaking of mortgage guarantee business.
NBFC-Account Aggregator (NBFCAA)	Collecting and providing information about a customer's financial assets in a consolidated, organised, and retrievable manner to the customer or others as specified by the customer.
NBFC–Peer to Peer Lending Platform (NBFC-P2P)	Providing an online platform to bring lenders and borrowers together to help mobilise funds.

Classification	Activity
Housing Finance Company (HFC)	Financing for purchase/ construction/ reconstruction/renovation/ repairs of residential dwelling units.

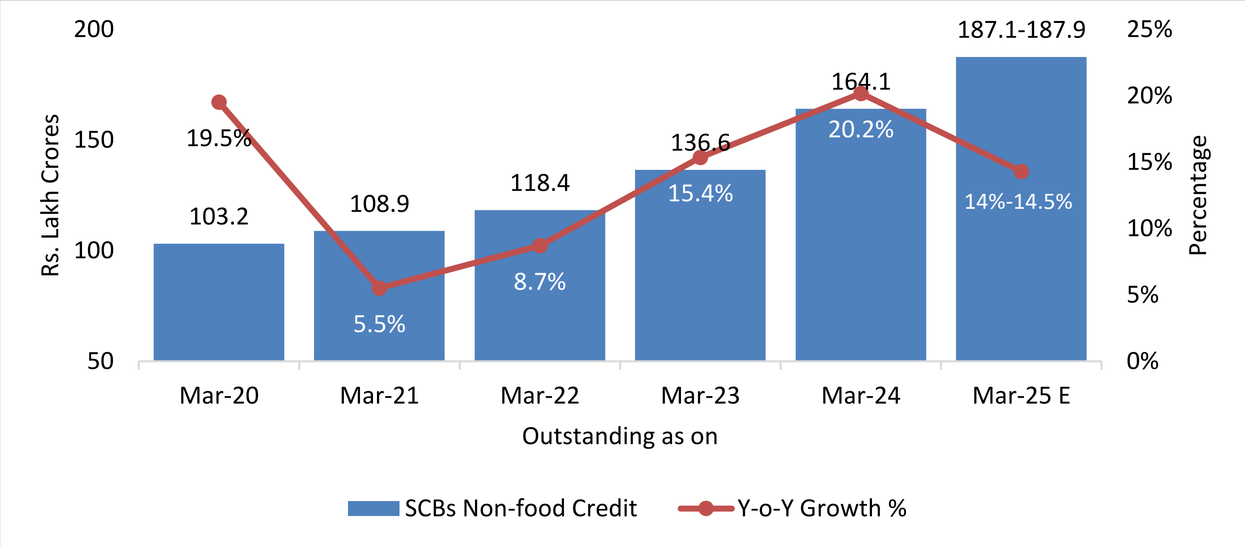
Source: RBI, CareEdge Research

2.3. Credit Growth of SCBs & NBFCs

2.3.1. Credit Growth of SCBs

SCBs Credit growth to witness marginal decline as HDFCs merger impact dissipates

Chart 6: Trend in SCBs Non-Food Credit



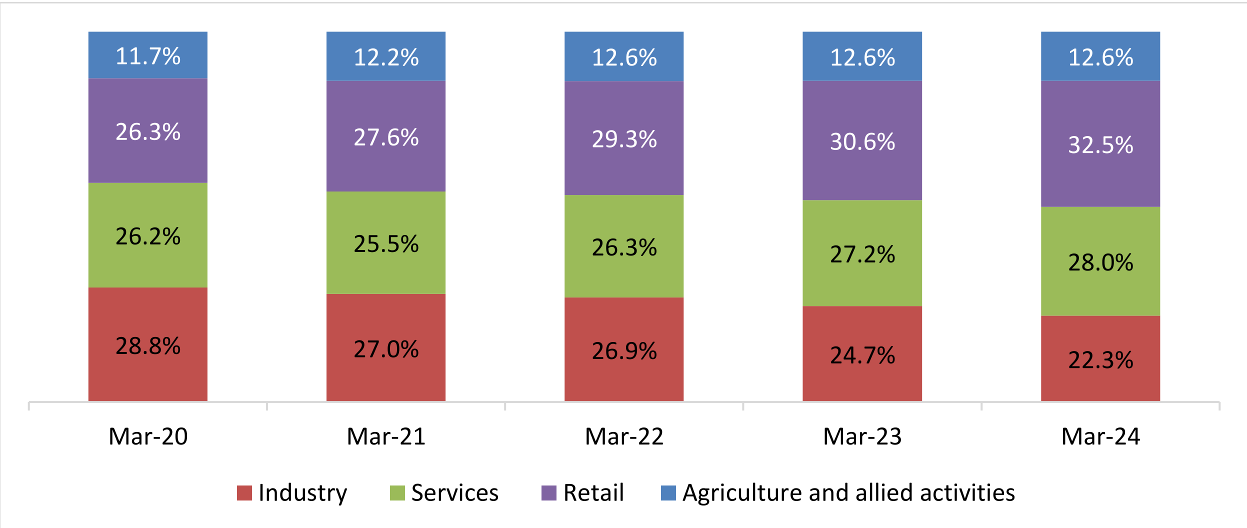
Source: RBI, CareEdge Estimates
Note: Data are provisional

2.3.2. In FY24, SCBs continued to witness high credit growth at 20.2% y-o-y over FY23. SCBs non-food credit outstanding reached Rs. 164.1 lakh crores, this growth can be primarily attributed to continued traction in personal loans, real-estate financing, Non-Banking Finance Companies (NBFCs) and impact of HDFC merger.

2.3.3. CareEdge estimates the credit growth to be in the range of 14%-14.5% in FY25, on account of high base, growth in retail credit and anticipated expansion in capex spending especially by the private sector are expected to aid the credit growth. However, elevated interest rates and global uncertainties could adversely impact credit growth. Further, ebbing inflation could also reduce the working capital demand.

2.4. Distribution between Sectors

Chart 7: Share in SCBs Non-Food Credit



Source: RBI, CareEdge Research

Note: Data are provisional
SCBs food credit is broadly divided into four segments namely credit towards Industry, Services, Retail, Agriculture and allied activities.

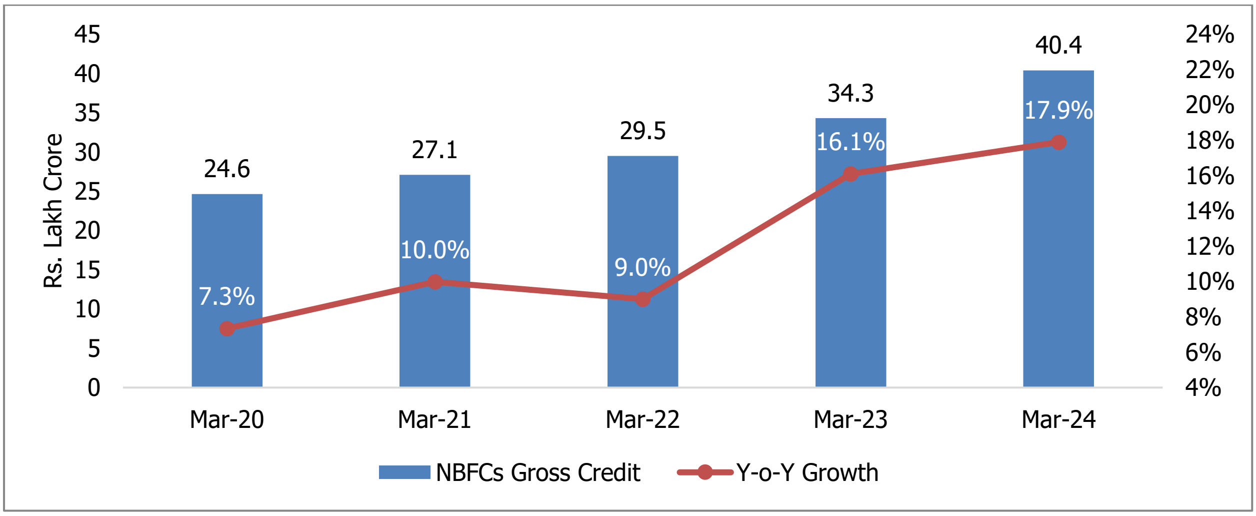
2.4.1. Over the years, credit towards industry has continued to decline led by sluggish demand, continued risk aversion from banks. The share of industry in SCBs non-food credit has declined from 28.8% as of Mar'20 to 22.3% as of Mar'24. As of Mar'24, SCBs outstanding credit towards Industry reached Rs. 36.5 lakh crores.

2.4.2. While services on the other hand continue to witness marginal uptick with its share in SCBs non-food credit reached 28% as of Mar'24 from an earlier 26.2% as of Mar'20.

2.4.3. As of Mar'24, the credit towards retail loans continued to form a major chunk of SCBs credit deployed at Rs. 53.3 lakh crores accounting for 32.5% of the total SCBs non-food credit. Over the past decade retail loans have witnessed significant uptick in credit deployed as they are less risky compared to other loan segments. Further, the nature of loans can be secured and unsecured, high margins and low delinquencies make them attractive offering for banks.

2.5. Credit Growth of NBFCs

Chart 8: Gross Credit Deployed by NBFCs



Source: RBI, CareEdge Research
Note: Data are provisional

2.5.1. As of Mar-24, the credit growth rate has seen an uptick of 17.9% y-o-y and has crossed Rs. 40 lakh crores. The upward growth trajectory of NBFC credit indicates its importance in India's Financial System. This resilience in growth can mainly be attributed to the increasing demand for unsecured loans, retail credit mainly vehicle and housing loans and the growing demand for MSME Loans has also supported growth in credit.

2.5.2. CareEdge Research expects that over the medium-term demand for infrastructure loans is expected to see an uptick owing to Government's focus towards the sector. However, unsecured loans growth is likely to be impacted by RBI's increased risk-weight from 100% to 125% in last fiscal.

2.6. Growth Drivers

2.6.1. Last Mile Financing and Unbanked Population

NBFCs have a strong presence in the unorganized and under-served areas where banks may not have a strong foothold. This is attributed to the lack of necessary bank infrastructure in these areas and an aversion on the part of banks to disburse loans to smaller companies. Further, the ease of internet access and affordable data packs have contributed to increased spending and demand for retail credit from these areas alongside raising the potential consumer base of NBFCs.

2.6.2. Growing Focus on Informal Customer Base

Traditional banks may not be very keen on lending to retail borrowers from semi-urban and rural areas or small companies with weaker credit scores and lack of documentation, as compared to larger borrowers. However, in terms of volume, the number of potential customers in this category is higher and NBFCs have created a niche segment by having customized credit assessment methods based on cash flow assessment and field verification. This gives NBFCs an opportunity to extend credit to the financially weaker set of customers, a growing customer base in the informal customer segment, further opening up avenues for NBFCs' growth.

2.6.3. Technological Adoption and Co-Lending Arrangements

NBFCs deploy technological solutions to develop innovative products and lower operational costs. Since NBFCs are fairly new in the financial landscape in comparison to most banks, they are more agile and better positioned to leverage technology to enhance their reach while increasing efficiency.

Additionally, NBFCs partner with various alternative financiers and commercial banks, enabling them to diversify their income avenues and reach their targeted customer base through different channels. Accordingly, bank collaborations with other NBFCs help make credit accessible to the under-banked and un-banked population.

2.6.4. Shifting Buying Behavior

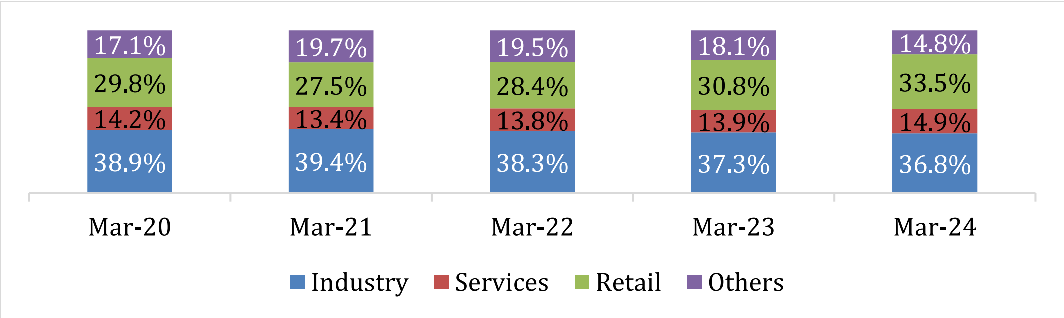
Over the years, there have been significant changes in the perception of consumers toward borrowing. With the need to improve lifestyle, there is an increasing inclination toward borrowing to attain a certain standard of living people. This is prominent among the younger population. Accordingly, banks and NBFCs have seen significant traction in demand for personal loans over the last decade, indicating increased awareness about credit and shift in perception towards borrowing.

2.6.5. Rising Demand from Retail Customers

Retail loans are expected to have accounted for around 33% of total credit disbursed by NBFCs as of Mar-24, according to the data published by the RBI. The retail segment has shown consistent growth in credit demand throughout the pandemic alongside being a significant chunk of the customer base of NBFCs. Going forward, CareEdge Research believes that the demand for consumer durables, consumption of services, home loans and gold loans are likely to support the growth in retail demand and, consequently, aid in the new business of NBFCs.

2.7. Distribution between Segments

Chart 9: Sectoral Distribution of NBFCs' credit



Source: RBI, CareEdge Research
Note: Industry includes credit to micro, small, medium and large enterprises;
Retail loans are personal loans for housing loans, consumer durables, auto loans, and other personal loans;
Services include credit towards commercial real-estate, retail trade and other such loans
Others include credit deployed towards agriculture and allied activities and other non-food credit

2.7.1. The industry sector has remained the largest recipient of credit extended by NBFCs followed by retail loans, services, other non-food credit, and agriculture & allied activities. NBFCs growth in credit deployed towards industry is mainly attributable to increase in infrastructure lending by large government-owned NBFCs. Furthermore, NBFCs have steadily expanded their micro, small and medium enterprises (MSMEs) portfolio, addressing the credit needs of the sector and contributing to overall financial inclusion and economic growth. As of Mar-24, industry credit contributed Rs. 14.9 Lakh crore, indicating around 16.2% y-o-y growth in NBFCs' credit to industry, as per the RBI.

2.7.2. While NBFCs' credit to the industry is growing, their credit to services is expected to increase as compared to last three years. As of Mar-24, as per data published by RBI, credit deployed to the service sector has reached around Rs. 6 Lakh crores indicating 26.3% y-o-y growth in NBFC credit deployed towards service sector.

2.7.3. Retail loans comprise housing loans, vehicle loans, loans against gold, consumer durables loans, and other such personal loans. Over the last couple of years, NBFCs have shifted their focus to retail lending in order to grow their business. There has been significant ramp-up in demand for retail credit as more and more consumers are getting comfortable with borrowing funds to meet their changing lifestyle needs.

2.7.4. The growth in NBFCs unsecured retail lending has outpaced the growth in NBFCs aggregate gross credit deployed. As of Mar-24, retail loans reached 13.5 Lakh crore forming over a third of NBFCs gross credit deployed. Furthermore, in terms of delinquencies retail loans have lower delinquencies when compared to MSME/corporate lending, another major factor for the NBFCs increased focus towards retail lending.

2.8. Outlook

2.8.1. CareEdge Research expects NBFCs credit to grow between 12%-15% y-o-y in FY25. This growth is expected to be driven by continued demand for retail loans, particularly vehicle loans, home loans, credit towards MSMEs, and microfinance loans.

2.8.2. In the near term, while NBFCs can draw comfort from strong balance sheet, improved provisioning and asset quality in the coming year. FY25 is likely to bode-well for NBFCs as credit off-take is expected to remain healthy owing to strong public capex as well as anticipated revival of private expenditure, on-set of festive season and robust demand from retail and MSME segments.

2.8.3. As per the guidelines, the consumer credit exposure of NBFCs (outstanding as well as new) categorized as retail loans, excluding housing loans, educational loans, vehicle loans, loans against gold and microfinance/SHG loans will attract risk weight of 125% from an earlier 100%. While NBFCs are well capitalized, the risk weights are also applicable to banks and this can impact NBFCs. As NBFCs rely on banks for funds and borrowing from banks will become costly with banks charging high interest rate to meet the rise in risk weights.

3. Gold Finance

3.1. Overview of Gold Industry

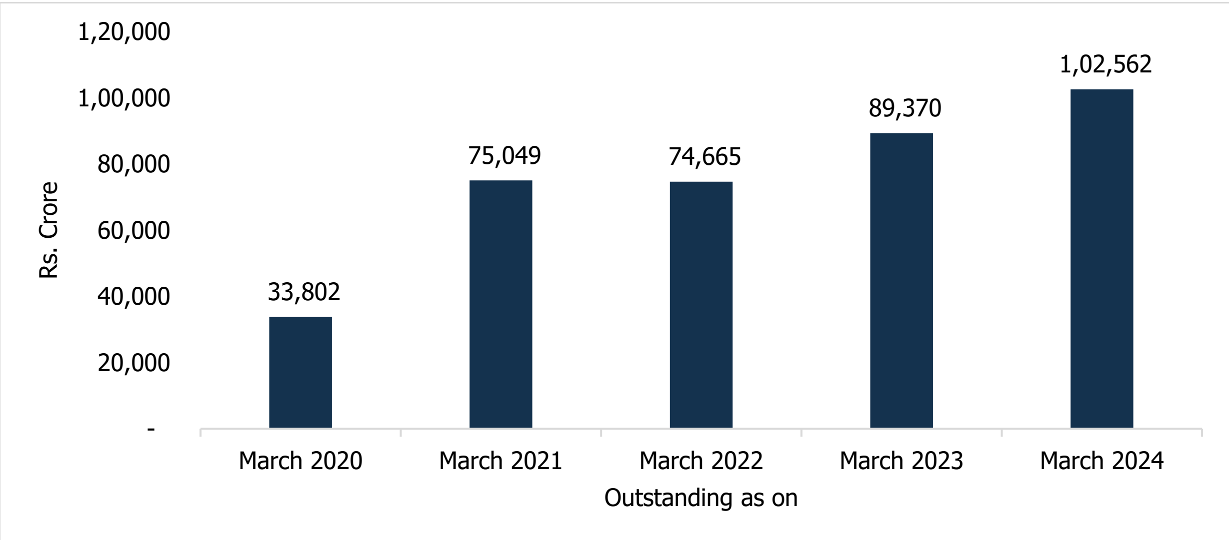
3.1.1. The Indian jewellery market is traditionally dominated by gold jewellery. Gold jewellery purchases in India are not only limited to consumption, as is the case with fashion jewellery, but they do have a strong saving significance. This is more evident in rural communities where access, literacy, and acceptance of other financial savings instruments are all lower. These factors have resulted in gold being a major saving asset class. Cultural differences, religious and trust concerns, as well as other elements that influence jewellery purchases have all contributed to gold jewellery's significance.

3.1.2. Resultantly, the gold financing industry offers strength and support for economic growth. With an emotional sentiment attached to the metal, Indians rarely sell their gold jewellery but pledge it as a collateral with financiers for securing short-term loans.

3.1.3. During the COVID-19 pandemic, the gold prices surged amid the rise in demand for gold. Gold is considered as safe heaven and there was uncertainty in the market during the pandemic, which lead to rise in offtake of gold loans.

3.2. Trend in Credit towards Gold Loan Financing

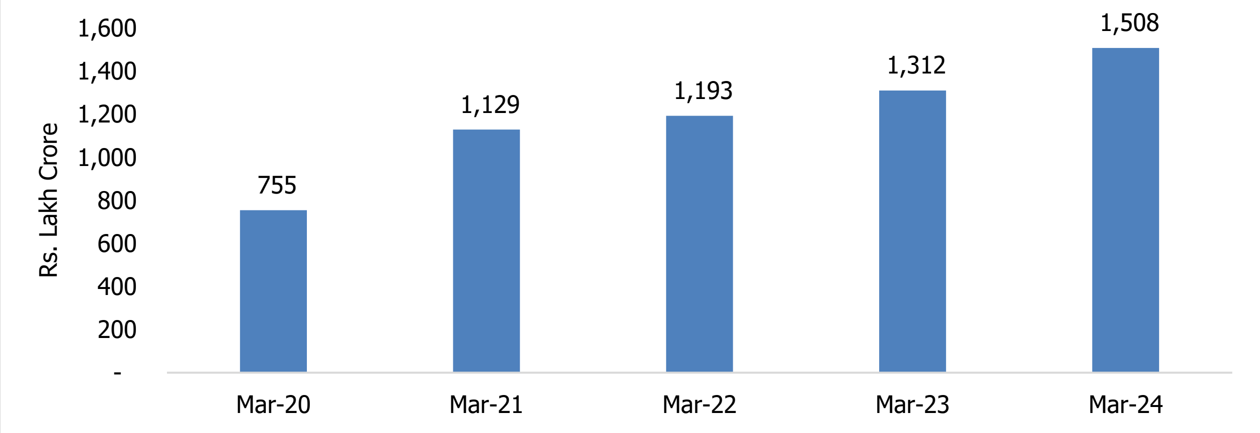
Chart 10: SCBs' loans against Jewellery



Source: RBI, CMIE, CareEdge Research

3.2.1. As per RBI data, SCBs' loans against jewellery grew by 3x in FY24 over FY20. This growth was due to the pandemic-led financial distress, unemployment, salary cuts and sudden health expenses, which led to people borrowing loans by pledging gold. During FY23, the gold loans credit by SCB's has increased by around 20% to Rs. 89,370 crores on y-o-y basis.

Chart 11: NBFCs' Advances to Individuals against Gold



Source: RBI, CareEdge Research

3.2.2. The Indian gold loan market is divided into two segments namely organised and un-organised segment.

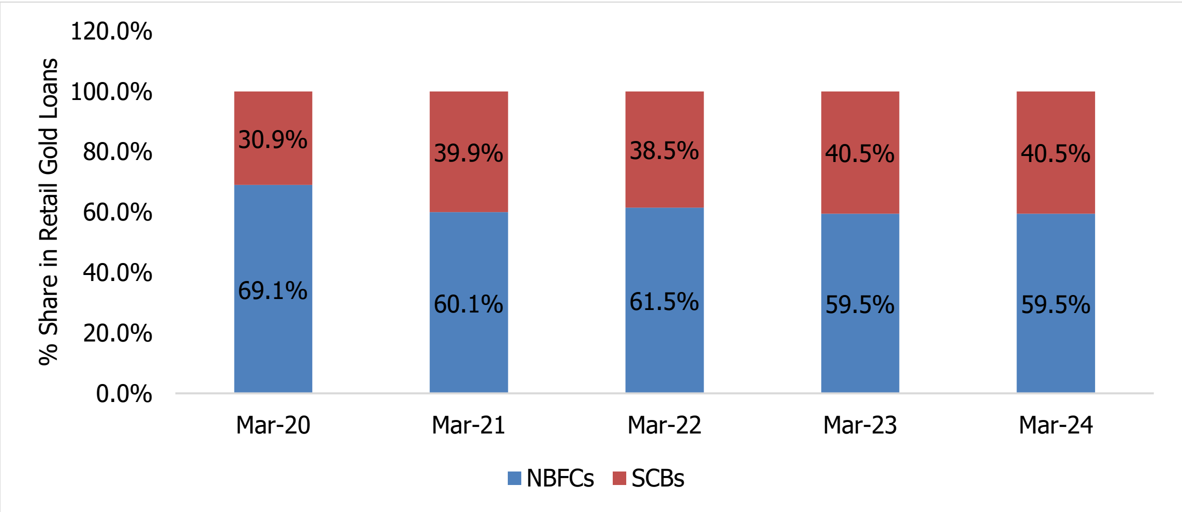
3.2.3. The organised gold loan market accounts for only a minor part of the overall Indian gold loan market and CareEdge Research expects it to grow exponentially between 2021-25 due to the increasing number of financial institutions providing gold loans to the under-banked population.

3.2.4. As per RBI Data, at the end of March 2024, NBFCs advances against gold stood at Rs.15.1 lakh crores, an increase of almost 15% over previous financial year.

3.2.5. While the formal organised sector comprises financial institutions, the unorganised (informal) sector comprises of indigenous bankers, money lenders, etc., that provide loans against gold at high interest rates to local borrowers.

3.3. Share in Credit deployed towards Gold loan financing

Chart 12: Share in Credit deployed towards Gold Loan Financing



Source: RBI, CareEdge

3.3.1. NBFCs' share in gold loans accounted for more than half of total gold loans extended for two consecutive years ending FY24, as per data published by the RBI. The share of growth reached to 59.5% as of March 2024. A majority of gold loans in India is disbursed by NBFCs, particularly gold loan focused ones, due to their rapid expansion in rural and semi-urban areas and a faster conversion rate. As NBFCs have a strong presence in these regions, reaching out to NBFCs for loans is a more lucrative proposition when compared to local moneylenders who may be charging a higher interest rate.

3.3.2. Of late, NBFCs have been aggressive in onboarding new customers through branding, advertising and expansion. Banks too increased their focus on the gold loan segment as higher demand from gold loans, particularly during the pandemic, meant a steady avenue for credit growth. Other factors that drive the growth of gold loans are need for credit, attractive interest rates of banks and NBFCs vis-à-vis local moneylenders, faster loan processing, digitization, gold loans for varied tenures, accurate gold valuation, safekeeping and auctioning, which are extremely vital to gold loan customer segment.

3.4. **Key risks in Gold loan financing**

3.4.1. Storage and Security Risk

Providing secure storage hubs at each branch is expensive and effects operating revenues at the branch level. Financers need to ensure proper storage and security measures for the physical gold held as collateral. Any lapses in these measures could result in losses due to theft or damage to the collateral. In addition, to this there are other costs, such as strong electronic monitoring and cybersecurity protocols, to protect client data.

3.4.2. Asset Quality Risk

Gold loans are primarily disbursed based on the value of the collateral. Hence any asset price fluctuations increase asset quality risks for the financier.

Asset price risk is the risk of a decline in the value of a security below the value of the loan. Gold financiers are exposed to asset price risks as any significant fall in gold prices could adversely affect the cover on a loan.

Generally, gold prices face a downside from improving economic conditions across the globe, such as an upward movement in the interest rates of the US dollar, among others, which lowers the risk aversion of investors and their appetite for gold.

3.4.3. Regulatory Risks

- Regulatory risks are defined as any regulatory changes that may affect operations and cash flows. Given that gold financing is regulated by the RBI, the regulator has undertaken changes depending on gold price volatility which also had a bearing on the operations of gold financiers.
- On August 6, 2020, the RBI relaxed the norms for lending by increasing the ceiling for Loan-to-Value (LTV) ratio for gold loans from 75% to 90% for scheduled commercial banks (SCBs). This extension was valid until March 31, 2021. As per RBI guidelines for gold loans, banks were allowed to disburse up to 90% of the value of gold jewellery pledged against loans.
- The RBI’s amendment in LTV ratio for gold loans gave borrowers the chance of availing a higher loan amount against the same quantity of gold. The increase in the permissible LTV ratio for gold loans in India helped ease the financial distress of borrowers whose immediate needs were difficult to service due to the disruptions caused by the pandemic. As this relaxation was announced only for banks, it helped banks grow their gold loans significantly and gain market share in the gold loan industry.
- The increase in the LTV ratio cap to 90% made gold loan NBFCs more susceptible to ceding their market share to banks. However, a majority of banks’ gold loan portfolios is made up of agriculture-based gold loans, while NBFCs are majorly present in the retail gold loans space. In addition, the relaxation in LTV ratio for banks was valid only up to March 31, 2021 and therefore does not currently pose a risk for NBFCs.
- However, the relaxation announced for banks and its impact on the gold loan industry during FY21 indicates that NBFCs are not insulated from risks brought about by regulatory changes in the future.

3.5. Outlook for Gold Loans

- For financial institutions, gold loans are highly secured assets and liquid collateral that generate high returns with minimal credit losses. CareEdge Research anticipates that with large geographic reach and fast turnaround time on loan applications, the demand for gold loans to fund working capital of micro enterprises will grow in the near term.
- The outlook for gold loans remains positive also due to continued focus on part of banks and NBFCs on the gold loan segment. segment. CareEdge Research expects gold loan NBFCs to witness 8%- 12% y-o-y digits growth in AUM in FY25.
- The gold loan segment is a highly liquid one and in case of delayed repayments, the lender can easily sell the asset pledged and recoup the funds. In the post pandemic era, where rising inflationary concerns are likely to slow down growth and impact pace of economic revival, gold loans will continue to remain as a source of funds for consumers who may have the need for urgent financing, and banks who may perceive this segment to be a lucrative.

Going forward, the growth is expected to come on account of the following drivers:

3.5.1. Geographic Reach:

Organised financial institutions especially NBFCs have a geographically wider reach especially in the southern regions with high coverage in non-metro, semi-urban and rural areas. Borrowers keen on availing gold loans are more likely to choose a specialised NBFC over an unorganised lender if the location is convenient and minimizes the risk of travelling a distance with valuable assets.

3.5.2. Quicker Turnaround time:

The turnaround time of financial institutions is short. This is attributed to a smaller loan ticket size, the desire of the borrower to procure the loan amount as quickly as possible, and the availability of well-trained and experienced employees in the assessment and valuation of the gold collateral being pledged.

3.5.3. Focused business areas and efficiency in operations:

Although banks also extend gold loans, some NBFCs have developed expertise in this segment by exclusively focusing on gold loans. Through this, gold financing companies have specialized capabilities and also offer customized solutions to customers. As a result, NBFCs are likely to maintain their strong foothold in the gold financing segment.

3.5.4. **Increased stock of gold:**

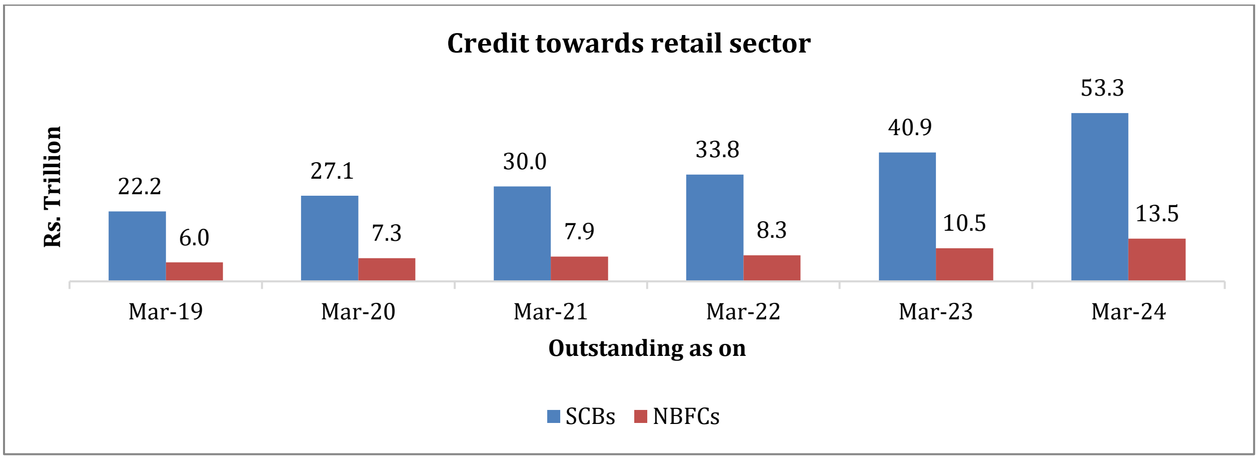
According to the World Gold Council, a 1% rise in income supports the demand for gold by 1%. Xxxexpects India's total gold stock to increase following the recovery and growth in the economy and this will likely translate into a higher stock of gold in India. With consumers being less averse to using gold to meet their credit requirement, a higher stock of gold bodes well for the gold finance segment.

4. Retail Loans – Personal Loans

4.1. Trend in Retail Credit Growth Portfolio of SCBs & NBFCs

4.1.1. Retail loans in India fall under the larger umbrella of credit provided to an individual by a certified financial institution, a commercial bank, or a credit union to fulfil their financial needs such as buying a property or house, paying for a college education, owning a vehicle or other assets such as essential electronics and personal loans that are short term in nature.

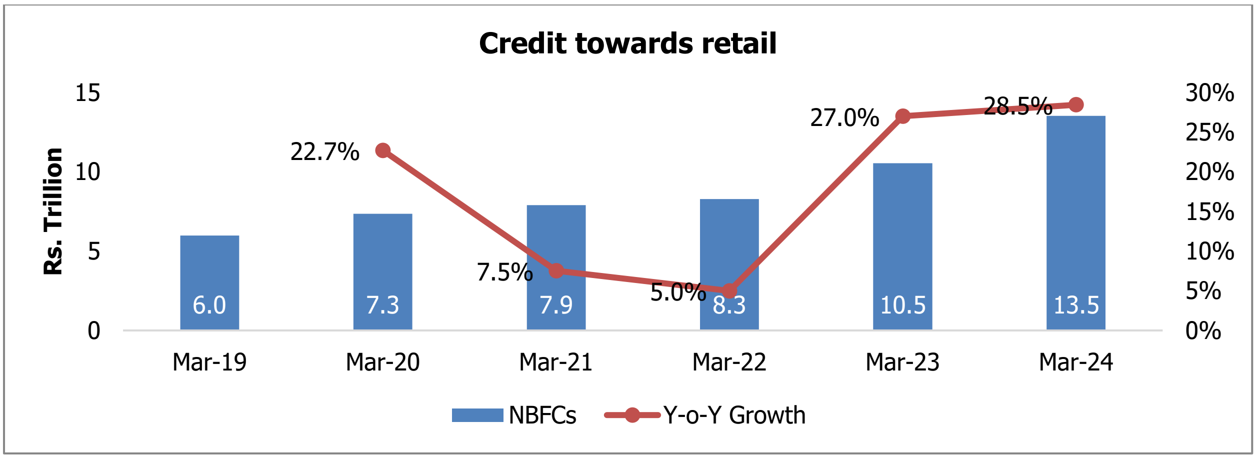
Chart 13: Retail Credit Portfolio of SCBs & NBFCs



Source: CMIE, RBI, CareEdge Research
Note: Data are provisional

4.1.2. As of Mar-23, retail credit was around 33.5% of NBFCs' gross credit deployed and SCBs' gross credit deployed. Banks and NBFCs shifted their efforts toward retail lending due to the increasing demand for retail credit. The shift in borrowing behaviour of consumers for better living standards and their readiness to borrow personal loans to fulfil those needs have boosted the demand for retail loans.

Chart 14: Credit deployed by NBFCs' toward Retail Loans



Source: CMIE, RBI, CareEdge Research
Note: Retail loans include refers to loans given to individuals and consist of (a) consumer credit, (b) education loan, (c) loans given for creation/ enhancement of immovable assets (e.g., housing, etc.), and (d) loans given for investment in financial assets (shares, debentures, etc.) and other personal loans.

4.1.3. Retail loans comprise housing loans, vehicle loans, loans against gold, education loans and other personal loans. In 2019, retail credit accounted for around 26% of total credit deployed by NBFCs. As of March 2023, the credit deployed to retail loans by NBFCs has increased to more than a 30% of their gross credit deployed, which stood at Rs. 33.8 lakh crores for NBFCs.

4.1.4. Over the last couple of years, Banks and NBFCs have shifted their focus on retail lending in order to grow their business. While, industry and services sector demand for credit has remained subdued, retail lending has shown tremendous growth. Additionally, these loans have lower delinquencies compared to MSME/corporate lending which is also a major factor for the shift. However, banks continue to remain aggressive compared to NBFCs in this space.

4.1.5. The retail loan segment takes on a critical role in the overall growth of Banks and NBFCs post-pandemic. CareEdge Research expects more focused growth in this segment going forward.

4.2. Market Opportunity- Key Growth Drivers

4.2.1. Shift in lifestyle

With constant rise in urbanization, an increasing number of consumers are becoming more aspirational and demanding changes in lifestyle and consumption patterns. This is driving the demand for consumer durables, such as refrigerators, washing machines, and air conditioners, further aiding the demand for consumer durable loans.

4.2.2. Consumer Preferences

Over the years, there has been shift in consumers preference toward loans. With increased access to credit, consumers are not shying away from borrowing to maintain or attain certain lifestyle needs. NBFCs are well placed to grab this opportunity and grow their retail loan book.

4.2.3. Growth of E-commerce

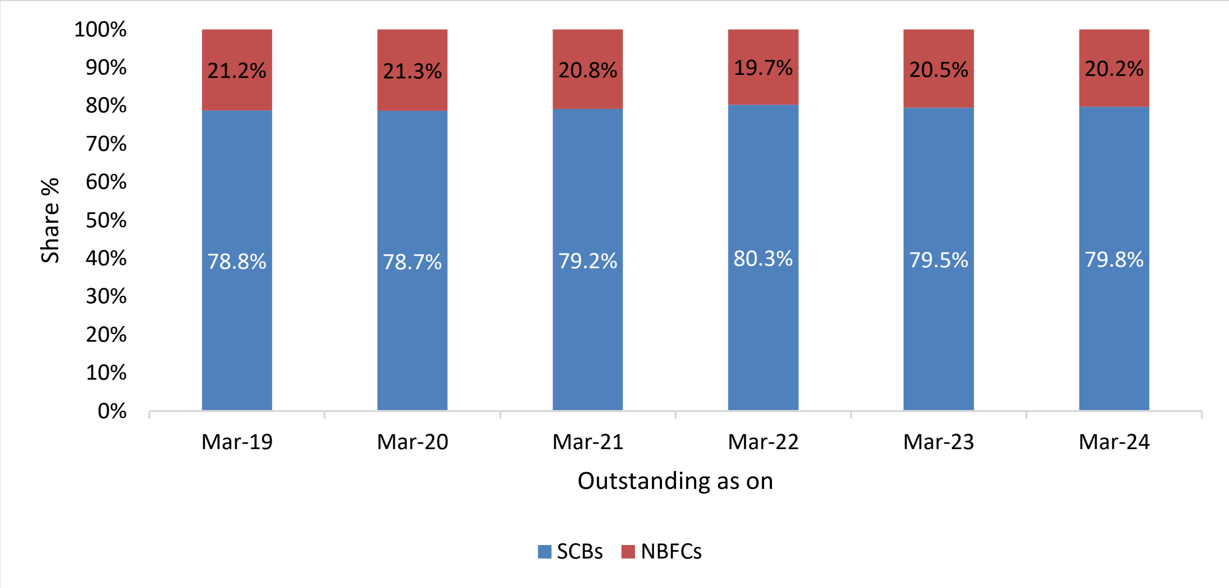
In the age of rising internet penetration and rapid digitization, e-commerce platforms are grabbing customers' attention through offers to shop consumer durables in a convenient and affordable manner. Consumers can compare prices from different sellers and choose the best deal, often at a discount. This drives the growth of NBFCs that offer a variety of easy financing options for consumers to purchase consumer durables online. Further, the thriving e-commerce is expected to further aid the growth of NBFCs consumer durable loans, largely supported by the increasing internet penetration, smartphone usage, and convenience of online shopping.

4.2.4. Under-Served and Unbanked Population

- With the easing internet access, there has been an increase in middle-class spending and growth in rural population consumption. NBFCs and FinTech have transformed the credit distribution landscape to support the financial needs of these consumers. One can avail services from the comfort of their home with minimum documentation.
- Further, the majority of India's population lives in rural areas, people do not have sufficient collateral and there is a lack of organized financial support. This is where banks and NBFCs play a crucial role in providing financial support through their products that cater to the rural population.

4.3. Competitive scenario - Share of NBFCs vs Banks

Chart 15: Share in credit towards retail loan



Source: CareEdge Research

SCBs continue to contribute more than 75% of aggregate retail loan book. While NBFCs have significantly ramp up their credit towards retail segment post the IL&FS crisis, there overall contribution is yet to reach its full potential. Retail loans account for third of NBFCs total credit, however banks aggressive push towards the segment and increased market reach has aided them in gaining the major market share.

4.4. Outlook

4.4.1. CareEdge Research expects NBFCs to grow between 12%-15% y-o-y in FY25. This growth is expected to be driven by strong demand for retail loans, particularly consumer durable loans, unsecured personal and consumption loans, unsecured small enterprise loans, and microfinance loans.

4.4.2. Further, in the coming months, CareEdge Research expects NBFCs consumer durables segment to bode well, supported by the increasing demand for loans and the rising middle-class spending amid the upcoming festive season. Also, the demand prospects for the consumer durable sector are expected to be supported by a growing working population, higher disposable incomes, positive consumer sentiments, easier access to credit, and improved living standards.

4.4.3. Moreover, the growth of the e-commerce platforms is further providing impetus to the consumer durables industry. Such factors will boost the demand for consumer durables loans. Lenders are likely to respond favorably to this demand to grow their loan books through tie-ups with traditional retailers and online e-commerce businesses.

5. MSME Finance

5.1. Introduction

5.1.1. The micro, small and medium enterprises ("**MSME**") sector is a vibrant and dynamic sector with crucial linkages to employment. The MSME sector is considered the growth engine of the Indian economy, with significant contribution to the GDP, exports and employment generation. The sector contributes significantly in the economic and social development of the country by fostering entrepreneurship and generating large employment opportunities at comparatively lower capital cost, next only to agriculture. MSMEs are complementary to large industries as ancillary units and the sector therefore contributes significantly in the inclusive industrial development of the country.

5.1.2. MSMEs are widening their domain across sectors of the economy, producing a diverse range of products and services to meet demands of domestic as well as global markets.

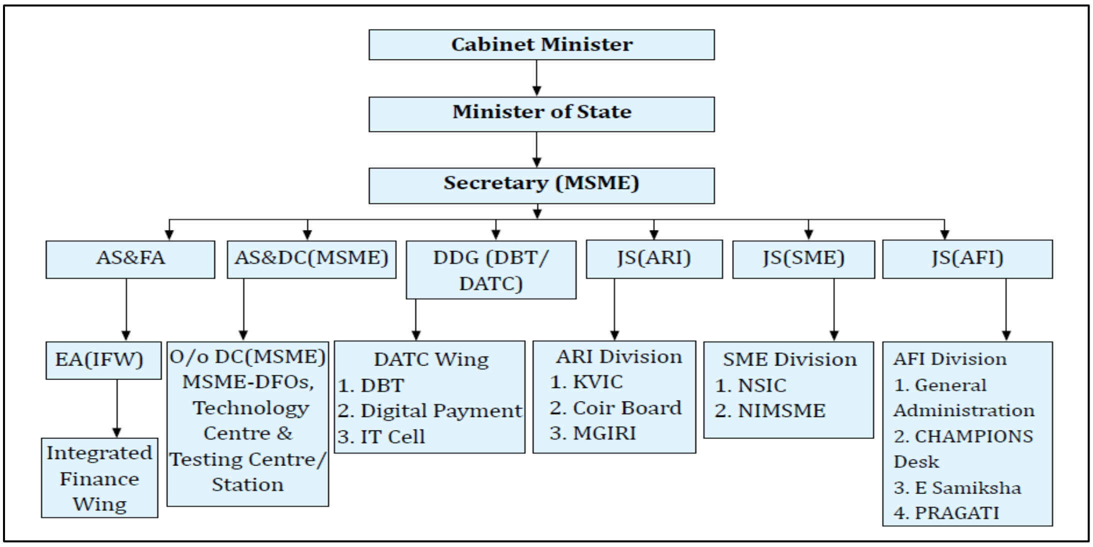
5.1.3. In accordance with the provision of Micro, Small & Medium Enterprises Development ("**MSMED**") Act, 2006 MSMEs are classified as follows:

Enterprise Category	Investment in Plant & Machinery or Equipment	Annual Turnover
Micro Enterprises	Does not exceed 1 crore	Does not exceed Rs. 5 crores
Small Enterprises	More than Rs. 1 crore but does not exceed	More than Rs. 5 crores but does not exceed Rs. 50 crores

	Rs. 10 crores	
Medium Enterprises	More than Rs. 10 crores but does not exceed Rs. 50 crores	More than Rs. 50 crores but does not exceed Rs. 250 crores

5.2. Organisational Structure of MSMEs

The Ministry of MSME consists of Small & Medium Enterprises (SME) Division, Agro & Rural Industry (ARI) Division, Administration & Financial Institutions (AFI) Division, Integrated Finance Wing (IFW) and Data Analytics and Technical Coordination (DATC) Wing, besides the Office of the Development Commissioner (DC, MSME) as an attached office and other subordinate organizations. The organisational structure of the Ministry is depicted below:



Source: MSME Annual report 2022-23

5.3. Statutory bodies under MSME Ministry

Khadi and Village Industries Commission (KVIC)	Khadi and Village Industries Commission (KVIC) is a statutory organisation engaged in promoting and developing khadi and village industries for providing employment opportunities in rural areas, thereby strengthening the rural economy.
Office of Development Commissioner (MSME)	The Office of the Development Commissioner (MSME) is headed by the Additional Secretary & Development Commissioner MSME and is the apex body to advise, coordinate and formulate policies and programmes for the development and promotion of the MSME Sector in the country
Coir Board	The Coir Board is a statutory body established for promoting overall development of the coir industry and improving living conditions of workers in this industry.
National Small Industries Corporation Limited (NSIC)	Established in 1955, the National Small Industries Corporation Limited (NSIC) is responsible for promoting, aiding and fostering growth of micro, small and medium enterprises in the country.
National Institute for Micro, Small and Medium Enterprises, (NI-MSME)	Established in 1960, the National Institute for Micro, Small and Medium Enterprises (NI-MSME) is responsible for enterprise promotion and entrepreneurship development, enabling enterprise creation, performing diagnostic development studies for policy formulation, etc.
Mahatma Gandhi Institute for Rural Industrialisation (MGIRI)	The objectives of the Mahatma Gandhi Institute for Rural Industrialisation (MGIRI) are to accelerate rural industrialisation for sustainable village economy, empower traditional artisans, encourage innovation through pilot study and R&D for alternative technology using local resources.

5.3.1. Estimated Number of MSMEs (Activity Wise)

Activity Category	Estimated Number of Enterprises (in crores)			Share (%)
	Rural	Urban	Total	
Manufacturing	1.14	0.83	1.97	31
Electricity*	0.00	0.00	0.00	0
Trade	1.09	1.22	2.30	36
Other Services	1.02	1.05	2.07	33
All	3.25	3.09	6.34	100

Source: MSME Annual Report 2023-24, CareEdge Research
*Note: *Non-captive electricity generation and transmission*

5.3.2. Number of MSMEs registered in Udyam portal in India

Category	Number of MSMEs
Micro	4,83,86,924
Small	7,16,480
Medium	67,955
Total	3,91,34,675

Source: Udyam portal (includes Udyam assist platform (UAP) registrations), Data as of 26th August 2024

5.3.3. As per the Udyam portal, more than 3.9 crore MSMEs are registered under Udyam portal, of which around 98% enterprises are micro category and around 1.5% of the enterprises fall under small category and the remaining are medium enterprises.

5.3.4. As per the National Sample Survey (NSS) 73rd round, conducted by National Sample Survey Office, Ministry of Statistics & Programme Implementation during the period 2015-16, there were 63,388 thousand unincorporated non-agriculture MSMEs in the country engaged in different economic activities (manufacturing, electricity, trade and other services). Of this, micro enterprises sector with 63,052 thousand accounts for more than 99% of total estimated number of MSMEs. While the small enterprise sector with around 331 thousand makes up 0.52% of total estimated number of MSMEs and medium enterprise sector with around 5 lakh that is around 0.01% of total estimated MSMEs, respectively.

5.3.5. Distribution of Enterprises Category Wise

(Rs. Lakhs)

Sector	Micro	Small	Medium	Total	Share (%)
Rural	324.1	0.8	0.0	324.9	51
Urban	306.4	2.5	0.0	309.0	49
Total	630.5	3.3	0.1	633.9	100

Source: MSME Annual Report 2023-24, CareEdge Research
MSME sector has created about 11.10 crore jobs in the country as per National Sample Survey 73rd Round (2015-16). (Source MSME Annual Report 2023-24)

5.4. State-wise Distribution of estimated MSMEs

State/UT	Share (in %)			
	FY21	FY22	FY23	FY24
Uttar Pradesh	7.64%	8.04%	17.14%	14.19%
West Bengal	2.23%	3.31%	3.26%	13.98%
Tamil Nadu	10.96%	10.51%	8.53%	7.81%
Maharashtra	22.74%	18.93%	14.20%	7.54%
Karnataka	5.35%	6.12%	4.93%	6.05%
Bihar	3.17%	4.30%	3.77%	5.44%
Andhra Pradesh	2.29%	2.86%	2.86%	5.34%
Gujarat	8.68%	7.74%	6.11%	5.23%
Rajasthan	8.28%	7.64%	6.06%	4.23%
Madhya Pradesh	3.92%	4.78%	9.84%	4.21%
Telangana	3.44%	3.14%	2.71%	-

Source: MSME Annual Report 2023-24, CareEdge Research

5.5. Credit growth in MSME lending

5.5.1. India witnessed a sharp jump in MSME lending in FY21 and this increase has been supported by Atmanirbhar Bharat scheme of Emergency Credit Line Guarantee Scheme (ECLGS) which provided 100% credit guarantee to lenders. The scheme that was announced by the Government in May 2020 helped the firms to get access to more credit.

Table 5: SCBs and NBFCs credit exposure to MSMEs

(Figures in Rs. crores)

Outstanding as on	NBFCs			SCBs		
	Micro and Small Enterprise	Medium Enterprise	Total	Micro and Small Enterprise	Medium Enterprise	Total
Mar-19	37,360	16,020	53,380	3,75,508	1,06,392	4,81,900
Mar-20	36,441	14,077	50,518	3,92,265	1,05,095	4,97,360
Mar-21	44,235	14,910	59,145	4,33,192	1,38,599	5,71,791
Mar-22	46,967	17,186	64,153	5,32,179	2,13,996	7,46,175
Sep-22	49,966	15,103	65,069	5,72,958	2,25,083	7,98,041
Mar-23	71,638	20,068	91,706	5,98,390	2,56,023	8,54,413
Sep-23	83,879	18,546	1,02,425	6,29,682	2,61,695	8,91,377
Mar-24	NA	NA	NA	7,26,315	3,03,998	10,30,313

Source: RBI, CareEdge Research

Note: The credit exposure for MSMEs is NBFCs and SCBs credit exposure to `Micro & Small' and `Medium' enterprises under 'Industrial Sector' only.

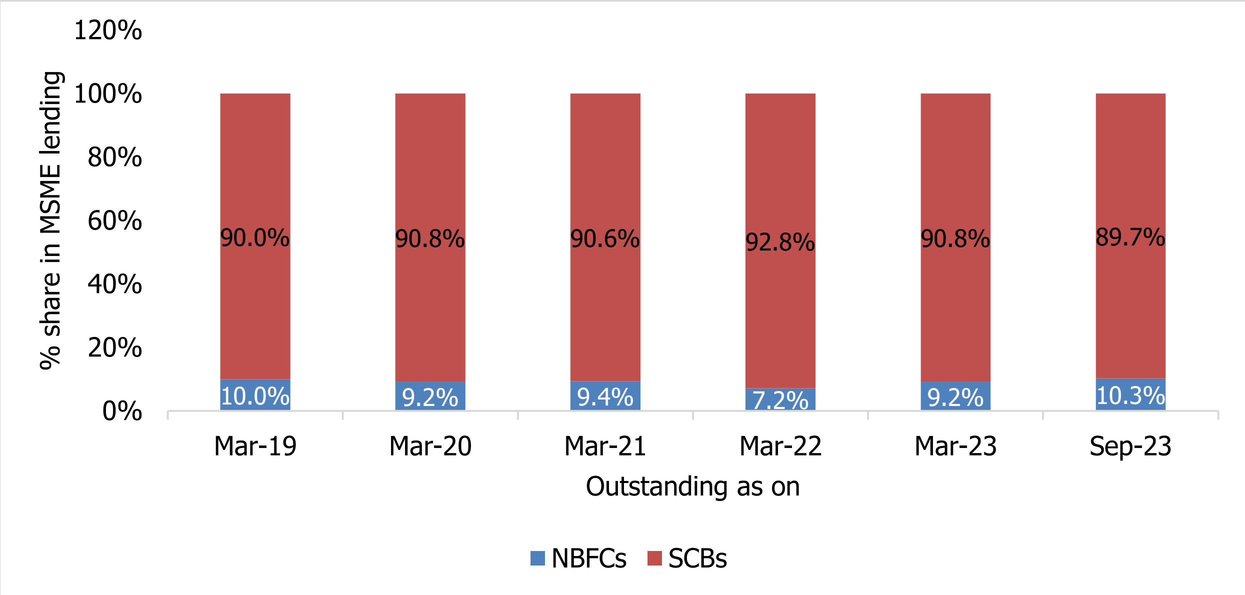
5.5.2. NBFCs mainly deploy credit to MSMEs belonging to the services and agricultural sectors. In comparison, bank credit to MSMEs witnessed a consistent growth. Bank credit deployed to MSMEs witnessed an improvement in FY21 and strengthened further in the FY22 on account of a resurgence in demand from MSMEs as well as support from the Central Government by way of credit guarantee. The ECLGS scheme launched in May 2020 after the pandemic hit the country in March 2020 revived credit offtake by MSMEs. The scheme was introduced to help mitigate the economic distress faced by MSMEs by providing them additional funding in the form of a fully guaranteed emergency credit line.

5.5.3. The credit extended towards MSME has increased significantly as during the pandemic, the Government encouraged banks to extend credit to MSMEs and aid them to buffer the effects of the pandemic. And as micro and small enterprises were more vulnerable, the credit towards them during the pandemic increased significantly during the FY21. On the other hand, medium enterprises were able to buffer the effects of pandemic to a certain extent. Although the credit towards medium enterprises increased over the previous financial year, the growth was moderate compared to growth in credit extended to micro and small enterprises. This has continued to result in the growth of credit to MSMEs significantly in FY22. Moreover, the extension of ECLGS up to March 2023, with the guarantee cover raised by Rs 50,000 crores to a total of 5 lakh crores has also contributed in the credit growth of MSME's. As of Mar'24, the total bank credit outstanding to MSMEs crossed Rs. 10 lakh crores.

5.6. Share of Banks & Non-Banks in MSME lending

The MSME sector is underpenetrated by NBFCs and there is a huge unmet credit demand in the sector, primarily due to lack of documentation and credit history required to access to financing from formal banking channels. There is also a significant gap between the original credit requirement and the actual credit exposure of formal channels to MSMEs, which provides a huge opportunity in MSME lending.

Chart 16: Share of banks & NBFCs in MSME lending



Source: RBI, CareEdge Research
Note: The credit exposure for MSMEs is NBFCs and SCBs credit exposure to `Micro & Small' and `Medium' enterprises under 'Industrial Sector' only.

5.7. NPA Rates in MSME Segment

5.7.1. MSMEs have poor financial muscle and were severely impacted by the coronavirus pandemic. Since most MSMEs operate in the manufacturing sector, the nationwide lockdown which impacted production as well as demand caused increased stress to MSMEs. Additionally, MSMEs likely witnessed delayed payments on orders serviced and the inability to adopt digitization or accommodate higher costs on social distancing and limited workforce impaired MSMEs' operations. Many went out of business and some struggled to tide over the crisis with cash flow issues which translated into a strain on their ability to repay banks.

Table 6: Bank-wise SMA distribution of MSME Portfolio

Period ended	Public sector banks + Private sector banks				
	0 days past due	SMA-0	SMA-1	SMA-2	GNPA
Mar-22	79.70%	6.40%	3.50%	1.10%	9.30%
Jun-22	79.60%	6.40%	3.50%	2.20%	9.80%
Sep-22	81.60%	6.70%	1.90%	2.10%	7.70%
Dec-22	82.20%	6.30%	2.00%	2.00%	7.40%
Mar-23	84.60%	5.10%	2.60%	0.90%	6.80%

Source: RBI, CareEdge Research

5.7.2. MSMEs seeking loans from banks also struggled to meet their obligations due to uncertainty and the second wave of the pandemic. As per data published by the RBI, GNPAs from the MSME segment seemed to decline at the start of Sep-21 as operations returned back to normalcy. GNPAs have further improved and declined from 9.3% in FY22 to 6.80% in FY23. CareEdge Research estimates GNPA levels to ease gradually over the next financial year.

5.8. Government Policies

The Government of India has designed various policies for the growth of MSMEs in the country.

5.8.1. Revamp of the credit guarantee scheme for MSMEs wef April 2023 through fund infusion of Rs 9,000 crore in the corpus. This will facilitate additional collateral-free guaranteed credit of Rs 2 lakh crore and reduces the cost of the credit by 1%.

5.8.2. Announcement on introducing an Entity DigiLocker for MSMEs in order to store and share documents securely in an online mode.

5.8.3. Under Vivad se Vishwasl, 95% of the forfeited amount relating to bid or performance security is to be returned by the government in case of failure by MSMEs to execute contracts during the Covid period.

5.8.4. PM VIshwakarma KAushal Samman (PM VIKAS) for traditional artisans to integrate them with the MSME value chain and assist them in improving the quality, scale and reach of their products.

5.9. Recent Developments in the sector

5.9.1. The government has revised definition for micro, small and medium enterprises (MSMEs). The government will now accord MSME status to retailers and wholesale traders. The decision will benefit 2.5 crores retail and wholesale traders in the country. This is a positive move to provide easier access to credit and loans millions of retailers and wholesalers to modernise and expand their business. It will aid in boosting informal retail sector's contribution towards GDP & overall economic growth.

5.9.2. In April 2021, the non-banking finance companies (NBFCs) requested the Reserve Bank of India to extend the one-time restructuring scheme of MSME advances till March 31, 2022, as these players are unable to revive their businesses.

5.9.3. In March 2021, the Ministry of MSME, through the Development Commissioner (DC-MSME) implemented the Technology Centre Systems Program (TCSP) to establish 15 new Technology Centres (TC). The centres provide assistance to the industry predominantly MSMEs in General Engineering, Automotive, Fragrance & Flavour and ESDM sectors.

5.9.4. In March 2021, the Finance Ministry allowed private retirement funds to invest up to 5% in Category I & II AIFs regulated by SEBI; this will help widen the fundraising options for MSMEs and expand the domestic pool of capital.

5.9.5. Category 1 AIFs consists of infrastructure, venture capital, angel and social venture funds. Category II AIFs covers funds where at least 51% of the size can be invested in either infrastructure, SMEs, venture capital or social welfare entities.

5.9.6. In March 2021, MSME support and development organisation, National Small Industries Corporation (NSIC) announced that they will assist MSMEs working with the Agricultural and Processed Food Products Export Development Authority (APEDA) across multiple areas.

5.9.7. The relationship will also support promotion of green & sustainable manufacturing technology for MSME clusters, enabling units to switch to sustainable and green production processes and products.

5.9.8. In February 2021, Walmart's Vriddhi programme was extended to Uttar Pradesh, with launch of an e-institute to facilitate small businesses in granting access to skills and competencies across online and offline platforms such as Flipkart's marketplace and Walmart's global supply chain. The company stated that this new e-institute will benefit 50,000 MSMEs across the country to expand domestically and globally.

5.9.9. In February 2021, Indian Bank signed a memorandum of understanding (MOU) with the Society for Innovation and Development (SID), a project of the Indian Institute of Science, to provide exclusive credit to start-ups and MSMEs.

5.9.10. In February 2021, the Small Industries Development Bank of India (SIDBI), a financial institution dedicated to the promotion, financing, and development of micro, small, and medium enterprises (MSMEs), signed an agreement with the government of Andhra Pradesh to help expand the state's MSME ecosystem.

5.9.11. Udyam Registration: In 2020, the Ministry classified MSMEs based on investment in plant & Machinery/equipment and turnover of MSMEs as a composite criterion for classification. Initially, the process was filed by Udyog Aadhaar Memorandum which is now replaced by 'Udyam' registration on a portal developed by this Ministry.

5.9.12. Exemption from requirement of having GSTIN: The ministry has exempted from the requirement of having GSTIN shall be as per the provisions of the Central Goods and Services Tax Act, 2017, that will lead to increase in the registration on Udyam Registration portal.

5.9.13. Also, the Government has included Retail and Wholesale Trades as MSMEs from 2nd July, 2021 and are allowed to be registered on Udyam Registration Portal. The Government has also included Street Vendors as Retail Trades as MSMEs from 2nd August, 2021.

5.10. Conclusion

5.10.1. The MSME sector is the driving force of the Indian economy and has major potential to spread industrialization across the economy. The sector faces number of challenges such as limited access to finance, inadequate availability of skilled labour, and insufficient infrastructure. Along with this, rising interest rates by RBI to control inflation has become a hindrance to the growth in sector. This has led to increase in borrowing cost for MSMEs and further made the situation difficult for accessing credit. This high rise in borrowing cost is expected to impact the cash flows and profitability of MSMEs. Although, this sector has many challenges, the growth potential remains high.

5.10.2. MSMEs employ a large number of people making the sector a key contributor to the economic development of the country. The sheer number of work force engaged also results in this sector receiving good Government support and benefits. Apart from Government initiatives, the improved use of digital solutions adopted during the pandemic (such as easy payments and marketing through digital platforms) increased demand for finished products have strengthen the MSMEs and resulted in recovery of their business.

5.10.3. The MSME sector is expected to help India achieve its goal of becoming a USD 5 lakh crore economy by 2025. In addition to this, MSMEs are expected to contribute more than 40% of India's nominal gross domestic product (GDP) by financial year 2025 for which it will require immense support from the Government, institutions and banks.

6. Player Overview

6.1. Indel Money Limited

Indel Money was incorporated in 1986 as Payal Holdings Private Limited a non-deposit-taking NBFC. During July-12, the company was acquired by the current promoters and was named as Indel Money Limited in Jan-13. Indel Corporation Limited, the holding company, is promoted by Mr. Mohanan Gopalakrishnan and Mr. Umesh Mohanan. Indel Money primarily extends loans against gold jewellery. It also operates in the traders' loans, business loans, loans against property, vehicle loans, and money transfer segments. Additionally, they are involved in segments such as hospitality, and media and communication through various companies.

Parameters (Rs. Crores)	FY21	FY22	FY23	FY24
AUM	398.1	523.7	647.7	NA
PAT	8.7	2.1	20.5	39.9

Source: Company Reports, CareEdge Research

6.2. KLM Axiva Finvest Limited

KLM Axiva Finvest Limited (KLM) was incorporated on April 28, 1997 as Needs Finvest Limited and became a NBFC in the same year by registering with the Reserve Bank of India. IN 2014, the company was taken over and named as KLM Axiva Finvest India Limited. The company is promoted and led by Mr. Shibu Theckumpurath Varghese (Whole-time director) who have more than 30 years of experience in lending business. The company offers products such as gold loans, SME loans, vehicle loans and Micro Finance loans. Apart from lending, the company also offers foreign exchange services, money transfer and insurance brokerage services.

Parameters (Rs. Crores)	FY21	FY22	FY23	FY24
AUM	747.3	1073.0	1460.3	1,721.0
PAT	7.1	11.4	18.3	23.0

Source: Company Reports, CareEdge Research

6.3. Chemmannur Credits and Investment Limited

Promoted by Chemmanur International Jewellers Group, Chemmanur Credits was registered in 2008 and started operations in 2011. The chief promoter is Mr. Chemmanur Devassykutty Boby has expanded the family-run retail gold jewellery business of more than 150 years to branches in USA, Middle East, and India. With major presence in Kerala and a few branches in Tamil Nadu and Karnataka as on Mar-23, the company has 195 branches spread across Kerala, Tamil Nadu and Karnataka.

Parameters (Rs. Crores)	FY21	FY22	FY23	FY24
AUM	341.4	355.1	408.0	NA
PAT	9.2	2.7	0.8	1.7

Source: Company Reports, CareEdge Research

6.4. Muthoot Finance Limited

Muthoot Finance Limited was established as a private limited NBFC in 1997 and was reconstituted as a public limited company in Nov-08. Muthoot finance provides finance against used household gold jewellery. Initially the business was carried out under the name Muthoot Bankers, a partnership firm. Muthoot Finance is the flagship company of the Muthoot group (promoter of Muthoot Finance), which is also involved in the hospitality, healthcare, media, education, information technology, foreign exchange, insurance distribution, and money transfer businesses.

Parameters (Rs. Crores)	FY21	FY22	FY23	FY24
AUM	52,622.3	58,053.2	63,209.8	75,827
PAT	3,722.2	3,954.3	3,473.5	4,049.7

Source: Company Reports, CareEdge Research

6.5. Koshamattam Finance Limited (KFL)

Koshamattam Finance Limited (KFL), a non-deposit taking NBFC registered with RBI is a part of the Koshamattam group. The group was founded by Mr. Chacko Varkey in 1927, with the main activity being chit fund business. In 1980, the group ventured into gold loan business under Mr. Mathew Cherian (grandson of Mr. Chacko). In 2004, the group acquired an already established gold loan NBFC in Kerala called 'Standard Shares and Loans Private Limited.' and changed its name to Koshamattam Finance Private Limited. Gold loans constitute 98.92% of the loan portfolio of KFL as on March 31, 2024. Apart from gold loan, the company also offers other products such as Loan against property, microfinance loans, loan against debentures, demand loans and other loans such as staff loan. KFL is also an RBI authorized money changer and offers forex services like buying and selling foreign currency and remittance abroad through swift & foreign currency Demand Drafts.

Parameters (Rs. Crores)	FY21	FY22	FY23	FY24
AUM	3,478.3	4,007.3	4,845.7	5,310.3
PAT	65.3	80.0	107.1	113.7

Source: Company Reports, CareEdge Research

6.6. Manappuram Finance Limited (MAFIL)

MAFIL is a NBFC registered with RBI as non-deposit accepting loan company, headquartered in Valapad, Kerala. MAFIL is promoted by V.P. Nandakumar in 1992 and as on March 31, 2024, the promoters' stake in MAFIL stood at 35%. The company is listed in BSE and NSE. Other major stake holders of MAFIL are Quinag Acquisition (Fpi) Limited (9.90%), Fidelity Investment Trust Fidelity Series Emerging Markets Opportunities Fund (3.66%), and the rest is held by FIIs and Public.

The company offers loan against used jewellery/ gold ornaments, and it constitutes around 48.46% of AUM (on consolidated basis) as on March 31, 2024. Rest of the AUM majorly include MFI Loans, Vehicle loans, Housing Loans, MSME & Allied loans and Corporate Loans. The company provides MFI loans and Housing loans through its subsidiaries namely Asirvad Microfinance Limited and Manappuram Home Finance Limited respectively.

Parameters (Rs. Crores)	FY21	FY22	FY23	FY24
AUM	27,224.0	30,261.0	35,452.0	42,070
PAT	1,725.0	1,328.7	1,500.2	2,197.4

Source: Company Reports, CareEdge Research
Note: Figures are Consolidated

OUR BUSINESS

Unless otherwise stated or the context requires otherwise, references in this section to "we", "us" or "our" refers to Indel Money Limited.

Some of the information in the following section, specifically the information in relation to our plans and strategies, contain certain forward looking statements that involve risks and uncertainties. You should read "Forward Looking Statements" on page 16 for a discussion of risks and uncertainties related to those statements and also "Risk Factors" on page 18, for a discussion of certain factors that may affect our business, financial condition or results of operations. Our actual results may differ materially from those expressed in or implied by these forward-looking statements.

Unless stated otherwise, or unless context requires otherwise, (a) the financial data as at and for quarter ended June 30, 2024 has been derived from the Unaudited Financial Results, and (b) the financial data of our Company for the Fiscal 2024, 2023 and 2022 has been derived from Audited Financial Statements. Please see "Risk Factors - 20. This Draft Prospectus includes certain unaudited financial information, which has been subjected to limited review, in relation to our Company. Reliance on such information should, accordingly, be limited".

We have included various operational and financial performance indicators in this section, some of which may not have been derived from the (a) Unaudited Financial Results, and (b) Audited Financial Statements. The manner in which such operational and financial indicators are calculated and presented, and the assumptions and estimates used in the calculation, may vary from that used by other entities in the business similar to ours. You should consult your own advisors and evaluate such information in the (a) Unaudited Financial Results, and (b) Audited Financial Statements and other information relating to our business and operations included in this Draft Prospectus.

Unless otherwise indicated, industry and market data used in this section has been derived from industry publications and other publicly available information, including, in particular the report titled "Research Report on NBFC Industry", dated September 2024, prepared and issued by CARE Analytics and Advisory Private Limited.

Overview

We are an NBFC-ML in the gold loan sector lending money against the pledge of household gold jewellery ("***Gold Loans***") in the states of Haryana, Uttar Pradesh, Delhi, Madhya Pradesh, Odisha, Maharashtra, Karnataka, Kerala, Tamil Nadu, Andhra Pradesh, Telangana, Andaman and Nicobar, Gujarat, and the union territory of Puducherry. We also provide loans against property, business loans and personal loans. Our Gold Loan portfolio (excluding off-balance sheet assets) for quarter ended June 30, 2024, and Fiscal 2024, 2023 and 2022 amounted to ₹91,481.95 lakhs, ₹87,376.26 lakhs, ₹57,923.24 lakhs and ₹42,275.76 lakhs which is 85.70%, 84.64%,79.35% and 80.51% of our total loans and advances (excluding off-balance sheet assets) as on such specific dates. We, as on August 31, 2024, had a network of 320 branches spread in the states of Haryana, Uttar Pradesh, Delhi, Madhya Pradesh, Odisha, Maharashtra, Karnataka, Kerala, Tamil Nadu, Andhra Pradesh, Telangana, Andaman and Nicobar, Gujarat, and the union territory of Puducherry.

We are registered with RBI as a non-deposit taking, NBFC (registration no. B-13.01564 dated February 13, 2002) under Section 45 IA of the Reserve Bank of India Act, 1934. Further, our Company has received certificate of registration dated September 27, 2021 bearing registration number B-13.01564 issued by RBI under Section 45IA of the Reserve Bank of India Act, 1934 pursuant to the change in name from '*Indel Money Private Limited*' to '*Indel Money Limited*' consequent upon its conversion as a public limited company and receipt of revised certificate of incorporation from RoC, dated August 26, 2021.

Our Company belongs to the Indel Group, which was founded by Late Mr. Palliyil Janardhanan Nair. The Indel Group entered into the regulated financial services business at a small village in Palakkad, Kerala under a State Government Money lenders license. Over the years the Group has diversified its presence from being a financial services company to automobile dealership, hospitality, infrastructure development, media, communication and entertainment.

Our Gold Loan customers are individuals primarily from rural and semi-urban areas.

We believe that what distinguishes us from banks and other gold loan companies is our focus on rural and semi-urban regions, our turnaround time, our focus on a mix of long term and short term loans and our ability to reach out to our customers and provide them the comfort of transacting with us at their doorstep.

We focus on rapid, on the spot approval and disbursement of loans with minimal procedural formalities which our customers need to complete in order to avail a loan from us. We have developed various Gold Loan schemes to meet the different needs of various customers.

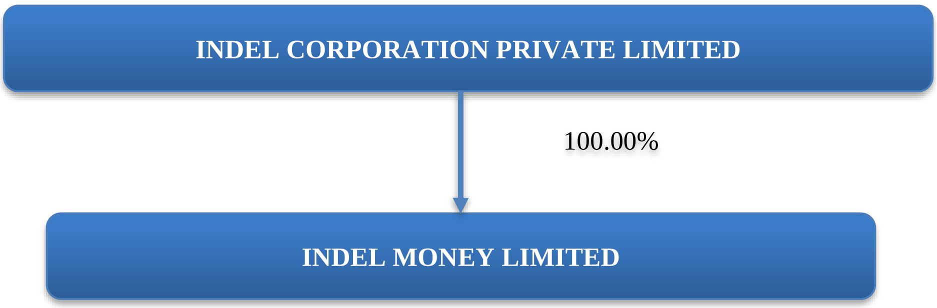
As on June 30, 2024, and for the Fiscal 2024, 2023 and 2022, our total outstanding AUM (excluding off-balance sheet assets) was ₹1,06,741.16 lakhs, ₹1,03,229.25lakhs, ₹72,995.90 lakhs and ₹52,507.44 lakhs out of which the outstanding gold loans AUM (excluding off-balance sheet assets) amounted to ₹91,481.95 lakhs, ₹87,376.26 lakhs, ₹57,923.24 lakhs and ₹42,275.76 lakhs which is 85.70%, 84.64%, 79.35% and 80.51% of our total loans and advances (excluding off-balance sheet assets) as on such specific dates. We provide customers with tailor made gold loan products with varying rates of interest, loan amount and tenure to suit their varied requirements.

We offer customers a range of loans against property, business loans and personal loans ("**Other Loan**") along with Gold Loans. Other Loan portfolio for the quarter ended June 30, 2024, and Fiscal 2024, 2023 and 2022 aggregates to ₹15,259.21 lakhs, ₹15,852.99 lakhs, ₹15,072.66 lakhs and ₹10,231.68 lakhs which contributes 14.30%, 15.36%, 20.65% and 19.49% of our total loans and advances (excluding off-balance sheet assets) as on such specific dates.

For the quarter ended June 30, 2024, and Fiscal 2023 and 2022 our total income was ₹7,877.12 lakhs, ₹29,113.19 lakhs, ₹18,729.75 lakhs and ₹12,300.44 lakhs, respectively. Our profit after tax, for quarter year ended June 30, 2024, and Fiscal 2024, 2023 and 2022, was ₹1,422.06 lakhs, ₹3,986.13 lakhs, ₹2054.12 lakhs and ₹210.76 lakhs, respectively. For half year ended June 30, 2024, and Fiscal 2024, 2023 and 2022, our interest income from our Gold Loan business constituted 88.59%, 87.10%, 85.73% and 85.46%, respectively, of our total interest income. For half year ended June 30, 2024, and Fiscal 2024, 2023 and 2022, our interest income from our Other Loan constituted 11.41%, 12.90%, 14.27% and 14.54% and, respectively, of our total interest income.

Gross non-performing loan assets were 6.56%, 4.98%, 2.67% and 1.61% of our loan portfolio under management (excluding off-balance sheet assets) for the quarter ended June 30, 2024, and Fiscal 2024, 2023 and 2022, respectively.

Our Corporate Structure



Key Operational and Financial Indicators

A Summary of our key operational and financial parameters for the quarter ended June 30, 2024, and Fiscal 2024, 2023 and 2022 are given below:

A. Based on the Audited Financial Statements for Fiscal 2024, Audited Financial Statements for Fiscal 2023, and Audited Standalone Financial Statements for Fiscal 2022 of the Company.

(₹ in lakhs, except percentages)

Particulars	Fiscal 2024	Fiscal 2023	Fiscal 2022
BALANCE SHEET			
Assets			
Property, Plant and Equipment	1,769.48	1,210.78	852.82
Financial Assets	1,14,925.78	94,058.12	67,719.53
Non-financial Assets excluding property, plant and equipment	7,798.13	5,276.20	5,107.02
Total Assets	**1,24,493.39**	**1,00,545.10**	**73,679.37**
Liabilities			
Financial Liabilities			
-Derivative financial instruments	-	-	-
-Trade Payables	127.74	50.33	34.07
-Debt Securities	37,210.68	30,456.38	15,949.40
-Borrowings (other than Debt Securities)	36,761.04	28,516.10	25,298.56
-Subordinated liabilities	16,799.20	17,826.40	19,020.70
-Other financial liabilities	11,450.88	7,318.35	3,130.96
Non-Financial Liabilities			
-Current tax liabilities (net)	-	-	-
-Provisions	571.61	114.97	140.47
-Deferred tax liabilities (net)	-	-	-
-Other non-financial liabilities	454.13	99.58	57.57
Equity (Equity Share Capital and Other Equity)	21,118.12	16,162.99	10,047.64
Total Liabilities and Equity	**1,24,493.39**	**1,00,545.10**	**73,679.37**
PROFIT AND LOSS			
Revenue from operations	28,901.11	18,523.28	12,270.31
Other Income	212.08	206.47	30.13
Total Income	29,113.19	18,729.75	12,300.44
Total Expense	**25,127.06**	**16,675.63**	**12,089.21**
Profit after tax for the year	3,986.13	2,054.12	211.23
Other Comprehensive income	(31.00)	67.53	(24.99)
Total Comprehensive Income	3,955.13	2,121.65	186.24
Earnings per equity share (Basic) (₹)	2.86	1.54	0.26
Earnings per equity share (Diluted) (₹)	2.86	1.54	0.26
Cash Flow			
Net cash from / used in (-) operating activities	(18,466.01)	(22,032.65)	(13,571.92)
Net cash from / used in (-) investing activities	10,765.81	(6,604.82)	(547.24)
Net cash from / used in (-) financing activities	13,585.46	24,423.46	21,279.72
Net increase/decrease (-) in cash and cash equivalents	5,885.26	(4,214.02)	7,160.56
Cash and cash equivalents as per Cash Flow Statement as at end of Year	9,551.40	3,666.14	7,880.16
Additional Information			
Net worth	21,118.12	16,162.99	10,047.64
Cash and cash equivalents	9,551.40	3,666.14	7,880.15

(₹ *in lakhs, except percentages)*

Particulars	Fiscal 2024	Fiscal 2023	Fiscal 2022
Loans	1,01,395.33	72,365.87	52,367.29
Loans (Principal Amount)	1,03,229.25	72,995.90	52,507.44
Total Debts to Total Assets	0.73	0.76	0.82
Interest Income	26,450.85	18,487.98	12,231.23
Interest Expense	11,612.90	8,459.04	6,705.21
Impairment on Financial Instruments (Loans)	2,595.53	802.90	126.32
Bad Debts to Loans	0.01	-	-
% Stage 3 Loans on Loans	4.89%	2.64%	1.61%
% Net Stage 3 Loans on Loans	3.69%	1.97%	1.38%
Tier I Capital Adequacy Ratio (%)	17.85%	16.55%	15.83%
Tier II Capital Adequacy Ratio (%)	4.74%	8.79%	7.92%

B. Based on the Audited Consolidated Financial Statements for Fiscal 2022 of the company for the financial year ended March 31, 2022.

(₹ *in lakh, except percentages)*

Particulars	Fiscal 2022
BALANCE SHEET	
Assets	
Property, Plant and Equipment	852.82
Financial Assets	67,694.80
Non-financial Assets excluding property, plant and equipment	5,107.02
Total Assets	73,654.64
Liabilities	
Financial Liabilities	
-Derivative financial instruments	-
-Trade Payables	34.37
-Debt Securities	15,949.40
-Borrowings (other than Debt Securities)	25,298.56
-Subordinated liabilities	19,020.70
-Other financial liabilities	3,130.96
Non-Financial Liabilities	
-Current tax liabilities (net)	
-Provisions	140.47
-Deferred tax liabilities (net)	-
-Other non-financial liabilities	57.57
Equity (Equity Share Capital and Other Equity)	10,022.61
Total Liabilities and Equity	73,654.64
PROFIT AND LOSS	
Revenue from operations	12,270.31
Other Income	30.13
Total Income	12,300.44
Total Expense	11,803.36
Profit after tax for the year	210.76
Other Comprehensive income	(24.99)
Total Comprehensive Income	185.77
Earnings per equity share (Basic) (₹)	0.26
Earnings per equity share (Diluted) (₹)	0.26
Cash Flow	

(*₹ in lakh, except percentages*)

Particulars	Fiscal 2022
Net cash from / used in(-) operating activities	(13,571.89)
Net cash from / used in(-) investing activities	(547.24)
Net cash from / used in (-)financing activities	21,279.72
Net increase/decrease(-) in cash and cash equivalents	7,160.59
Cash and cash equivalents as per Cash Flow Statement as at end of Year	7,880.18
Additional Information	
Net worth	10,022.61
Cash and cash equivalents	7,880.18
Loans	52,367.29
Loans (Principal Amount)	52,507.44
Total Debts to Total Assets	0.82
Interest Income	12,231.23
Interest Expense	6,705.21
Impairment on Financial Instruments (Loans)	126.32
Bad Debts to Loans	-
% Stage 3 Loans on Loans	1.61%
% Net Stage 3 Loans on Loans	1.38%
Tier I Capital Adequacy Ratio (%)	15.44%
Tier II Capital Adequacy Ratio (%)	7.75%

C. Based on the Unaudited Financial Statements for the quarter ended June 30, 2024.

(*₹ in lakh, except percentages*)

Particulars	Three months period ended June 30, 2024
PROFIT AND LOSS	
Revenue from operations	7,851.84
Other Income	25.29
Total Income	**7,877.12**
Total Expense	**6,455.06**
Profit after tax for the year	**1,422.06**
Other Comprehensive income	(7.75)
Total Comprehensive Income	**1,414.31**
Earnings per equity share (Basic) (₹)	0.79
Earnings per equity share (Diluted) (₹)	0.79
ADDITIONAL INFORMATION	
Net worth	N.A.
Cash and cash equivalents	N.A.
Loans (Gross)	N.A.
Total Debts to Total Assets	N.A.
Interest Income	6,303.83
Interest Expense	3,078.65
Impairment on Financial Instruments	154.55
Debts written off to Loans	N.A.
% Stage 3 Loans on Loans (Principal Amount)	N.A.
% Net Stage 3 Loans on Loans (Principal Amount)	N.A.
Tier I Capital Adequacy Ratio (%)	N.A.
Tier II Capital Adequacy Ratio (%)	N.A.

Our Strengths

We feel that the following competitive strengths position us well for continued growth:

Advanced technology systems and established processes

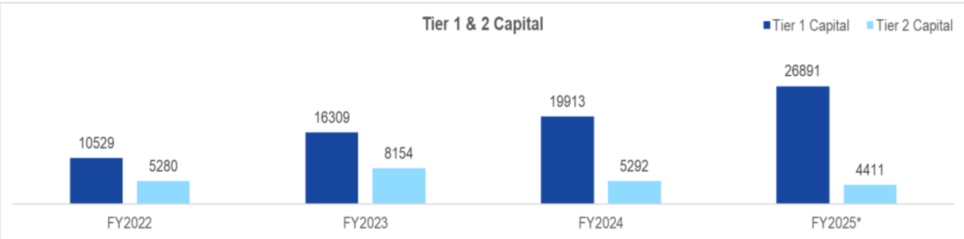
We believe that the usage of a technology platform across our operations has improved our growth. We launched our applications on google Playstore and iOS App Store and also launched our web based payment portal named E-Connect in 2019. Our web based centralised IT platform records details of all our branches and transactions. We believe that our IT infrastructure helps us with real time data transmission and updates, and endeavour to minimise errors, ensure faster data transmission and risk monitoring. We upload data at each branch to facilitate online information access for faster decision making and reducing our overall turnaround time.

We are a technology driven company and we endeavour to make our customer experience as seamless as possible. Our Company has put in place well defined and efficient process that enables us to achieve uniformity in our operations across all our branches. Our entire gold loan life cycle i.e., from origination to closure has been digitised with ability to real time MIS. Our processes are developed at the Corporate Office level by professionals who have extensive experience in the areas of banking and financial services with supervision from our management. We believe that such well-defined processes and efficient technology platform, enables us to keep a better check over our entire branch network and helps us in detecting shortcomings.

Robust capital base for growth

We conduct our operations as a middle layer non-banking finance company and are subject to the capital to risk assets ratio requirements prescribed by the RBI. We maintain a healthy capitalisation, which has enabled us to drive sustainable growth.

The below table indicates growth of our tier 1 and tier 2 capital:



** As on 31-Aug-2024.*
Note: Tier 1 and Tier 2 capital numbers are in ₹lakh.

As of June 30,2024, March 31, 2024, March 31, 2023 and March 31, 2022, our Tier I and Tier II CRAR was 23.13%, 22.60%, 25.34% and 23.75% respectively, as against the statutory minimum capital adequacy of 15.00% currently prescribed by RBI. We are focused on maintaining a balanced CRAR.

We have further raised capital through various sources, including issuance of equity shares to our Promoters. For further details on issuance of equity shares, please refer to the section titled "*Capital Structure- Equity Share capital history of our Company for the preceding three financial years and current financial year up June 30, 2024"* on page 46.

The following table indicates details of equity infusion done by our Promoters in our Company:

Promoter Equity Infusions (INR lakhs)				
FY22	FY23	FY24	FY25*	Total since FY22
1100	5200	1000	9002	16302

** As on 31-Aug-2024.*
Note: numbers in ₹lakh.

Experienced management team and skilled personnel

Our senior management teams have extensive experience in the areas of banking and financial services, and we believe that their considerable knowledge of and experience in the industry enhances our ability to operate effectively. Our staff, including professionals, covers a variety of disciplines, including internal audit, technology, accounting, marketing and sales. We believe in maintaining human connect with our customers and endeavour to develop in our team strong sense of empathy and hospitality towards the customers.

Further, being a service industry, our key resource is our manpower. As on August 31, 2024, we have 1,731 employees. Our Company emphasizes on imparting effective and continual training to its employees in a planned and systematic manner, to acquire and sharpen capabilities required to perform various functions associated with their present/expected future roles in the business of our Company.

We lay strong focus on training of our staff and undertake hand holding exercise across all levels. We believe that our employees are key to growth of our business and we lay special emphasis on empowering our managers to understand the capabilities of the team members and act on timely manner to address issues faced by our employees. We lay emphasis on maintaining a human connect with the customers and we train our employees to deal with a strong sense of empathy and hospitality towards the customers.

Diversified sources of funding for our own deployment and proactive liquidity management

We maintain a well-diversified funding profile that is underpinned by our established relationships with our lenders and investors. We have historically and seek to continue to secure funding through a variety of sources.

We also have a diversified base of lenders (including public sector banks, private sector banks, and other financial institutions) which provides us a strong base for increased funding. As of June 30, 2024, our lenders included, among others, public sector banks, private sector banks, NBFCs and financial institutions.

Following are the ratings received on our facilities and our non-convertible debentures as on date:

Instrument	Rated Limit (₹ in lakh)	Ratings
Long term rating	34,893	CRISIL BBB+/ Stable (Reaffirmed)
Non-Convertible Debentures	15,000	CRISIL BBB+/ Stable (Assigned)
Non-Convertible Debentures	2,500	CRISIL BBB+/ Stable (Reaffirmed)
Non-Convertible Debentures	2,000	Withdrawn (CRISIL BBB+/ Stable)
Non-Convertible Debentures	7919	CRISIL BBB+/ Stable (Reaffirmed)
Non-Convertible Debentures	10,313	CRISIL BBB+/ Stable (Reaffirmed)
Non-Convertible Debentures	2,500	Withdrawn (CRISIL BBB+/ Stable)
Non-Convertible Debentures	5,594	CRISIL BBB+/ Stable (Reaffirmed)
Commercial Paper	2,500	CRISIL A2+(Withdrawn)

Growing branch network across rural and semi-urban areas across India

We are registered with RBI as a NBFC-ML (registration no. B-13.01564 dated February 13, 2002) under Section 45 IA of the Reserve Bank of India Act, 1934. Further, our Company has received certificate of registration dated September 27, 2021 bearing registration number B-13.01564 issued by RBI under Section 45IA of the Reserve Bank of India Act, 1934 pursuant to the change in name from '*Indel Money Private Limited*' to '*Indel Money Limited*' consequent upon its conversion as a public limited company and receipt of revised certificate of incorporation from RoC, dated August 26, 2021. Over the years, we have focused on customers in such markets that offer us significant growth opportunities and customer loyalty. Having such a network enables us to service and support our existing customers from proximate locations which gives our customers easy access to our services and enables us to expand our Doorstep Gold Loan service. We also attribute our growth to customer loyalty and believe that our customers return to us when they are in need of funds.

We, as on August 31, 2024, had a network of 320 branches spread in the states of Haryana, Uttar Pradesh, Delhi, Madhya Pradesh, Odisha, Maharashtra, Karnataka, Kerala, Tamil Nadu, Andhra Pradesh, Telangana, Andaman and Nicobar, Gujarat, and the union territory of Puducherry. While our focus areas are largely urban and semi-urban areas in South India, we have also put in place expansion plans to increase our presence in western and eastern regions of India. Our branches have been strategically set up in areas that we believe have high growth potential and where our competitors have established branches. This helps our branches to break even faster and attain profitability.

Strong track record of financial performance and operating efficiency

We have maintained a strong track record of financial performance and operating efficiency over the years through high rates of customer retention and geographical expansion. Further, we believe that our deep penetration in Indian markets through our hub and spoke framework based expansion of our branches utilising digital capabilities has helped us achieve low operating expense ratios, contributing to economies of scale.

Details of Net interest margin and details of disbursement as on June 30, 2024 and for the Fiscal 2024, Fiscal 2023 and Fiscal 2022 are as follows:

Particulars	As on	Fiscal		
	June 30, 2024	2024	2023	2022
Gross AUM (₹ in lakh)	1,78,575.19	1,53,383.32	1,15,389.02	67,156.99
Net Interest Margin (%)*	12.26%	12.59%	10.99%	9.33%
Disbursement (₹ in lakh)	1,38,909.78	3,26,381.35	2,43,654.17	1,15,856.13
Net Interest Income	4,700.85	16,917.97	10,028.94	5,526.02

**Net Interest income reduced by loan processing fees, interest on deposits, income from direct assignment and plus finance lease charges, divided by quarterly average AUM (excluding sold portion of direct assignment)*

Our profit after tax, for quarter year ended June 30, 2024, and Fiscal 2024, 2023 and 2022, was ₹1,422.06 lakhs, ₹3,986.13 lakhs, ₹2054.12 lakhs and ₹210.76 lakhs, respectively.

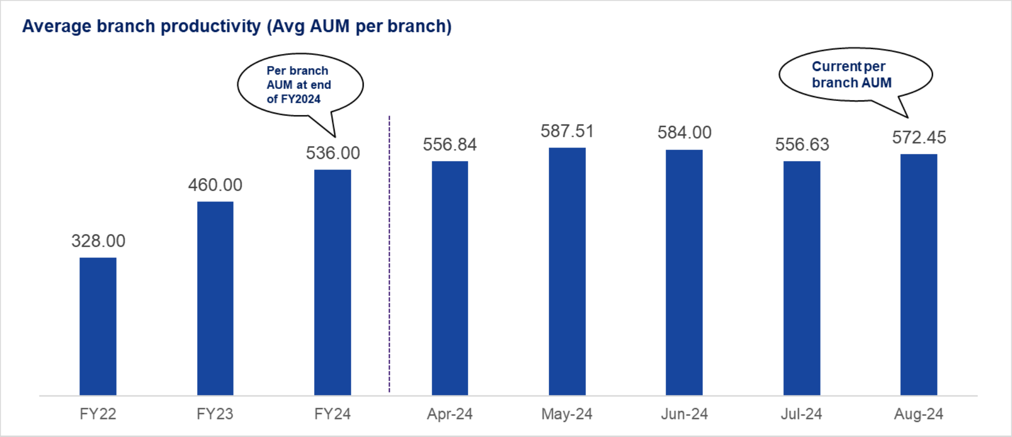
Our AUM was ₹1,78,575.19 lakh as on June 30, 2024, compared to ₹1,53,383.32 lakh as on March 31, 2024, ₹1,15,389.02 lakh as on March 31, 2023, and ₹67,156.99 lakh as on March 31, 2022. Disbursements across our financing products for the financial year ending March 31, 2024 was ₹3,26,381.35 lakh and our net interest income for financial year ended March 31, 2024 was ₹16,917.97 lakh.

Our Gross AUM grew at a CAGR of 54.44% from ₹67,156.99 lakh as of March 31, 2022 to ₹1,53,383.32 lakh as of March 31, 2024. Disbursements across our financing products grew at a CAGR of 67.84% from ₹1,15,856.13 lakh in Fiscal 2022 to ₹3,26,381.35 lakh in Fiscal 2024. Net interest income grew at a CAGR of 74.97% from ₹5,526.02 lakh in Fiscal 2022 to ₹16,917.97 in Fiscal 2024.

The below figure indicates growth of our AUM alongside expansion of our branches:

Name	As on June 30, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
Gross AUM (₹ in lakh)	1,78,575.19	1,53,383.32	1,15,389.02	67,156.99
No of employees	1,731	1,456	1,131	861
No of branches	320	286	245	205

The following figure indicates our average branch productivity



Note: AUM numbers in ₹lakh

Our Strategies

Our business strategy is designed to capitalize on our competitive strengths enhance our position in the Gold Loan industry and to expand our presence. Key elements of our strategies include:

Expansion of business activity and customer acquisition by opening new branches in urban and semi urban areas to tap potential market for gold loans.

We intend to continue to grow our loan portfolio by expanding our branch network by opening new branches. Increased revenue, profitability and visibility are the factors that drive the branch network. Our strategy for branch expansion includes further strengthening our presence in Indian states by providing higher accessibility to customers as well as leveraging our expertise and presence in southern India. We are also actively working on hub and spoke framework based expansion of our branches utilising digital capabilities. This allows our Company to expand our footprint without opening multiple branch in close proximity with each other.

At the core of our branch expansion strategy, we expect to penetrate new markets and expand our customer base in rural and semi-urban markets where a large portion of the population has limited access to credit. We undertake extensive analysis of the business opportunities in specific areas with focus on competition mapping and if the market shows growth potential, we set up our branches within the closest vicinity of the competitor as possible, which helps our branches break-even at the earliest. This “Bang in Center” approach has enabled us to quickly spread our operations in six states in Southern India and we intend to grow our approachability in eastern and northern Indian states.

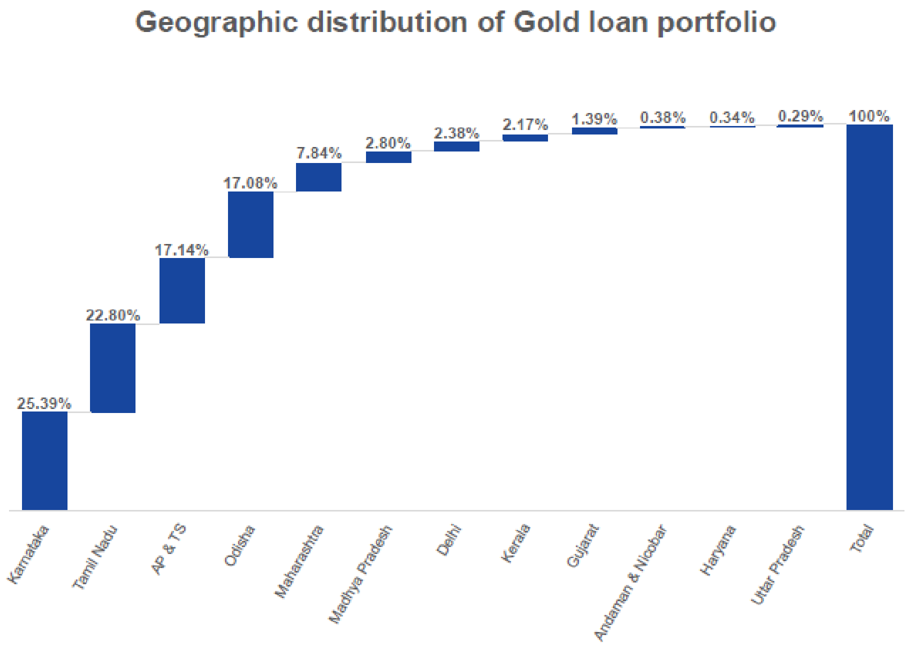
Unique product perspective which we believe will help us penetrate the markets where customers benefit out of longer tenure loans

We are one of the few gold loan companies to offer long term gold loan schemes in India [*Source: CareEdge Report*]. We launched the one year tenure Gold loan scheme in 2019. Long term gold loans results in customers having an assured tenure for the gold loans that they avail of and reduces the need to auction the pledged gold in case repayment obligations are not honoured by the customers within the stipulated tenure. We have been offering opportunity to customers to continue longer tenure by just remitting the interest unlike the industry practise of bring in the principal at shorter durations.

We intend to grow the business and undertake outreach exercise where-in we educate and hand-hold our customers on the rebate system and the benefits of remitting the interest on monthly basis.

As on June 30, 2024 our Assets Under Management (AUM) stood at ₹1,78,575.19 lakh. Out of this, gold book accounted for ₹1,63,972.43 lakh (91.82%) as on June 30, 2024.

The following figure indicates growth of our gold loan portfolio across various states:



Strengthening our risk management and technology systems to have an error less streamlined growth in business

We believe that the risk management is a crucial element for the expansion of our businesses. We believe that our integrated risk management framework with processes for identifying, measuring, monitoring, reporting and mitigating key risks, including credit risk, appraisal risk, custodial risk, market risk and operational risk helps us to strengthen our risk management systems. We believe that prudent risk management policies and development of tailored credit procedures will allow us to expand our Gold Loan financing and other business without experiencing significant increases in non-performing assets. We are focused on improving our comprehensive knowledge base and customer profile and support systems, which in turn will assist us in the expansion of our business.

GOLD LOAN BUSINESS

Our core business is disbursement of Gold Loans, which are typically loans secured by the pledge of household gold jewellery.

Loan amounts advanced by us are typically within the range of ₹10,000 to ₹1,50,000 per loan transaction. Our Gold Loan portfolio (excluding off-balance sheet assets) for the quarter ended June 30, 2024, and Fiscal 2024, 2023 and 2022 amounted to ₹₹91,481.95 lakhs, ₹87,376.26 lakhs, ₹57,923.24 lakhs and ₹42,275.76 lakhs which is 85.70%, 84.64%, 79.35% and 80.51% of our total loans and advances (excluding off-balance sheet assets) as on such specific dates.

We are able to offer a variety of Gold Loan schemes to our customers to suit their individual needs. As of August 31, 2024, we have various schemes in place. The schemes differ in relation to the amount advanced per evaluated gram of gold, the interest rates offered for the particular tenor and the amount of the loan.

Gold Loan disbursement process

The principal form of security that we accept is household gold jewellery. The amount that we finance against the security of gold jewellery is typically based on the value of the jewellery. In terms of the extant RBI guidelines, we currently lend up to 75% of the gold price of the gold content in the jewellery i.e., wearable, household, used, gold jewellery and doesn’t include bullion, gold biscuits, gold bars, new mass produced gold jewellery or medallions, and we restrict acceptance of jewellery from other money lenders.

Key advantages of accepting gold jewellery as security is that it enables us to filter out spurious jewellery that may be pledged by jewellers and goldsmiths and used household jewellery is less likely to be spurious or fake. Further, the emotional value attached by each household to the pledged jewellery acts as a strong incentive for timely repayment of loans and revoking the pledge.

We appraise the security based on the weight of its gold content, excluding weight and value of the stone studded in the Jewellery. Our Gold Loans are therefore well collateralized because the actual value of the collateral in all cases will be higher than the underlying loan value at the time of loan disbursement. We value the gold jewellery brought by customers based on our corporate policies and guidelines. Our Company has adopted a loan policy on May 18, 2019 ("**Loan Policy**")**.**

As per our loan policy, we grant gold loans on 22 carat gold ornaments. However, in case the gold jewellery that are being pledged is less than 22 carats, the branches are required to analyse the purity & update in the same in the loan management system. The system will automatically convert the purity of gold jewellery to the equivalent of 22 carat. We do not accept gold ornaments below 18 carats. The rate per gram (LTV) is fixed by us on daily basis, based on the extant RBI guidelines and the 30 day average closing gold rate of IBJA or market price whichever is less. The actual loan amount varies according to the type of jewellery pledged. While jewellery can be appraised based on a variety of factors, such as total weight, weight of gold content, production cost, style, brand and value of any gemstones, we appraise the gold jewellery solely based on its gold content. Our Gold Loans are, therefore, generally well collateralized because the actual value of the gold jewellery is higher than our appraised value of the gold jewellery when the loan is disbursed. The amount we lend against an item and the total value of the pledged gold we hold fluctuates according to the market price of gold. It only results in a favourable movement in the value of the security, pledged with us. Similarly, since adequate margins are built in at the time of the loan disbursement and owing to the short tenure of these loans, on average, a decrease in the price of gold generally has little impact on our interest income. However, a sustained decrease in the market price of gold could cause a decrease in the growth rate of Gold Loans in our loan portfolio.

A. Pre-disbursement process

1. Disbursement at branch premises

Pre disbursement processes include all the actions that are carried out from the moment a customer enters any of our branches for procuring a Gold Loan, up until the customer receives the loan amount and include the following:

Gold Loan appraisal of a customer involves the following steps:

(a) Customer identification – Gold Loans are sanctioned only to genuine borrowers. When the customer walk-in any of our branch, our staff will welcome the customer, understand the requirement & explain to them the various schemes available in detail, before proceeding with security appraisal and KYC check.

(b) KYC documentation – For mandatory compliance of KYC norms, as mandated by RBI and easy identification of each borrower at a later date, a photograph and proof of identity and address acceptable to the Company, are always obtained. Each branch has been provided with a webcam, which may be used to take the photograph, which is then uploaded into the system in real time. KYC creation is validated through an OTP based authentication and all KYC documents are then reviewed and approved centrally by the Internal Audit team.

(c) Security appraisal – Once the manager is satisfied regarding ownership of the ornaments, the ornaments would then be appraised by the manager himself and/or other staff members who are assigned with the responsibility of appraising the gold jewellery. The ornaments being tendered are not appraised by any person who is not associated with our Company nor are the ornaments sent out of the concerned branch for appraisal. We use the services of our in-house gold appraisers in case of large value loans. These gold appraisers are professionally qualified for appraising the quality of gold and usually have multiple years of experience in appraising gold.

The process of measuring the "fineness", or purity, of gold is referred to as 'assaying'. There are different methods of assaying the fineness of gold. The most commonly used methods at our branches are touch stone, nitric acid and sound tests. Indian ornaments often contain stones of different types, some of which may be precious. But as a matter of policy, all types of stones are ignored, and their weight reduced from gross weight when advancing against ornaments. Sufficient margin is, therefore, retained for the approximate weight of such stones and for arriving at eligible loan amount; net weight of the ornaments so arrived at alone is taken into account. Reduction in weight is kept comfortably high to safeguard our interests. Wherever weight of stones cannot be ascertained, such ornaments are avoided. All particulars/details of ornaments such as, gross weight, net weight, rate per gram and estimated value will be entered item wise by the appraising staff on serially numbered DPN and also on the paper used for covering/packing ornaments and signed off with the date. The manager also verifies and satisfies himself that the ornaments have been properly tested for purity and details – gross weight as well as net weight, are correctly noted. He should also confirm correctness of valuation made.

(d) *Documentation* – The standard set of documents that are executed in a typical Gold Loan transaction include the pawn ticket and the demand promissory note cum terms and conditions. Basic details of the pledge, such as the name of the customer and the net weight of the jewellery pledged is recorded on the gold loan application form, which is retained by us.

Further, we have introduced Esign for the pawn ticket, where the customer can digitally sign the document via Aadhar verified OTP or through the bio matric, the documents will delivered to the customer digitally. We have partnered with M/s Leegality as the service provider for the Esign process. The Esign process in Indel Money facilitates the electronic signing of loan documents through the use of Aadhaar numbers. The Unique Identification Authority of India ("**UIDAI**") validates the Aadhaar number, and upon successful validation, the Esigning of loan documents is carried out. We have implemented two methods for Aadhaar based Esign process.

1. **OTP-Based Esign Process**: In this method, the Esign process is initiated by sending a One-Time Password (OTP) to the mobile number linked with the Aadhaar of the individual. The borrower receives the OTP on their registered mobile number and uses it to authenticate and electronically sign the loan documents. This process ensures an additional layer of security and verification.

   Steps for OTP-Based Esign:

   a. Loan documents are presented for Esign.
   b. The borrower's Aadhaar number is submitted for validation.
   c. UIDAI validates the Aadhaar number.
   d. An OTP is sent to the registered mobile number.
   e. The borrower enters the received OTP to authenticate.
   f. Upon successful authentication, the loan documents are electronically signed, and the signed documents link will be shared with the borrower's mobile & email.

2. **Biometric Thumb Impression Esign Process:** In this method, the Esign process involves the validation of the borrower's identity through a biometric thumb. A biometric device captures and verifies the unique thumb impression of the borrower, adding an additional layer of security to the Esigning process.

   Steps for Biometric Thumb Impression Esign:
   a. Loan documents are presented for Esign.
   b. The borrower's Aadhaar number is submitted for validation.
   c. UIDAI validates the Aadhaar number.
   d. A biometric device captures the borrower's thumb impression securely.
   e. The captured biometric data is authenticated.
   f. Upon successful authentication, the loan documents are electronically signed, and the signed documents link will be shared with the borrower's mobile & email.

The pawn ticket, which contains the details of the customer and the pledged jewellery, is printed from the software. A copy is retained by us and other will be provided to the customer. The demand promissory note is an undertaking by the customer to repay the loan amount with the interest to the Company. The terms and conditions that are contained in the demand promissory note empower us to sell the pledged jewellery if the customer defaults on the Gold Loan. After execution of prescribed documents, a loan ticket detailing the particulars of the loan including the details of the items pledged, rate per gram, interest rate and maturity date is handed over to the customers along with disbursal of the loan.

2. *Digital Gold Loan*

Our Company launched the Indel Digital Gold Loan scheme in April 2020 to offer existing customers an opportunity to seek additional emergency credit during the Covid-19 pandemic. This scheme enabled the company to pass on the benefits of an increase in gold price to the customer in the form of additional credit. In case a customer is eligible for additional credit, they are intimated via SMS about the same and prompted to log into our digital portal (E-connect) and apply for credit top up. Once a request for additional credit is received, an OTP based authentication is conducted to confirm the authenticity of the customer post which an automated disbursement process is initiated to transfer the additional loan top directly to the customers bank account.

B. Post-disbursement process

The post disbursement process involves the storage of the storage of the pledged gold jewellery. Ensuring the safety and security of the branch premises is vital to our business since cash and gold inventory are stored in each branch. Branch security measures implemented, by us, include:

(i) Custody of gold collateral

The pledged gold jewellery is separately packed by the staff of the branch, and then placed in a tamper proof tetra-packaging with the relevant details of the loan and the customer and stored in the safe room of the branch.

The safes rooms in which the gold jewellery is kept are built as per industry standards and practices and the safes in our branches are 12 hour drill/ gas cutting resistant safes with ISI mark.

(ii) Branch Security

Ensuring the safety and security of the branch premises is vital to our business since our cash reserves and gold inventory are stored in each branch. All our branches are installed with CCTV cameras and centralised CCTV surveillance. All branches equipped with intrusion alarm with panic alert, starting from Shutter, Main Door, Safe Door, Safe Room & Vibration sensors. If there is any attempt the system will make loud sound to catch the attention of Public and service CMS team will make customised calls to the hierarchy till someone attending the call. Such kind of a surveillance system helps to avert any major incidents of frauds, thefts, etc. in the branch premises. We have burglar alarms installed in all our branches.

(iii) Insurance

Our Company has availed bankers indemnity policy covering theft, burglary, fire and fidelity to cover our branches and gold jewellery stored with us.

C. Release of pledge

We monitor our gold loan accounts and recovery of dues on an ongoing basis. Once a loan is fully repaid, the pledged gold jewellery is returned to the customer. When a loan is repaid, we give the customer an option to pledge the security again and obtain another loan. The procedure of re-pledging entails the same procedure as that of a pledge and is accompanied by the same mode of documentation that a pledge entails.

D. Recovery Proceedings

When a customer does not repay a loan on or after its maturity, we initiate the recovery process and dispose of the collateral to satisfy the amount owed to us, including both the principal and the accrued interests. Before starting the recovery process, we inform the customer through registered letters or legal notices.

If the loan is not repaid when the loan falls due, we are able to sell the gold collateral through public auction in satisfaction of the amount due to us. We also reserve the right to sell the collateral even before a loan becomes past due in the event the market value of the applicable of the portion of the underlying collateral is less than amounts outstanding on the loan, after serving notice to the customer.

OTHER BUSINESSES

In addition to the core business of Gold Loan, we also offer business loans, MSME loans and privilege loans. For the quarter ended June 30, 2024, and Fiscal 2024, 2023 and 2022, our interest income from our business other than Gold Loans i.e. Other Loan constituted 11.41%,12.90%,14.27% and 14.54%,respectively, of our total interest income for the respective period.

Our Company commenced business loans and loan against property in 2018 to serve the underserved MSME segment and help them grow their businesses. Our business loans and loan against property typically covers loans provided against the collateral security of property with the loan amount ranging from ₹2 lakhs to ₹20 lakhs. The tenure of such business loan and loan against property generally ranges from 24 months to 84 months

Funding Sources

Our lines of credit include borrowings from banks, financial institutions and amounts raised through the issue of non-convertible debentures, commercial paper, direct assignment/pass through certificates and subordinate bonds.

Borrowings from banks and financial institutions constitute a significant portion of the total borrowings from secured and unsecured loans availed of by us. We have executed loan agreements with several banks with the object of availing funds from them on certain stipulated terms and conditions. As at June 30, 2024, we have outstanding amount of term loans and working capital/cash credit facilities of ₹38,245.41 lakhs. Further, we have raised funds from issuance of secured and unsecured NCDs, subordinated debts for which the amount outstanding as at June 30, 2024 is ₹50,667.68 lakhs**.** For further details, please see "*Financial Indebtedness*" on page 128.

We also attempt to balance our interest-bearing liabilities, some of which bear floating interest rates, against our interest-earning assets, which bear fixed interest rates.

Branch Network

As on August 31, 2024, we had 320 branches spread in the states of Haryana, Uttar Pradesh, Delhi, Madhya Pradesh, Odisha, Maharashtra, Karnataka, Kerala, Tamil Nadu, Andhra Pradesh, Telangana, Kerala and the union territory of Puducherry. The branch network of the Company as on August 301, 2024, March 31, 2024, March 31, 2023 and March 31, 2022, are given below:

State/ Union Territory	As on August 31, 2024	As on March 31		
		2024	2023	2022
Kerala	52	48	63	60
Tamil Nadu	82	80	78	76
Karnataka	54	52	46	38
Andhra Pradesh	19	16	12	6
Telangana	22	21	13	10
Odisha	32	27	24	14
Maharashtra	18	16	8	-
Madhya Pradesh	12	11	-	-
Delhi	12	6	-	-
Andaman and Nicobar	6	-	-	-
Gujarat	6	-	-	-
Uttar Pradesh	2	1	-	-
Haryana	2	1	-	-
Puducherry	1	1	1	1
Total	**280**	**320**	**245**	**205**

Customer Care

We believe that we have set in robust customer grievance redressal systems. The branches of our Company display the names and phone numbers of the nodal officer for addressing customer complaints. We have a dedicated contact centre to handle customer grievances and maintain customer satisfaction. Our customer care centre undertakes feedback surveys on periodic basis to enhance the customer connect.

Risk Management

Our main stay of business is Gold Loans. As a lending institution, we are exposed to various risks that are related to our gold lending business, other loan businesses and operating environment. Risk management forms an integral element of our business. Our objective in the risk management processes is to appreciate, measure and monitor the various risks that we are subject to and to follow policies and procedures to address these risks. We do so through our risk management architecture and continuous risk mitigating measures brought in through systems and procedures. This also helps in managing the risks, associated with our business. A strong internal audit department with experienced auditors on the field and with a vigilant audit monitoring cell placed at Corporate Office, helps us to identify new risks and mitigation measures are implemented without loss of time. Exemplary punishments are imparted for staff found to be indulging in malpractices. We continue to improve our policies and procedures and to implement these rigorously, for the efficient functioning of our business. This also helps in managing the risks, associated with our business. Our Company has adopted a risk management policy on May 18, 2019 ("**Risk Management Policy**"). The major types of risk we face in our businesses are credit risk, operational risk, financial risk and market risk.

Our Risk Management Policy

In order to address the risks that are inherent to our business, we have developed a risk management architecture that includes a Risk Management Committee, internal audit department, and a risk management department. Our Risk Management Committee oversees our risk management policies, which help us to identify, measure, monitor and mitigate the various risks that we face in our businesses. For details of membership of the Risk Management Committee, see "*Our Management*" on page 113.

The risk management committee of our Company was constituted at the meeting of the Board on November 2, 2017. The terms of reference of our Risk Management Committee are as follows:

(a) To assist the Board in setting risk strategy policies in liaison with management and in the discharge of its duties relating to corporate accountability and associated risk in terms of management assurance and reporting;

(b) To review and assess the nature, role, responsibility and authority of the risk management function within the Company and outline the scope of risk management work; and

(c) To review and assess the quality, integrity and effectiveness of the risk management systems and ensure that the risk policies and strategies are effectively managed.

Internal Audit Department

Our branch internal audit team consists of online auditors as well as feet on street branch auditors. Online auditing is conducted across all as a first level check where documents such as KYC, application forms, branch registers are thoroughly audited. Feet on street branch auditors are assigned to specific regions and conduct physical audit of branches on a periodic basis. During such audits, the branch auditor visits the branch and conducts several checks such as gold purity checks, weight reconciliation, branch hygiene checks, register checks and other operational hygiene checks. In case any deviations are found, the internal audit team uses a proprietary risk categorisation matrix to identify the risk level of the deviation and takes appropriate actions to swiftly resolve the deviations found; the concerned regional leadership team and the corporate office team and made aware of status of all identified deviations on a daily basis until resolution.

Our corporate office internal audit team is responsible for reviewing and monitor the functions and KPIs of the various corporate office teams and identify any deviations and its impact on revenue and expenditure. All identified deviations are brought to the notice of the respective department heads, the audit committee as well as the key management personnel for a swift resolution and are tracked on a daily basis until resolution.

Assets-Liabilities Management Policy

Our Board adopted the asset-liability management policy ("**ALM Policy**") on November 2, 2017. The primary objective of our ALM Policy is to ensure the stability of our net interest income as well as ensuring that we have liquidity and pricing stability. In order to monitor the ALM Policy, the Board at their meeting held on November 2, 2017 constituted an Asset Liability Committee ("***ALCO***") comprising of the directors and senior management functionaries of the Company.

Treasury Operations

Our treasury department undertakes liquidity management by seeking to maintain an optimum level of liquidity and monitors cash and bank balances. We have in place various policies and procedures to allot and transfer cash to our branches. The objective is to ensure sufficient cash reserves at all our branches while at the same time avoid holding cash in excess of what may be required in the ordinary course. We maintain an average of ₹3 lakhs per branch in cash across our branches.

If there is a surplus of funds in the region as a whole, such surpluses are deposited in cash credit/overdraft accounts at the corporate level. Deficits at a branch level are managed by cash transfers from our treasury department. We monitor cash and balances on daily basis using our management information systems and have arrangements with various banks for the transfer of bank balances between locations. Cost of movement of cash also is taken into consideration while deciding optimum cash levels in each location. We use a real time gross settlement ("**RTGS**") facility if the remitting and receiving banks are different, or through internal transfer if both the branches belong to the same bank. We also use cash van services for delivery and collection of cash to and from certain of our branches.

Non-performing Assets (NPA)

The Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023 ("**Master Directions**") provide standards for asset classification, treatment of NPAs and provisioning against NPAs for NBFCs in India. We, like other non-deposit taking NBFCs, are required to, after taking into account the degree of well-defined credit weakness and extent of dependence on collateral security for realization, to classify lease and hire purchase assets, loans, advances and other forms of credit into various classes.

The Master Directions for asset classification are set forth below:

- Standard Assets;
- Sub-standard Assets;
- Doubtful Assets; and
- Loss Assets

Further, the class of assets referred to above shall not be upgraded merely as a result of rescheduling, unless it satisfies the conditions required for an upgrade. A non-deposit taking NBFC is required to make provisions against sub-standard assets, doubtful assets and loss assets in accordance with the above Master Directions. In terms of the Master Directions, non-deposit taking NBFC has to make the following provisions on their loan portfolio:

Asset Classification	Provisioning Policy
Standard Assets	0.40%
Sub-standard Assets	10% of the total outstanding
Doubtful Assets	100% to the extent to which the advance is not covered by value of the security to which the NBFC has a valid recourse
Loss Assets	100% write off; if assets are permitted to remain in the book, then 100% of the outstanding.

Note: In addition to above, depending upon the period for which the asset has remained doubtful, provision to the extent of 20% to 50% of the secured portion

For further details, please refer to *"Key Regulations and Policies*" on page 178.

Based on the Master Directions for asset classification, details of the classification of our gross NPAs for significant classes of our assets as of the half year ended June 30, 2024, and Fiscal 2023, 2022 and 2021 are furnished below:

(₹ in lakhs)

Asset Type	As on June 30, 2024	As on March 31		
		2024	2023	2022
Sub-standard	6,190.82	4,358.35	2,520.12	803.56
Doubtful	688.07	688.07	22.50	42.91
Loss	-	-	-	-
Gross NPA	6,878.90	5,046.43	2,542.62	846.47
Gross NPA% of Assets under management	6.56%	4.98%	3.93%	1.61%
Less Provisions*	1,954.97	1833.92	587.27	329.91
Net NPA	4,923.93	3,212.51	2,204.25	723.20
Net NPA% of Assets under management	4.70%	3.17%	3.40%	1.38%

**Includes provision made on standard assets*

Secured loans are classified or provided for, as per management estimates, subject to the minimum provision required as per Master Directions. We have written off ₹1,391.64 lakhs, ₹313.02 lakhs and ₹54.90 lakhs for the Fiscals 2024, 2023, and 2022 respectively.

NPA Policy

Our Board adopted the Non Performing Asset policy ("***NPA Policy***") on May 26, 2017. In terms of the NPA Policy, all loans outstanding beyond the loan validity are disposed off as per our Auction Policy. In order to undertake this, our Company has put in place a gold loan monitoring, follow-up and disposal mechanism in place.

Auction Policy

Under certain schemes of our Company, the borrowers are obligated to repay the principal amount together with the accrued interest in a specified period. In other long term schemes the borrowers are obligated to repay the accrued interest in a specified period and the principal at the end of the tenure. In a business such as ours, there are certain instances wherein the borrowers fail to repay the amount within the specified period. Consequently, our Company settles such overdue accounts by means of a public auction to realise the dues. Our Company *vide* a resolution of its Board on May 26, 2017, approved the auction policy of the Company ("**Auction Policy**"**)**. Further, we identify the accounts for auction on the basis of:

1. DPD analysis
2. Mark to Market analysis
3. Revenue loss

In terms of our Auction Policy, on identification of such eligible auction account, we sent notices to the borrowers to repay the dues, on failure of which, we initiate the process of public auction. Since as per the revised RBI guidelines, the company or its promoter cannot participate actively in the auction, qualified and experienced auctioneers are appointed by the company to carry out the auction on behalf of the company. In accordance with our Auction Policy, the auction shall be carried out by an auctioneer empanelled by the Company with the approval of the Board.

Technology

We believe that the usage of a technology platform across our operations has improved our growth. Our web based centralised IT platform which records details of all branches. We believe that our IT infrastructure helps us with real time data transmission and updates, and endeavour to minimise errors, ensure faster data transmission and risk monitoring. We upload data at each branch to facilitate online information access for faster decision making. Our technology also helps reduce the time it takes to complete Gold Loan transactions.

Our IT system aids the performance of all the processes involved in a loan transaction. At the pre-disbursement stage, all KYC details as well as other details of customer appraisal are captured and stored in the system for future reference. All the details that are relevant to a loan transaction are captured by the system and filtered at each level to confirm whether a particular set of pledged jewellery meets the required specifications. The branch staff, upon verification of the gold ornaments key in information into the system that uses the input data to arrive at the net weight and calculates the maximum limit for a loan advance that can be offer against it, under the specific scheme chosen by the customer. Based on the saved data, all accounting entries are also passed by the system.

Our Company launched Indel E-connect, a web-based portal which can be used by customers to manage their accounts, payments and apply for top up loans utilising the Indel E-connect portal. Customers can login to the E-connect portal using their unique customer ID or loan account number and mobile numbers; an OTP based authentication is conducted to verify the customer prior to providing access to the E-connect platform. Additionally, customers can also download our mobile application from both the iOS app store and Google Playstore to manage their accounts and make payments. We have integrated all major payment methods including UPI based payments into the E-connect platform as well our mobile applications to enhance convenience offered to customers and positively impact the customer experience.

Credit Ratings

Our Company has received rating of BBB +/Stable (pronounced as CRISIL triple B plus rating with Stable outlook) by Crisil vide its letter dated September 18, 2024, for the NCDs proposed to be issued pursuant to this Issue. Further, Crisil, pursuant to their rationale letter dated September 18, 2024 have reaffirmed the rating of CRISIL BBB +/Stable for the non-convertible debentures and bank loan facilities amounting to ₹34,893 lakh (enhanced from ₹24689 lakh). The rating of the NCDs by Crisil Ratings Limited indicates that the instruments with this rating are considered to have moderate degree of safety and moderate credit risk. The rating provided by Crisil may be suspended, withdrawn or revised at any time by the assigning rating agency and should be evaluated independently of any other rating. The rating is not a recommendation to buy, sell or hold securities and Investors should take their own decisions. Please refer to "*Annexure A*" for the rationale and press release for the above rating.

Competition

We face competition from pawnshops, other gold loan financing companies, banks, co-operative societies and local money lenders. Other lenders may lend money on an unsecured basis, at interest rates that may be lower than our rates of interest and on other terms, which may seem more favourable than ours. However, we believe that the primary elements of our competitive edge are the quality of customer service and relationship management, our branch location and reach and our ability to lend competitive amounts at competitive rates, with full transparency.

Property

Our Company has 320 branches , as on August 31, 2024 spread across the states of Haryana, Uttar Pradesh, Delhi, Madhya Pradesh, Odisha, Maharashtra, Karnataka, Kerala, Tamil Nadu, Andhra Pradesh, Telangana, Andaman and Nicobar, Gujarat and the union territory of Puducherry, which are taken on leasehold basis.

Intellectual Property

Our trademark "*Indel Money - We care for your needs*" is registered with the Registrar of Trademarks in India with a validity till October 16, 2031.

Further, we have made an application dated February 1, 2023 for registration of the trademark under class 36 of the Trademarks Act, with the Trademarks Registry, Chennai. This application has been acknowledged by the Trademarks Registry and is currently pending registration.

Further, we have made an application dated August 28, 2024 for registration of the trademark under class 36 of the Trademarks Act, with the Trademarks Registry, Chennai. This application has been acknowledged by the Trademarks Registry and is currently pending registration.

Employees and Training of Employees

Being a service industry, our key resource is our manpower. As on August 31, 2024, we have 1,731 employees. Our Company emphasizes on imparting effective and continual training to its employees in a planned and systematic manner, to acquire and sharpen capabilities required to perform various functions associated with their present/expected future roles in the business of our Company.

HISTORY AND CERTAIN OTHER CORPORATE MATTERS

Our Company was originally incorporated as '*Payal Holdings Private Limited*', a private limited company under the provisions of the Companies Act, 1956, pursuant to a certificate of incorporation dated September, 11, 1986 issued by RoC. The name of our Company was changed to '*Indel Money Private Limited*' pursuant to a fresh certificate of incorporation dated on January 9, 2013 issued by the RoC. Pursuant to a special resolution passed in the general meeting of our Shareholders held on August 16, 2021, our Company was converted into a public limited company and a fresh certificate of incorporation was issued by the RoC on August 26, 2021, and the name of our Company was changed to '*Indel Money Limited*'.

Our Company has obtained a certificate of registration dated February 13, 2002 bearing registration no. – B-13.01564 issued by the RBI to carry on the activities of an NBFC under Section 45 IA of the RBI Act. Further, our Company has received certificate of registration dated September 27, 2021 bearing registration number B-13.01564 issued by RBI under Section 45IA of the Reserve Bank of India Act, 1934 pursuant to the change in name from '*Indel Money Private Limited*' to '*Indel Money Limited*' consequent upon its conversion as a public limited company and receipt of revised certificate of incorporation from RoC, dated August 26, 2021.

For details regarding business of our Company, please see "*Our Business*" on page 93.

Registered Office

The Registered Office of our Company is located at Office No. 301, Floor No.3., Sai Arcade, N.S Road, Mulund West, Mumbai, Mumbai City – 400 080, Maharashtra, India.

Corporate Office

The Corporate Office of our Company is located at Indel House, Changampuzha Nagar South Kalamassery Ernakulam – 682033, Kerala, India.

Key milestones, events and achievements

Date/ Fiscal	Particulars
1986	Incorporation of our Company as a private limited company
2002	Certificate of registration issued by RBI to our Company to act as non-deposit taking NBFC
2019	Received Best Employer Award by Employer Branding Institute – India
2020	Indel Digital Gold Loan was launched to offer existing customers an opportunity to seek additional credit.
2020	Indel Money launched Lambaa Loans – 2- year gold loan scheme to support the cash and liquidity requirements of both individuals as well as small businesses.
2020	Introduced Door Step Gold Loan
2021	Received 2nd Best Design Idea for our Door Step Gold Loan from Banking Frontier
2021	Received award for Best brand and Leader – AsiaOne Magazine
2022	CRISIL upgraded the rating as 'CRISIL BBB/ Stable' (read as 'Triple B; Outlook: Stable') for borrowings
2022	Indel Money Private Limited converted as Indel Money Limited
2022	Awarded as Great Place to work
2022	Successful completion of the maiden public issue of non-convertible debentures and its listing on BSE
2022	Partnered with IndusInd Bank for India's first conventional gold loan co-lending
2022	Geography expanded to Odisha
2022	Acuite upgraded the rating as 'BBB +/ Stable' (read as 'Triple B Plus; Outlook: Stable')
2023	AD Category II license no. MUM-ADII-0902-2023 dated September 5, 2023, has been received from RBI
2024	Received BEST BFSI Brands 2024 award from ET Edge
2024	Geography Expanded to Gujarat
2024	Geography Expanded to Andaman & Nicobar
2024	Company changed its logo

Main objects of the MoA

Following are the main objects of our Company, as provided in the MoA:

1. *To carry on the business of lending money either with or without security, carry on the business of hire purchase, finance, leasing, carry on the business of financiers, drawing, making, accepting and discounting of bills of exchange*

and other negotiable instruments and but the company shall not do the business of the banking within the meaning of Banking Regulation Act, 1949.

2. *To carry on the business as Authorized Dealer, Money Changer, Offshore Banker or any other person for the time being authorized to deal in foreign exchange or foreign securities or such other activities and to undertake Cross Border Money Transfer Activities subject to the rules and regulations of the Reserve Bank of India and to act as sub-agency of Money Transfer Companies / Principal Agents, to act as a Depository Participant of CDSL/NSDL or similar Depositories, Mutual Fund Distribution, to solicit and procure Insurance Business, such as Life, General and Health Insurance as a Corporate Agent, to act as the Approved Person of Central Insurance Repository Limited and or any other Insurance Repository Service Provider.*

Key terms of Material Agreements and Material Contracts

Our Company has not entered into any agreements and contracts which are not in the ordinary course of business, in the last two fiscals.

Subsidiaries of our Company

As on the date of this Draft Prospectus, our Company does not have any subsidiaries.

OUR MANAGEMENT

Board of Directors

The composition of our Board is governed by the provisions of the Companies Act, 2013, and the rules prescribed thereunder, in compliance with the same, our Company require us to have not less than three (3) and not more than fifteen (15) Directors. As on the date of this Draft Prospectus, we have eight Directors on the Board which include one managing director, one whole time director and six non-executive directors of which three are independent directors.

The general superintendence, direction and management of our affairs and business are vested with the Board of Directors.

The following table provides information about the Directors as of the date of this Draft Prospectus:

Name, Designation and DIN	Age (in years)	Address	Date of Appointment	Other directorships
Mohanan Gopalakrishnan **Designation**: Managing Director **DIN**: 02456142	69	Dhanya, Naduvakkad, Kinnasery, Kannadi Post, Kannadi I, Palakkad, Kerala 678701	**Date of original appointment**: July 5, 2012 **Date of Re-appointment**: September 15, 2023	1. M-Star Hotels Koduvayur Private Limited 2. Indel Infra Private Limited 3. Redwings Motors Private Limited 4. Indel Automotives Kochi Private Limited 5. Indel Plantations Private Limited 6. M-Star Satellite Communications Private Limited 7. Indel Corporation Private Limited 8. Indel Automotives Private Limited 9. M-Star Hotels Private Limited 10. Planex Projects and Constructions Private Limited 11. Naveen Bharath Equipments Private Limited 12. Transindia Insurance Broking and Risk Management Private Limited 13. Omega Motors Private Limited 14. M G F Motors Limited 15. Indel Trusteeship Private Limited 16. Kairali Cars Private Limited 17. M-Star Hotels Palakkad Private Limited 18. Sastha Realtors (India) Private Limited 19. Devcon Development and Construction Private Limited
Umesh Mohanan	43	Dhanya, Naduvakkad	**Date of original**	1. Indel Money Fin-Tech

Name, Designation and DIN	Age (in years)	Address	Date of Appointment	Other directorships
Designation: Executive Whole Time Director **DIN**: 02455902		Kannadi, Kannadi I, Palakkad, Kerala 678701	**appointment**: July 5, 2012 **Date of Re-appointment**: September 30, 2023	Private Limited 2. Voxxvision Ventures Private Limited 3. Indel Capital Ventures and Investments Private Limited 4. Indel Automotives Kochi Private Limited 5. M-Star Hotels Koduvayur Private Limited 6. Indel Corporation Private Limited 7. Indel Automotives Private Limited 8. M-Star Hotels Private Limited 9. Kerala Cars Private Limited 10. Omega Motors Private Limited 11. M G F Motors Limited 12. Redwings Motors Private Limited 13. Kairali cars Private Limited 14. Indel Plantation Private Limited 15. M-Star Hotels Palakkad Private Limited 16. Devcon Equipment and Tools Private Limited 17. I9 Hotels Private Limited 18. Connectronix Private Limited 19. Incede Technologies Private Limited
Anantharaman Trikkur Ramachandran **Designation**: Non-Executive Director **DIN**: 05262157	49	6/604 Ayodhya Gandhi Nagar 2 Street, Cheroor, Peringavu, Thrissur, Kerala – 680 008, India	**Date of appointment**: July 5, 2012	1. Real Time Solutions & Training Centre Private Limited 2. Indel Money Fin-Tech Private Limited 3. Voxxvision Ventures Private Limited

Name, Designation and DIN	Age (in years)	Address	Date of Appointment	Other directorships
Salil Venu **Designation**: Non-Executive Director **DIN**: 06531662	54	8B, 8th Floor, Asset Silver Swan, Aluva, Ernakulam Kerala-683101	**Date of appointment**: July 12, 2013	1. MGF Motors Limited 2. Kerala Cars Private Limited 3. Indel Automotives Private Limited 4. Indel Automotives Kochi Private Limited 5. Indel Plantations Private Limited 6. Redwings Motors Private Limited 7. Paradigm Motors Private Limited 8. Indel Money Fin – Tech Private Limited 9. Kairali Cars Private Limited 10. Aladin Advertising Private Limited 11. Glam World Celebrity Solution Private Limited 12. Energetic Interiors Private Limited
Kavitha Menon **Designation**: Non-Executive Director **DIN**: 08074657	37	514/12 Vikas A/10 Santhi Colony, Chandranagar, Marutha Road, Palakkad Kerala – 678 007.	**Date of appointment**: March 28, 2018	1. MGF Motors Limited
Narasinganallore Venkatesh Srinivasan **Designation**: Independent Director **DIN**: 01893686	67	Flat No 1505 C Wing, Chembur Heights II Opp Vivekananda College,Sindhi Society Chembur East, Mumbai – 400 071	**Date of appointment**: March 2, 2018 **Date of reappointment:** March 2, 2023	1. Dharmishta Mithran 2. Clearcorp Dealing Systems (India) Limited 3. NSDL Payments Bank Limited 4. Integro Finserv Private Limited 5. Legal Entity Identifier India Limited 6. Paytm Money Limited
Chitethu Ramakrishna Sasikumar **Designation**: Independent Director **DIN**: 05202465	66	Naadan, Kara-101 C, 8th Street, Near N S, Ayapankav Road, Kanimanigalam P O, Thrissur, Kerala, India – 680 027.	**Date of appointment**: February 27, 2019 **Date of reappointment**: February 27, 2024	-
Sethuraman Ganesh **Designation**: Independent Director **DIN**: 07152185	66	C/O, 305, Vensa Lakeview, Kempapura Main Road, Opp. Rechenahalli Lake, Dasarahalli, Bangalore North, Bengaluru, Karnataka – 560092	**Date of appointment**: April 11, 2020	1. IKF Finance Limited

Relationship between Directors

Except as stated below, none of our Directors are related to each other:

Sr. No.	Name of the Director	Designation	Relationship with other Directors
1.	Mohanan Gopalakrishnan	Managing Director	Father of Umesh Mohanan
2.	Umesh Mohanan	Whole Time Director	Son of Mohanan Gopalakrishnan and husband of Kavitha Menon
3.	Kavitha Menon	Non-Executive Director	Wife of Umesh Mohanan

Brief profiles of our Directors

Mohanan Gopalakrishnan is the Managing Director of the Company. He finished his graduation in B. Com from the University of Kerala. He has vast experience in the banking industry. He has promoted the investment company namely Indel Corporation Private Limited as a Special Purpose Vehicle for investments into various sectors, namely financial services, automotive, hospitality, agriculture, infrastructure, construction, communication, media and entertainment.

Umesh Mohanan is the Whole Time Director of the Company. He completed his MBA in finance from American Global International University from Florida, USA. He is an investment professional with a rich experience in managing investment verticals. His track record includes heading a Middle Eastern multinational multibillion conglomerate at its executive level, spearheading its operations across the globe, diversified into portfolios such as banking investments, infrastructure construction, oil and gas, power stations, defence supplies, manufacturing, trading of minerals, bullion and other commodities.

Anantharaman Trikkur Ramachandran, Non-Executive Director of the Company is a member of the Institute of Chartered Accountants of India and is a partner with the M/s Sengottaiyan & Co., practicing chartered accountants, which focuses on audit & enterprise risk, tax consulting and financial advisory services across various cities in India for about two decades.

Salil Venu, Non-Executive Director of the Company is an administrative management professional with vast experience in the administration and management sector.

Kavitha Menon is an experienced entrepreneur and has been instrumental in nurturing the talent pool at the Company. She completed her graduation in B. Com from the University of Calicut. She heads the skill set development initiatives and has implemented numerous training programs across the Company resulting in improved employee performance.

Narasinganallore Venkatesh Srinivasan is an Independent Director of the company. He is a chartered accountant, member of ICAI, has vast experience in the banking sector including more than two decades of experience in managing treasury and international banking. In addition, he has extensive experience in the matters relating to finance, risk management, information technology, accounting standards, audit & assurance as well as bank taxation. He has been serving as the chief executive officer of Association of Mutual Funds in India (AMFI). Prior to taking up the position, he was the executive director and chief financial officer of Lakshmi Vilas Bank Limited based in Mumbai. Before his stint with Lakshmi Vilas Bank Limited , he was associated with IDBI Bank Limited, where he held positions, including that of the chief financial officer and executive director. He was also a member of the technical advisory committee of RBI on money market, securities market and foreign exchange. He was also the chairman of FIMMDA during the same period.

Chitethu Ramakrishna Sasikumar is an Independent Director of the company. He finished his graduation in BA in social sciences from the University of Kerala. He is a retired banker from State Bank of India as deputy managing director. Prior to this, he served as the deputy managing director (Inspection & Management Audit), responsible for internal audit of State Bank of India ("**SBI**"). He has also served as chief general manager of the Hyderabad circle and also of SBI SG Global Securities and chief executive officer of SBI Shanghai.

Sethuraman Ganesh is an Independent Director of the company. He is a former principal chief general manager of Reserve Bank of India. Currently, he holds the position of independent director on the Board of IKF Finance Limited based at Hyderabad. He was also a non-executive director on the board of BSS Microfinance Private Limited at Bengaluru. In addition, he is a member of the Infimind Institute of Skill Development LLP, Bengaluru.

Confirmations

- None of our Directors have been restrained or prohibited or debarred by SEBI from accessing the securities market or dealing in securities.

- None of our directors is a promoter or director of another company which is debarred from accessing the securities market or dealing in securities by the SEBI.

- None of our Directors have been identified as a 'Wilful Defaulter', as defined under SEBI NCS Regulations.

- None of the whole time directors of our Company is a promoter or whole time director of another company that is a wilful defaulter.

- None of our Directors' relatives have been appointed to an office or place of profit of our Company, its subsidiaries and associates.

- None of the Directors are fugitive economic offenders.

- Except to the extent of Directorship/Shareholding/Debenture holding/Commercial paper holding/ sitting fees and remuneration as mentioned in "*Our Management*" on page 113, in the Company, our Directors have no financial or other material interest in the Issue and the effect of such interest in so far as it is different from the interests of other persons.

- None of the Directors of our Company interested in the appointment of or acting as lead managers, credit rating agency(ies), underwriter, registrar, debenture trustee, advertising agency, printers, banker to the Issue or any other such intermediary appointed in connection with the Issue.

Terms of appointment of Directors

Managing Director

Mohanan Gopalakrishnan was re-appointed as the Managing Director of our Company for a period of 5 years from September 15, 2023, pursuant to a resolution of the Board of Directors dated August 12, 2023 and Shareholders of the Company dated September 30, 2023, respectively. Further, pursuant to the special resolution passed at extra-ordinary general meeting dated October 6, 2023, the Managing Director is authorised to receive ₹2 lakh per month, as remuneration.

Wholetime Director

Umesh Mohanan was appointed as the Wholetime Director of our Company for a period of 5 years from September 30, 2023, pursuant to a resolution of the Board of Directors dated August 12, 2023 and Shareholders of the Company dated September 30, 2023, respectively. Pursuant to the shareholder's resolution dated September 30, 2023, he is authorised to receive ₹10.00 lakhs per month, as remuneration.

Non-Executive Directors

Pursuant to the Board resolution dated September 28, 2023 the terms of the letter of appointments of respective Independent Directors, Chitethu Ramakrishna Sasikumar, Narasinganallore Venkatesh Srinivasan, Anantharaman Trikkur Ramachandran, Sethuraman Ganesh, Salil Venu and Kavitha Menon are authorised to receive ₹1 lakh as sitting fees each for each board/ committee meetings

Remuneration paid to our Directors by our Company, Subsidiary Company and Associate companies

Remuneration paid by our Company to the Directors

The following table sets forth details of remuneration payable or paid by our Company to our Directors during the current year and preceding three financial years:

(*₹ in lakhs*)

Name of Directors	For the current year as on August 31, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
Narasinganallore Srinivasan Venkatesh	4.00	12.00	12.00	9.00
Umesh Mohanan	50.58	123.52	122.71	120.00
Mohanan Gopalakrishnan	10.00	18.60	12.50	12.00
Chitethu Ramakrishna Sasikumar	5.00	10.00	7.50	5.00
Anantharaman Trikkur Ramachandran	4.00	4.60	-	-

Name of Directors	For the current year as on August 31, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
Kavitha Menon	3.50	6.60	6.50	3.00
Salil Venu	8.00	13.60	12.50	9.00
Sethuraman Ganesh	5.00	8.00	5.50	2.50

Remuneration paid by Subsidiary and associate companies to the Directors

The Directors of our Company do not receive any remuneration (including any stock option, shareholding in subsidiaries) by the subsidiary company of the Company during the Financial year 2021-22, for Financial year 2022-23, for the financial year 2023-24 and as on date of this Draft Prospectus does not have subsidiary.

The Directors of our Company do not receive any remuneration (including any stock option, shareholding in associates) by the Associate Company of the Company during the last three financial year and as on date of this Draft Prospectus.

Changes in the Board of Directors during the preceding three financial years and current financial year

Name, Designation and DIN	Date of Appointment	Date of Cessation, if applicable	Date of Resignation, if applicable	Remarks
N S Venkatesh **Designation:** Independent Director **DIN:** 01893686	March 2, 2018	March 2, 2023	-	-
N S Venkatesh **Designation:** Independent Director **DIN:** 01893686	March 2, 2023	NA	-	Reappointment
Mohanan Gopalakrishnan **Designation:** Managing Director **DIN:** 02456142	September 16, 2018	September 16, 2023	-	-
Mohanan Gopalakrishnan **Designation:** Managing Director **DIN:** 02456142	September 15, 2023	NA	-	Reappointment
Umesh Mohanan **Designation:** Whole Time Director **DIN:** 02455902	October 1, 2018	October 1, 2023	-	-
Umesh Mohanan **Designation:** Whole Time Director **DIN:** 02455902	September 30, 2023	NA	-	Reappointment
Chithetu Ramakrisna Sasikumar **Designation**: Independent Director **DIN** : 05202465	February 27, 2019	February 27, 2024	-	
Chithetu Ramakrisna Sasikumar **Designation**: Independent Director **DIN** : 05202465	February 27, 2024	NA	-	Reappointment

Note: This does not include changes such as regularisations or change in designations

Interest of our Directors

All of our Independent Directors may be deemed to be interested to the extent of sitting fees payable to them for attending meetings of the Board. All of our Executive and Non-Executive Directors may be deemed to be interested to the extent of remuneration and sitting fees payable to them. All of our Directors are interested to the extent of reimbursement of expenses payable to them by our Company.

Further, Mohanan Gopalakrishnan, Umesh Mohanan and Kavitha Menon may also be regarded as interested to the extent of the Equity Shares held by them in our Company as nominee shareholders of Indel Corporation Private Limited. Further, the Directors may also be interested to the extent of Equity Shares held by companies, firms and trusts in which they are interested as directors, partners, members or trustees and also to the extent of any dividend payable to them and other distributions in respect of the said Equity Shares.

None of the other Directors have any interest in immovable property acquired or proposed to be acquired by the Company in the preceding two years as of the date of this Draft Prospectus.

For further details regarding the interest of our Directors, refer to "*Related Party Transactions*" on page 125.

As on date of this Draft Prospectus, none of the Directors are interested in any contracts, agreements/ arrangements entered into by our Company except as disclosed in the section titled "*Financial Statements*" or to be entered into by our Company with any company in which they hold directorships or any partnership firm in which they are partners as declared in their respective declarations, except as disclosed in the section titled "*Financial Statements* " on page 126.

Our Directors have not taken any loan from our Company.

None of our Directors hold any debentures/subordinated debt in our Company.

None of the Directors are interested in the promotion of our Company.

Except as disclosed below, none of the Directors of the Company or their relatives, or entities in which director is associated as promoter, director, partner, proprietor or trustee, hold any equity shares, warrants, employee stock options or other convertible instruments in the Company as on date of this Draft Prospectus:

Sr. No.	Name	Designation	Number of securities held
1.	Mohanan Gopalakrishnan	Managing Director	1*
2.	Umesh Mohanan	Whole Time Director	1*
3.	Kavitha Menon	Non-Executive Director	1*

***** *as nominee of M/s Indel Corporation Private Limited*

Except as disclosed below, none of the Directors of our Company, nor their relatives, have purchased, sold or financed the purchase by any other person, directly or indirectly, any securities of the Company during the preceding six months from the date of this Draft Prospectus:

NIL

None of the directors, have made any contribution as part of this Draft Prospectus or separately.

No regulatory action is pending against any of the Directors of our Company before the SEBI or Reserve Bank of India or any other regulatory or statutory body in India or overseas.

None of the Directors of our Company are interested in the benefits / interests arising out of the objects of the issue.

None of our Directors are interested in their capacity as a member of any firm or company and no sums have been paid or are proposed to be paid to any Director or to such firm of company in which he is interested, by any person, in cash or shares or otherwise, either to induce them or to help them qualify as a director or for services rendered by him or by such firm or company, in connection with the promotion or formation of our Company.

Shareholding of our Directors

Details of the shares held in the Company by the Directors, as on the date of this Draft Prospectus are provided in the table given below:

Sr. No.	Name of Director	Number of shares held	Percentage of the total paid-up capital of the Company(%)
1.	Narasinganallore Srinivasan Venkatesh	Nil	Nil
2.	Umesh Mohanan*	1	Negligible
3.	Mohanan Gopalakrishnan*	1	Negligible

Sr. No.	Name of Director	Number of shares held	Percentage of the total paid-up capital of the Company(%)
4.	Chitethu Ramakrishna Sasikumar	Nil	Nil
5.	Anantharaman Trikkur Ramachandran	Nil	Nil
6.	Kavitha Menon*	1	Negligible
7.	Salil Venu	Nil	Nil
8.	Sethuraman Ganesh	Nil	Nil

**shares held as nominee of Indel Corporation Private Limited.*

Our Company does not have subsidiary company and associate company as on June 30, 2024 and as on the date of this Draft Prospectus.

Borrowing Powers of the Board

Pursuant to resolution passed by the Shareholders of our Company at their meeting held on April 20, 2023 and in accordance with provisions of the Companies Act and other applicable provisions of the Companies Act and the Articles of Association of our Company, the Board has been authorised to borrow sums of money as they may deem necessary for the purpose of the business of our Company, which together with the monies already borrowed by our Company (apart from temporary loans obtained from our Company's bankers in the ordinary course of business), may exceed at any time, the aggregate of the paid-up capital of our Company and its free reserves and securities premium by a sum not exceeding ₹150,000 lakhs.

Debenture holding of Directors

As on June 30, 2024, none of our Directors hold any debentures in our Company.

Key Managerial Personnel

Our Company's Key Managerial Personnel are as follows:

Narayanan P is the Chief Financial Officer of the Company. He holds a bachelor's degree in commerce from the University of Calicut and master's degree in business administration in finance from National Institute of Management, Cochin. He has vast experience in the accounts and finance industry. In the past, he has held various positions of responsibility in the finance sector of companies, inter alia, the senior finance manager for KTC Automotives.

Hanna P Nazir is an associate member of the Institute of Company Secretaries of India. She has over 7 years of post-qualification experience with various companies and practicing firms. Previously, she was associated with Muthoot Vehicle & Asset Finance Limited as a Company Secretary. She holds a master's degree in commerce from Mahatma Gandhi University and is a semi qualified Cost Accountant from Institute of Cost Accountants of India.

For details about our Managing Director and Whole Time Director, please refer to "*Our Management – Brief profiles of our Directors*" on page 116.

Compensation of our Company's Key Managerial Personnel

(₹ in lakh)

Name of KMP	As on August 31, 2024	For Fiscal 2024	For Fiscal 2023	For Fiscal 2022
Narayanan P	6.49	14.28	11.59	10.11
Hanna P Nazir	5.77	12.33	10.33	9.76

Interest of Key Managerial Personnel

Except as stated below, none of our Key Managerial Personnel has been paid any consideration of any nature from our Company:

- Remuneration or benefits to which they are entitled to as per their terms of appointment and reimbursement of expenses incurred by them during the ordinary course of business.

Except as stated below, Key Managerial Personnel are not interested in the Company**:**

- To the extent of the shareholding in the Company, if any held by them or their relatives or held by the companies, firms and trusts in which they are interested as director, member, partner, and/or trustee, and to the extent of benefits arising out of such shareholding and/ or the stock options granted to some of our key managerial personnel.

Except for the letter of appointment issued to our Key Managerial Personnel as an employee of the Company, our Company has not entered into any contracts or arrangement with the Key Managerial Personnel relating to appointment and remuneration or providing for benefits upon termination of employment.

Relationship with other Key Managerial Personnel

Except as disclosed in relation to the Managing Director and Whole Time Director, above, none of our Key Managerial Personnel are related to each other.

Shareholding of our Company's key managerial personnel

None of the Key Management Personnel have shareholding in our Company as on the date of this Draft Prospectus.

Senior Management Personnel of our Company

In addition to Umesh Mohanan, the Wholetime Director, Mohanan Gopalakrishnan, the Managing Director, Narayanan, the Chief Financial Officer and Hanna P Nazir, the Company Secretory who are also designated as our Company's Directors and/or Key Managerial Personnel, the details of the Senior Management Personnel, as on the date of this Draft Prospectus, are set out below:

Sr. No.	Name of SMPs	Designation
1.	Jijith Raj Thekkayil	Head – Business Department
2.	Sudheesh P R	Head – Strategy, Operations and IT
3.	Sreekumar P A	Head – Credit & Risk
4.	Anoop C Nair	Head - HR
5.	Ravisanker S	Head – Admin & Infra
6.	Venugopalan M V	Head – Internal Audit
7.	Chanchal Gangadharan	Vice President- Corporate Communication & Marketing
8.	Prasad Chemben	Head – Third Party Verticals
9.	Chandrasekharan Nair Saji	Chief Compliance Officer
10.	KNC Nair	Virtual CIO

Interest of Senior Management Personnel

Except to the extent of remuneration or benefits to which they are entitled to as per their terms of appointment reimbursement of expenses incurred by them during the ordinary course of business and equity shares held by them along with vested ESOP options, if any, and otherwise disclosed in this Draft Prospectus, the Senior Management Personnel of the Company do not have any interest in the Company.

None of the Senior Management Personnel have shareholding in our Company.

No benefit/interest will accrue to our Senior Management Personnel out of the objects of the issue.

Our Senior Managerial Personnel have no financial or other material interest in the Issue and no benefit / interest will accrue to our Senior Managerial Personnel out of the objects of the Issue.

Relationship with other Senior Management Personnel
None of our Senior Management Personnel are related to each other.

Committees of the Board

Our Company has constituted the following committees of the Board, which have been constituted in accordance with the applicable law, including the Companies Act, 2013. The terms of reference of the following committees are also in accordance with the applicable law, including the Companies Act, 2013.

1. Audit Committee

The Audit Committee of our Company was constituted on November 2, 2017 and was re-constituted by a board resolution dated September 15, 2019. The members of the Audit Committee as on date of this Draft Prospectus are:

Name of the Director	Designation	Designation in committee
N S Venkatesh	Independent Director	Chairman
Chitethu Ramakrishna Sasikumar	Independent Director	Member
Anantharaman T R	Non-Executive Director	Member

2. ***Nomination and Remuneration Committee***

The Nomination and Remuneration Committee of our Company was formed *vide* a Board resolution dated August 28, 2021. The members of the Nomination and Remuneration Committee as on date of this Draft Prospectus are:

Name of the Director	Designation	Designation in committee
Chitethu Ramakrishna Sasikumar	Independent Director	Chairman
S Ganesh	Independent Director	Member
Ananatharaman T R	Non-Executive Director	Member
Salil Venu	Non-Executive Director	Member

3. ***Corporate Social Responsibility Committee ("CSR Committee")***

The CSR Committee of our Company was constituted *vide* a Board resolution dated December 14, 2021. The members of the CSR Committee as on date of this Draft Prospectus are:

Name of the Director	Designation	Designation in Committee
Umesh Mohanan	Whole-time Director	Member
Salil Venu	Non-Executive Director	Member
Chithetu Ramakrishna Sasikumar	Independent Director	Member
Sethuraman Ganesh	Independent Director	Chairman

4. ***Risk Management Committee***

The Risk Management Committee of our Company was constituted *vide* a Board resolution dated November 2, 2017 and was re-constituted on dated May 18, 2019. The members of the Risk Management Committee as on date of this Draft Prospectus are*:*

Name of the Director	Designation	Designation in Committee
Salil Venu	Non-Executive Director	Member
Umesh Mohanan	Whole Time Director	Member
Anantharaman T R	Non-Executive Director	Member

5. ***Stakeholders Relationship Committee***

The Stakeholders Relationship Committee of our Company was constituted *vide* a Board resolution dated August 12, 2023. The members of the Stakeholders Relationship Committee as on date of this Draft Prospectus are*:*

Name of the Director	Designation	Designation in Committee
Salil Venu	Non-executive director	Chairman
Umesh Mohanan	Executive director	Member
Anantharaman TR	Non-executive director	Member

OUR PROMOTER

Our Promoter is Indel Corporation Private Limited a company incorporated under the provisions of the Companies Act, 1956 and having its registered office of our Promoter is situated at Office No.301, Floor No.3, Sai Arcade N.S Road, Mulund West Mumbai – 400 080, Maharashtra, India. Our Promoter is engaged in the business of financing and investment and focuses in strategic investments in diversified sectors including financial services, automotive, hospitality, agriculture, infrastructure, construction, communication, media and entertainment.

The PAN of our holding Company is AACCI7546J and CIN is U65900MH2011PTC222836.

Our Company confirms that the Permanent Account Number and Bank Account Number(s) of the Promoter and Permanent Account Number of Directors shall be submitted to the BSE at the time of filing this Draft Prospectus.

The Board of Directors of our Promoter are Umesh Mohanan, Mohanan Gopalakrishnan and Anish Mohan Gopalakrishnan Mohanan.

Shareholding of our Promoter in the Company

As on the date of this Draft Prospectus, Indel Corporation Private Limited holds 23,31,67,224* Equity Shares amounting to 100.00% of issued, subscribed and paid-up capital of our Company.

**1 Equity Share each is held by Mohanan Gopalakrishnan, Umesh Mohanan, Ushadevi Pathiyil, Kavitha Menon, UM Ventures Private Limited and Indel Plantations Private Limited respectively as a nominee of our Promoter.*

There have been no changes in the Promoter's holding in our Company during last financial year beyond the threshold prescribed by RBI.

Interest of our Promoter in the Company

Except as stated in the section "*Financial Statements*" on page 126 and to the extent of its shareholding in our Company and corresponding dividend payable, our Promoter does not have any other interest in our Company's business.

Our Promoter does not propose to subscribe to the Issue and it doesn't have any interest in the promotion of the Issue.

Our Promoter does not have interest in the benefits / interests arising out of the objects of the issue.

Other Ventures of our Promoter

Apart from our Company and the entities listed hereinbelow, our Promoter is not interested in any other ventures:

1. Indel Automotives Private Limited
2. Indel Infra Private Limited
3. Indel Money Fin-tech Private Limited
4. Indel Plantations Private Limited
5. M-star Hotels Private Limited
6. M-star Satellite Communications Private Limited
7. Redwings Motors Private Limited
8. Voxxvision Ventures Private Limited
9. Incede Technologies Private Limited
10. I9 Hotels Private Limited
11. Sastha Realtors Private Limited
12. Angel Admark Private Limited
13. Naveen Bharath Equipments Private Limited

Other Confirmations

Our Promoter has not been identified as Wilful Defaulter by any financial institution or bank or a consortium thereof in accordance with the guidelines on identification of Wilful Defaulters prescribed by the RBI.

No violations of securities laws have been committed by our Promoter in the past or no proceedings are currently pending against them.

None of the promoter of the Company is a promoter of another company that is a wilful defaulter.

None of the promoter of the Company is a fugitive economic offender.

Our Promoter has not been restrained or debarred or prohibited from accessing the capital markets or restrained or debarred or prohibited from buying, selling or dealing in securities under any order or directions passed for any reasons by SEBI or any other authority or refused listing of any of the securities issued by any stock exchange in India or abroad. Further, our Promoter is a not a promoter of another company which is debarred from accessing the securities market or dealing in securities under any order or directions passed for any reasons by SEBI.

None of the member forming part of our Promoter Group have been restrained or debarred or prohibited from accessing the capital markets or restrained or debarred or prohibited from buying, selling or dealing in securities under any order or directions passed for any reasons by SEBI or any other authority or refused listing of any of the securities issued by any stock exchange in India or abroad.

Promoter Group

Other than our Promoters, our promoter group entities are:

1. Indel Automotives Private Limited
2. Indel Infra Private Limited
3. Indel Money Fin-tech Private Limited
4. Indel Plantations Private Limited
5. M-star Hotels Private Limited
6. M-star Satellite Communications Private Limited
7. Redwings Motors Private Limited
8. Voxxvision Ventures Private Limited
9. Incede Technologies Private Limited
10. I9 Hotels Private Limited
11. Sastha Realtors Private Limited
12. Angel Admark Private Limited
13. Naveen Bharath Equipments Private Limited

RELATED PARTY TRANSACTIONS

For details of the related party transactions for the Fiscals 2024 in accordance with the requirements under Ind AS 24 "Related Party Disclosures" notified under Section 133 of the Companies Act read with the Companies (Indian Accounting Standards) Rules 2015, as amended from time to time, see "*Audited Financial Statements for Fiscal 2024*" on page F43, note no. 31.

For details of the related party transactions for the Fiscals 2023 in accordance with the requirements under Ind AS 24 "Related Party Disclosures" notified under Section 133 of the Companies Act read with the Companies (Indian Accounting Standards) Rules 2015, as amended from time to time, see "*Audited Financial Statements for Fiscal 2023*" on page F114, note no. 47.

For details of the related party transactions for the Fiscals 2022 in accordance with the requirements under Ind AS 24 "Related Party Disclosures" notified under Section 133 of the Companies Act read with the Companies (Indian Accounting Standards) Rules 2015, as amended from time to time, see "*Audited Standalone Financial Statements for Fiscal 2022*" on page F182, note no. 47.

Related party transactions entered during the Fiscal 2024, Fiscal 2023 and Fiscal 2022 with regard to loans made or, guarantees given or securities provided

(₹ in lakhs)

Name of the Related Party	Fiscal	Loans made	Guarantees given	Securities Provided
NIL	2023-24	NIL	NIL	NIL
NIL	2022-23	NIL	NIL	NIL
NIL	2021-22	NIL	NIL	NIL

Related party transactions entered during the current financial year for the period from April 1, 2024 till September 24, 2024, with regard to loans made or, guarantees given or securities provided

(₹ in lakhs)

Name of the Related Party	Fiscal	Loans made	Guarantees given	Securities Provided
NIL	2024-25	NIL	NIL	NIL

SECTION V - FINANCIAL INFORMATION

FINANCIAL STATEMENTS

MATERIAL DEVELOPMENTS

Other than as disclosed below and elsewhere in the Draft Prospectus, there have been no material developments since April 1, 2024 till August 31, 2024 and there have arisen no circumstances that materially or adversely affect the operations, or financial condition or profitability of the Company or the value of its assets or its ability to pay its liabilities within the next 12 months.

1. The Company has raised secured non-convertible debenture amounting to ₹2,500.00 Lakhs through private placement during April 1, 2024 – August 31, 2024.

2. The Company has redeemed secured privately placed non-convertible debenture amounting to ₹1,122.50 lakhs during April 1, 2024 – August 31, 2024

3. The Company has raised unsecured subordinate bond amounting to ₹169.10 Lakhs during April 1, 2024 – August 31, 2024.

4. The Company has redeemed unsecured subordinate bond amounting to ₹846.80 lakhs during April 1, 2024 – August 31, 2024

5. The Company has repaid the following amounts tabulated below during April 1, 2024 – August 31, 2024:

(₹ in lakhs)

Bank/ Financial Intistution	Amount
Bajaj Finance Limited	333.33
Cholamandalam Investments	167.01
Dhanlaxmi Bank Limited.	100.00
Hinduja Leyland Finance Limited.	1,372.70
Indian Bank Limited.	231.91
JM Financial Products Limited.	979.81
Karur Vysya Bank Limited.	416.67
Northern Arc Capital Limited.	2,759.44
Profectus Capital Private Limited	50.45
State Bank of India- INR	2,955.56
STCI Finance Limited.	532.68
Grand Total	**9,899.56**

6. The Company has availed term loan facilities from the following Financial Institutions during April 1, 2024 –August 31, 2024.

(₹ in lakhs)

Bank/ Financial Intistution	Amount
Northern Arc Capital Limited.	2,000.00
Profectus Capital Private Limited	1,000.00
State Bank of India	9,000.00
Indian Overseas Bank Limited	4,000.00
DCB Bank Limited	1,000.00
Grand Total	**17,000.00**

FINANCIAL INDEBTEDNESS

The outstanding borrowings of the Company, as on June 30, 2024, are as follows:

(₹ in lakhs)

Sr. No.	Nature of Borrowings	Amount Outstanding	%
1	Secured borrowings	68,392.29	76.92%
2	Unsecured borrowings	20,520.80	23.08%
Total Borrowings		**88,913.09**	**100.00**

DETAILS OF BORROWINGS OF THE COMPANY, AS ON JUNE 30, 2024:

a. Details of Secured Borrowings

The Company's outstanding secured borrowings, amounts to ₹68,392.29 lakhs as on June 30, 2024 on standalone basis. The details of the secured borrowings are set out below:

1. Term Loans from Banks:

r. N	Name of the Lender	Type of Facility	Amount Sanctioned (₹ in lakh)	Principal Amount Outstanding (₹ in lakh)	Security and Guarantee	Repayment Date/Schedule	Credit Rating, if applicable	Asset Classification
1.	State Bank of India	Term Loan	3,500.00	25.78	1. Pari passu First charge over all movable assets and current assets, including book debts and receivables, cash and bank balances, loans and advances, both present and future, of the Company, on *pari passu* basis with the Secured Creditors including debenture trustees and other banks/FIs in the Multiple Banking Arrangement;	15th of every Quarter. Repayment schedule: FY 2022: ₹125.00 Lakhs each Quarter FY 2023: ₹175.00 Lakhs each quarter FY 2024: ₹200.00 Lakhs each quarter FY 2025: ₹300.00 Lakhs each quarter FY 2026: ₹300.00 Lakhs each quarter. Prepayment penalty: 2% of	CRISIL BBB+/Stable	Standard

r. No	Name of the Lender	Type of Facility	Amount Sanctioned (₹ in lakh)	Principal Amount Outstanding (₹ in lakh)	Security and Guarantee	Repayment Date/Schedule	Credit Rating, if applicable	Asset Classification
					2. Personal Guarantee of Mr. Umesh Mohanan and Mr. Mohanan Gopalakrishnan; 3. Corporate Guarantee of M/s Indel Corporation Private Limited.	the prepaid amount + GST		
2.	State Bank of India	Term Loan	4,000.00	25.82	1. First charge over all movable assets and current assets, including book debts and receivables, cash and bank balances, loans and advances, both present and future, of the Company, on *pari passu* basis with the Secured Creditors including debenture trustees and other banks/FIs in the Multiple Banking Arrangement; 2.	22nd of every Month. Repayment schedule: From May 2022 to April 2023 175.00 Lakhs each quarter From May 2023 to April 2024 200.00 Lakhs each quarter From May 2024 to April 2025 250.00 Lakhs each quarter From May 2025 to July 2026 300 Lakhs 5 instalments	CRISIL BBB+/Stable	Standard

r. No	Name of the Lender	Type of Facility	Amount Sanctioned (₹ in lakh)	Principal Amount Outstanding (₹ in lakh)	Security and Guarantee	Repayment Date/Schedule	Credit Rating, if applicable	Asset Classification
					Personal Guarantee of Mr. Umesh Mohanan and Mr. Mohanan Gopalakrishnan; 3. Corporate Guarantee of M/s Indel Corporation Private Limited.	Prepayment penalty: 2% of the prepaid amount + GST		
3.	IDFC Bank (Capital First Limited)	Term Loan	3,000.00	3,000.00	1.Hypothecation by way of first exclusive charge (floating) over loan receivables and book debts of the Borrower so as to provide security cover of 1.1 times on Principal Outstanding. 2. Irrevocable Corporate Guarantee of Indel Corporation Pvt Limited	1st of every month. Repayment schedule: Principal shall be repayable on 1st day of 109th month to 1st day of 120th month (12 equal monthly instalments) after an initial moratorium of 108 months.	CRISIL BBB+/Stable	Standard
4.	State Bank of India	Term Loan	7,000.00	26.23	1. First charge over all movable assets and current assets, including	1st of every month. Jan 23 to Jun 23 Moratorium	CRISIL BBB+/Stable	Standard

r. No	Name of the Lender	Type of Facility	Amount Sanctioned (₹ in lakh)	Principal Amount Outstanding (₹ in lakh)	Security and Guarantee	Repayment Date/Schedule	Credit Rating, if applicable	Asset Classification
					book debts and receivables, cash and bank balances, loans and advances, both present and future, of the Company, on *pari passu* basis with the Secured Creditors including debenture trustees and other banks/FIs in the Multiple Banking Arrangement; 2. Personal Guarantee of Mr. Umesh Mohanan and Mr. Mohanan Gopalakrishnan; 3. Corporate Guarantee of M/s Indel Corporation Private Limited.	Repayment schedule: FY 2024: ₹435.00* 3 Lakhs each Quarter FY 2025: ₹435.00* 4 Lakhs each quarter FY 2026: ₹435.00* 4 Lakhs each quarter FY 2027: ₹435.00* 4 Lakhs each quarter; FY 2028: ₹435.00* 1 Lakhs each quarter Prepayment penalty: 2% of the prepaid amount + GST"		
5.	Dhanlaxmi Bank Limited	Term Loan	2,000.00	900.00	**Primary Security** - Pari passu charge on entire receivables with a margin of 25%	27th of every month. Repayment schedule Interest- To be serviced	CRISIL BBB+/Stable	Standard

Sr. No	Name of the Lender	Type of Facility	Amount Sanctioned (₹ in lakh)	Principal Amount Outstanding (₹ in lakh)	Security and Guarantee	Repayment Date/Schedule	Credit Rating, if applicable	Asset Classification
					(excluding the specific charge of existing NCD holders). **Collateral: Nil** **Cash Margin-** Fixed deposit of 8 Crores Lien to be marked and discharged Deposit to be kept on records**.** **Personal Guarantee:** Personal guarantee of Mr. Umesh Mohanan, Mr. Mohanan Gopalakrishnan. Corporate guarantee of Indel Corporation Private Limited	as and when debited, on a monthly basis during the whole tenor of loan. Principal- 20 Quarterly instalments of ₹100 Lakhs each.		
6.	Indian Bank	Term Loan	1,500.00	318.18	**Primary Security** - Exclusive charge on entire receivables with a margin of 15% (excluding assets ineligible for bank	15th of every month. Repayment schedule Interest- To be serviced as and when debited, on a	CRISIL BBB+/Stable	Standard

r. No	Name of the Lender	Type of Facility	Amount Sanctioned (₹ in lakh)	Principal Amount Outstanding (₹ in lakh)	Security and Guarantee	Repayment Date/Schedule	Credit Rating, if applicable	Asset Classification
					finance, asset securitised & pertaining to group concerns) **Guarantee:** Personal Guarantee of Mr. Umesh Mohanan and Mr. Mohanan Gopalakrishna. Corporate Guarantee of M/s Indel Corporation Private Limited.	monthly basis during the whole tenor of loan. Principal-33 monthly instalments after a moratorium period of 3 months.		
7.	Karur Vysya Bank Limited	Term Loan	2,500.00	1,875.00	First *pari passu* charge by way of hypothecation of the secured standard loan receivables & book debts of the company and other current assets (both present & future) made by the borrower (other than those specifically charged to lenders who is having	Repayment: Door to door tenure of 36 months, repayable in 12 quarterly instalments (NEMI)without any moratorium Period. Interest to be serviced on monthly basis as and when debited. All the obligation (Interest & principal) of term Loan	CRISIL BBB+/Stable	Standard

r. No	Name of the Lender	Type of Facility	Amount Sanctioned (₹ in lakh)	Principal Amount Outstanding (₹ in lakh)	Security and Guarantee	Repayment Date/Schedule	Credit Rating, if applicable	Asset Classification
					exclusive charge) under Multiple Banking arrangement with minimum Asset coverage ratio of 1.25x.times. Personal Guarantee of Mr. Mohanan Gopalakrishnan and Mr. Umesh Mohanan; Corporate Guarantee of M/s Indel Corporation Private Limited.	accounts to be fixed at the end of each calendar month (28^{th}/ 29^{th} or 30^{th} or 31^{st} as the case may be). Interest to be serviced on monthly basis as and when debited.		
8	Indian Overseas Bank Limited	Term Loan	5,000.00	5,000.00	**Primary Security** – First Paripassu charge by way of hypothecation along with other working capital/ term lenders on Current and future standard loan receivables (excluding Stressed Assets) of Company equivalent to 1.25	30/ 31^{st} of every month, Proposed Term Loan of 50 Crs is to be repaid in 60 Monthly Installments of 83.35 Lacs per month (Last i.e. 60^{th} Installment being 82.35 Lacs) after a moratorium period	CRISIL BBB+/Stable	Standard

r. No	Name of the Lender	Type of Facility	Amount Sanctioned (₹ in lakh)	Principal Amount Outstanding (₹ in lakh)	Security and Guarantee	Repayment Date/Schedule	Credit Rating, if applicable	Asset Classification
					times of Outstanding amount (Including interest) . **Collateral :** - Nil **Guarantee:** Personal guarantee of Mr. Umesh Mohanan, Mr. Mohanan Gopalakrishnan Corporate guarantee of Indel Corporation Private Limited	of 6 Months. Door to door tunure is for 5 Years 6 months. Interest to be repaid as and when debited including Holiday period. interest and installment to fall due at the end of the month.		
9	State Bank of India	Term Loan	10,000.00	35.31	1. First charge over all movable assets and current assets, including book debts and receivables, cash and bank balances, loans and advances, both present and future, of the Company, on *pari passu* basis with the Secured Creditors including debenture	28th of every month. Repayment schedule: FY 2025: Rs. 625 Lakhs each Quarter FY 2026: Rs. 625 Lakhs each quarter FY 2027: Rs. 625 Lakhs each quarter FY 2028: Rs. 625 Lakhs each quarter Prepayment penalty:	CRISIL BBB+/Stable	Standard

r. No	Name of the Lender	Type of Facility	Amount Sanctioned (₹ in lakh)	Principal Amount Outstanding (₹ in lakh)	Security and Guarantee	Repayment Date/Schedule	Credit Rating, if applicable	Asset Classification
					trustees and other banks/FIs in the Multiple Banking Arrangement; 2. Personal Guarantee of Mr. Umesh Mohanan and Mr. Mohanan Gopalakrishnan; 3. Corporate Guarantee of M/s Indel Corporation Private Limited.	2% of the prepaid amount + GST"		
10	State Bank of India-FCNR	Term Loan	11,000.00	10,421.50	1. First charge over all movable assets and current assets, including book debts and receivables, cash and bank balances, loans and advances, both present and future, of the Company, on pari passu basis with the Secured Creditors including debenture trustees	Loan repayment and interest payment in Foreign currency- The Loan along with interest there on will have to repaid (In terms the repayment schedule of Loan)in foreign currency in which the loan has been granted and the fluctuation in the rate of	CRISIL BBB+/Stable	Standard

r. N	Name of the Lender	Type of Facility	Amount Sanctioned (₹ in lakh)	Principal Amount Outstanding (₹ in lakh)	Security and Guarantee	Repayment Date/Schedule	Credit Rating, if applicable	Asset Classification
					and other banks/FIs in the Multiple Banking Arrangement; 2. Personal Guarantee of Mr. Umesh Mohanan and Mr. Mohanan Gopalakrishnan; 3. Corporate Guarantee of M/s Indel Corporation Private Limited. Cash Collateral of Rs. 2,25,00,000/- as Term Deposit in the name of M/s Indel Money Limited	exchange of foreign currency concerned will be at your risk and cost no dispute on this any nature whatsoever will be entertained by the bank		
	TOTAL			**21,627.82**				

 # The above-mentioned amounts are exclusive of the interest component as on that date.

2. Term Loans from Financial Institutions:

Sr. No.	Name of the Lender	Type of Facility	Amount Sanctioned (₹ in lakh)	Principal Amount Outstanding (₹ in lakh)	Security	Repayment Date/Schedule	Credit Rating, if applicable	Asset Classification
1.	Hinduja Leyland Finance Limited	Term Loan	1,500.00	268.89	Exclusive first charge (including Corporate Guarantee of Indel Corporation and personal	28th of every month Repayment schedule: Repayable in 18 equal monthly	NA	Standard

Sr. No.	Name of the Lender	Type of Facility	Amount Sanctioned (₹ in lakh)	Principal Amount Outstanding (₹ in lakh)	Security	Repayment Date/Schedule	Credit Rating, if applicable	Asset Classification
					guarantee of promoters) (floating) on portfolio of receivables as acceptable to the lender, from time to time covering 1.1x of the principal at any point of time during the currency of the facility.	instalments, commencing 1 month from the date of disbursement. Prepayment Penalty: 2% on the outstanding value of the Facility.		
2.	Hinduja Leyland Finance Limited	Term Loan	1,800.00	1,171.87	Exclusive first charge Guarantee of Indel Corporation Private limited and promoters (floating) on portfolio of receivables as acceptable to the lender, from time to time covering 1.1x of the principal at any point of time during the currency of the facility.	26th of every month; Repayable in 24 equal monthly instalments, commencing 1 month from the date of disbursement. Prepayment Penalty: 2% on the outstanding value of the Facility.	NA	Standard
3.	Hinduja Leyland Finance Limited	Term Loan	2,700.00	2,393.94	Exclusive first charge (including Corporate Guarantee of Indel Corporation and personal guarantee of promoters) (floating) on portfolio of receivables as acceptable to the lender, from time to time covering	28th of every month, Repayment schedule: Repayable in 24 equal monthly instalments, commencing 1 month from the date of disbursement. Prepayment Penalty: 2% on the	NA	Standard

Sr. No.	Name of the Lender	Type of Facility	Amount Sanctioned (₹ in lakh)	Principal Amount Outstanding (₹ in lakh)	Security	Repayment Date/Schedule	Credit Rating, if applicable	Asset Classification
					1.1x of the principal at any point of time during the currency of the facility.	outstanding value of the Facility.		
4.	Cholamandalam Investment and Finance Company Limited	Term Loan	750.00	108.37	Exclusive Charge by way of Hypothecation of specific receivables (<=30 Days DPD with coverage of 1.10 times. Personal Guarantee of Mohanan Gopalakrishnan & Umesh Mohanan Corporate Guarantee of holding company M/s Indel Corporation Private Limited	1st of every month. The principal together with applicable interest rate repaid by way of equated 24 monthly instalments.	NA	Standard
5.	STCI Finance Limited	Term Loan	2,500.00	946.30	Hypothecation of Current assets. However, book debts /receivable relating to Gold loans fulfilling following criteria, on a pari passu basis with other lenders will be considered for Calculating security cover: i) Arising out of	31st of every month The door to door tenor for the proposed facility is 24 months without moratorium. Loan repayable in 24 equal monthly instalments. Interest to be serviced separately on monthly basis on the First day of each month.	NA	Standard

Sr. No.	Name of the Lender	Type of Facility	Amount Sanctioned (₹ in lakh)	Principal Amount Outstanding (₹ in lakh)	Security	Repayment Date/Schedule	Credit Rating, if applicable	Asset Classification
					Secured loans ii) Of principal dues standard Assets iii) With a coverage of 1.10 times the dues to STCI			
6.	Northern Arc Capital Limited	Term Loan	1,200.00	419.28	1. First and exclusive charge basis by way of hypothecation over the receivables under the loans constituting the Portfolio and any other asset, property or right that the Borrower acquires using the proceeds of the Facility and such other assets of the Borrower such that the Security Cover is met; 2. Guarantee of M/s Indel Corporation Private Limited, Mr. Umesh Mohanan and Mr. Gopalakrishnan Mohanan. 3. Security Cover: 1.10x of the amounts outstanding	5^{th} of every month Principal repayment (each tranche) Repayment frequency: Monthly Number of repayments: 12 (Twelve) Prepayment Penalty: 2.00% of the amount prepaid by the Borrower	NA	Standard

Sr. No.	Name of the Lender	Type of Facility	Amount Sanctioned (₹ in lakh)	Principal Amount Outstanding (₹ in lakh)	Security	Repayment Date/Schedule	Credit Rating, if applicable	Asset Classification
					under the facility.			
7.	Northern Arc Capital Limited	Term Loan	1,800.00	1,212.80	1. First and exclusive charge basis by way of hypothecation over the receivables under the loans constituting the Portfolio and any other asset, property or right that the Borrower acquires using the proceeds of the Facility and such other assets of the Borrower such that the Security Cover is met; 2. Guarantee of M/s Indel Corporation Private Limited, Mr. Umesh Mohanan and Mr. Gopalakrishnan Mohanan. 3. Security Cover: 1.10x of the amounts outstanding under the facility.	25th of every month Principal repayment (each tranche) Repayment frequency: Monthly Number of repayments: 12 (Twelve) Interest payment (each tranche) Payment frequency: Monthly Number of payments: 12 (Twelve) Prepayment Penalty: 2.00% of the amount prepaid by the Borrower	NA	Standard
8.	Northern Arc Capital Limited	Term Loan	2,000.00	1,843.73	1. First and exclusive charge basis by way of hypothecation over the receivables under the loans constituting	25th of every month Principal repayment (each tranche) Repayment frequency: Monthly Number of	NA	Standard

Sr. No.	Name of the Lender	Type of Facility	Amount Sanctioned (₹ in lakh)	Principal Amount Outstanding (₹ in lakh)	Security	Repayment Date/Schedule	Credit Rating, if applicable	Asset Classification
					the Portfolio and any other asset, property or right that the Borrower acquires using the proceeds of the Facility and such other assets of the Borrower such that the Security Cover is met; 2. Guarantee of M/s Indel Corporation Private Limited, Mr. Umesh Mohanan and Mr. Gopalakrishnan Mohanan. 3. Security Cover: 1.10x of the amounts outstanding under the facility.	repayments: 12 (Twelve) Interest payment (each tranche) Payment frequency: Monthly Number of payments: 12 (Twelve) Prepayment Penalty: 2.00% of the amount prepaid by the Borrower		
9.	JM financial Products Limited	Term Loan	3,000.00	1,852.81	**Primary Security-** First and exclusive charge over the receivables under the borrowing Loan Portfolio ("Security") **Guarantee** The Guarantor who/which shall provide unconditional and irrevocable guarantee in the name as	1st of every month Repayment frequency: Monthly Number of repayments: 15 (Fifteen) Prepayment Penalty charged rate is: 2.00% of the amount prepaid (plus applicable taxes)	NA	Standard

Sr. No.	Name of the Lender	Type of Facility	Amount Sanctioned (₹ in lakh)	Principal Amount Outstanding (₹ in lakh)	Security	Repayment Date/Schedule	Credit Rating, if applicable	Asset Classification
					Mr. Mohanan Gopalakrishnan and Mr. Umesh Mohanan The Borrower shall ensure that guarantor named as Indel Corporation Private Limited (Guarantor) Which is parent company of Borrower, shall provide corporate Guarantee in favour of the lender in order to secure the facility.			
10.	Bajaj Finance Limited	Term Loan	1000.00	800.00	1. Exclusive charge on the present and future gold loan receivables and books debts and other current assets of the Borrower by way of hypothecation with a minimum asset cover of 1.10 times of the principal amount outstanding at any point of time during the currency of the loan. 2. Guarantee of M/s Indel Corporation	5th of every month. principal repayment in 15 equal monthly Installments from date of first disbursement. Interest serving on monthly basis. Prepayment Penalty: 2.00% of the amount prepaid by the Borrower	NA	Standard

Sr. No.	Name of the Lender	Type of Facility	Amount Sanctioned (₹ in lakh)	Principal Amount Outstanding (₹ in lakh)	Security	Repayment Date/Schedule	Credit Rating, if applicable	Asset Classification
					Private Limited, Mr. Umesh Mohanan and Mr. Gopalakrishnan Mohanan.			
11.	Profectus Capital Private Limited	Term Loan	1000.00	1,000.00	1.Hypothecation of Book debts to the tune of 110% of the Loan Amount financed by Profectus Capital Private Limited and Security PDCs. 2. Guarantee of M/s Indel Corporation Private Limited, Mr. Umesh Mohanan and Mr. Gopalakrishnan Mohanan.	12th of every month, NACH for servicing Equated Monthly Installments (EMI), Rs.61,45,735/-Tenor of 18 Months	NA	Standard
	Total			**12,017.99**				

[#] *The above-mentioned amounts are exclusive of the interest component as on that date.*

3. **Cash Credit / Working Capital Loans/ Working Capital Demand Loans/ Short Term Loans from Banks:**

Sr. No.	Name of the Lender	Type of Facility	Amount Sanctioned Amount (₹ in lakh)	Principal Amount Outstanding (₹ in lakh) *	Repayment Date/Schedule	Security	Credit Rating, if applicable	Asset Classification
1.	South Indian Bank Limited	Cash Credit	750.00	572.35	Interest repayment to be done on monthly basis. Principal repayment to be done on demand.	**Primary Security** - Floating and First Pari passu charge on entire loan receivables with a margin of 25% (excluding the specific charge of existing NCD holders). **Personal**	CRISIL BBB+/Stable	Standard

Sr. No.	Name of the Lender	Type of Facility	Amount Sanctioned Amount (₹ in lakh)	Principal Amount Outstanding (₹ in lakh) *	Repayment Date/Schedule	Security	Credit Rating, if applicable	Asset Classification
						Guarantee: Personal guarantee of Mr. Umesh Mohanan, Mohanan Gopalkrishnan, and Mr. Salil Venu. **Corporate Guarantee:** Corporate guarantee of Indel Corporation Private Limited and M/s. U M Ventures Private Limited		
2.	Dhanlaxmi Bank Limited	Cash Credit	1,600.00	824.98	Interest repayment to be done on monthly basis. Principal repayment to be done on demand.	**Primary Security** - Pari passu first charge on entire loan receivables of the Company (existing/proposed) along with other multiple lenders with a margin of 25% (excluding the specific charge of existing NCD holders and NBFCs who have advanced against exclusive receivables). **Collateral: Nil** **Cash Margin-** Fixed deposit of ₹8.00 Crore. Lien to be marked and discharged deposit to be kept on records. **Personal Guarantee:** Personal guarantee of Mr.	CRISIL BBB+/Stable	Standard

Sr. No.	Name of the Lender	Type of Facility	Amount Sanctioned Amount (₹ in lakh)	Principal Amount Outstanding (₹ in lakh) *	Repayment Date/Schedule	Security	Credit Rating, if applicable	Asset Classification
						Umesh Mohanan, Mr. Mohanan Gopalakrishnan. **Corporate Guarantee:** Corporate guarantee of Indel Corporation Private Limited		
3.	Dhanlaxmi Bank Limited	WCDL	2,400.00	2,400.00	Interest repayment to be done on monthly basis. **Tranche:** Minimum 30 days to Maximum 365 days. **WCDL:** The amount to be repaid or rolled over within the period of tenor for each tranche.	**Primary Security** - Pari passu first charge on entire loan receivables of the Company (existing/proposed) along with other multiple lenders with a margin of 25% (excluding the specific charge of existing NCD holders and NBFCs who have advanced against exclusive receivables). **Collateral: Nil** **Cash Margin-** Fixed deposit of ₹8.00 Crore. Lien to be marked and discharged deposit to be kept on records**.** **Personal Guarantee:** Personal guarantee of Mr. Umesh Mohanan, Mr. Mohanan Gopalakrishnan. **Corporate Guarantee:**	CRISIL BBB+/Stable	Standard

Sr. No.	Name of the Lender	Type of Facility	Amount Sanctioned Amount (₹ in lakh)	Principal Amount Outstanding (₹ in lakh) *	Repayment Date/Schedule	Security	Credit Rating, if applicable	Asset Classification
						Corporate guarantee of Indel Corporation Private Limited		
4.	Indian Bank	Over Draft	1,000.00	802.27	Interest repayment to be done on monthly basis. Principal repayment to be done on demand.	**Primary Security** - Exclusive charge on entire receivables with a margin of 15% (excluding assets ineligible for bank finance, asset securitised & pertaining to group concerns) **Guarantee:** Personal Guarantee of Mr. Umesh Mohanan and Mr. Mohanan Gopalakrishna. Corporate Guarantee of M/s Indel Corporation Private Limited.	CRISIL BBB+/Stable	Standard
5.	DCB Bank Limited	WCDL	1,000.00	-	Interest repayment to be done on monthly basis. Principal repayment to be done on demand.	**Primary Security-** Exclusive Charge on specific non-delinquent receivables/book debts other than those specifically charged to other lenders covering 1.25 times of our exposure at all times. **Personal/Corporate Guarantee-** Personal Guarantee of Mr. Mohanan Gopalakrishnan	CRISIL BBB+/Stable	Standard

Sr. No.	Name of the Lender	Type of Facility	Amount Sanctioned Amount (₹ in lakh)	Principal Amount Outstanding (₹ in lakh) *	Repayment Date/Schedule	Security	Credit Rating, if applicable	Asset Classification
						& Umesh Mohanan Corporate Guarantee of Indel Corporation Pvt Limited		
	TOTAL			**4,599.60**				

The above-mentioned amounts are exclusive of the interest component as on that date.

4. ***External Commercial Borrowings: Nil***

5. Private Placement of secured redeemable non-convertible debentures, as on June 30, 2024

The Company has issued, on private placement basis, secured redeemable non-convertible debentures under various series of which ₹9,277.49 Lakhs was cumulatively outstanding as on June 30, 2024, the details of which are set out below:

Debenture Series	ISIN	Date of Allotment	Coupon	Principal Amount (₹ in lakhs)	Tenure	Redemption Date	Security	Credit Rating
LXVI	-	14-12-2018	10.00	5.00	366 DAYS	16-12-2020	Book Debt	NA
LXXVII	-	02-07-2019	12.00	13.00	72 MONTHS	02-07-2025	Book Debt	NA
LXXVIII	-	19-07-2019	11.50	1.50	11 MONTHS	21-06-2024	Book Debt	NA
LXXVIII	-	19-07-2019	11.75	17.00	60 MONTHS	19-07-2024	Book Debt	NA
LXXIX	-	29-07-2019	11.00	5.00	11 MONTHS	05-07-2024	Book Debt	NA
LXXIX	-	29-07-2019	11.50	10.00	11 MONTHS	30-06-2024	Book Debt	NA
LXXIX	-	29-07-2019	11.75	5.00	60 MONTHS	29-07-2024	Book Debt	NA
LXXXI	-	30-08-2019	11.75	7.00	60 MONTHS	30-08-2024	Book Debt	NA
LXXXI	-	30-08-2019	12.00	5.00	72 MONTHS	30-08-2025	Book Debt	NA
LXXXIII	-	16-09-2019	11.75	5.00	60 MONTHS	16-09-2024	Book Debt	NA
LXXXIV	-	28-09-2019	12.00	5.00	72 MONTHS	28-09-2025	Book Debt	NA

Debenture Series	ISIN	Date of Allotment	Coupon	Principal Amount (₹ in lakhs)	Tenure	Redemption Date	Security	Credit Rating
LXXXV	-	11-10-2019	11.75	1.00	60 MONTHS	11-10-2024	Book Debt	NA
LXXXVI	-	24-10-2019	11.00	5.00	11 MONTHS	28-09-2024	Book Debt	NA
LXXXVI	-	24-10-2019	11.00	15.00	11 MONTHS	01-10-2024	Book Debt	NA
LXXXVII	-	21-11-2019	11.00	7.00	11 MONTHS	25-10-2024	Book Debt	NA
LXXXVII	-	21-11-2019	11.00	22.00	11 MONTHS	28-10-2024	Book Debt	NA
LXXXVII	-	21-11-2019	16.00	1.00	11 MONTHS	28-10-2024	Book Debt	NA
LXXXVIII	-	16-12-2019	11.00	13.50	11 MONTHS	23-11-2024	Book Debt	NA
LXXXVIII	-	16-12-2019	11.00	3.00	366 DAYS	22-11-2024	Book Debt	NA
LXXXIX	-	31-12-2019	11.75	10.00	60 MONTHS	31-12-2024	Book Debt	NA
XC	-	15-01-2020	11.00	1.25	11 MONTHS	22-12-2024	Book Debt	NA
XC	-	15-01-2020	11.75	3.00	60 MONTHS	15-01-2025	Book Debt	NA
XCII	-	28-02-2020	11.75	8.00	60 MONTHS	28-02-2025	Book Debt	NA
XCII	-	28-02-2020	12.00	20.00	60 MONTHS	28-02-2025	Book Debt	NA
XCIII	-	23-03-2020	11.75	5.00	60 MONTHS	23-03-2025	Book Debt	NA
XCIII	-	23-03-2020	12.00	0.50	60 MONTHS	23-03-2025	Book Debt	NA
XCV	-	26-05-2020	11.75	3.00	60 MONTHS	26-05-2025	Book Debt	NA
XCV	-	26-05-2020	12.00	25.00	60 MONTHS	26-05-2025	Book Debt	NA
XCVI	-	10-06-2020	11.75	12.00	60 MONTHS	10-06-2025	Book Debt	NA
XCVI	-	10-06-2020	12.00	21.00	60 MONTHS	10-06-2025	Book Debt	NA

Debenture Series	ISIN	Date of Allotment	Coupon	Principal Amount (₹ in lakhs)	Tenure	Redemption Date	Security	Credit Rating
XCVII	-	30-06-2020	11.50	15.85	60 MONTHS	30-06-2025	Book Debt	NA
XCVIII	-	17-07-2020	10.75	5.00	366 DAYS	23-07-2024	Book Debt	NA
XCVIII	-	17-07-2020	11.50	6.00	60 MONTHS	17-07-2025	Book Debt	NA
XCIX	-	30-07-2020	11.00	5.00	366 DAYS	31-07-2024	Book Debt	NA
XCIX	-	30-07-2020	11.50	7.00	60 MONTHS	30-07-2025	Book Debt	NA
C	-	19-08-2020	10.50	2.75	366 DAYS	25-08-2024	Book Debt	NA
C	-	19-08-2020	11.50	6.25	60 MONTHS	19-08-2025	Book Debt	NA
CI	-	27-08-2020	11.50	10.00	60 MONTHS	27-08-2025	Book Debt	NA
CI	-	27-08-2020	12.50	75.00	60 MONTHS	27-08-2025	Book Debt	NA
CII	-	09-09-2020	11.00	2.00	366 DAYS	10-09-2024	Book Debt	NA
CII	-	09-09-2020	11.50	7.00	366 DAYS	10-09-2024	Book Debt	NA
CII	-	09-09-2020	11.50	10.44	60 MONTHS	09-09-2025	Book Debt	NA
CIV	-	13-10-2020	11.25	7.00	366 DAYS	19-10-2024	Book Debt	NA
CV	-	28-10-2020	10.50	10.00	366 DAYS	31-10-2024	Book Debt	NA
CV	-	28-10-2020	10.50	13.00	366 DAYS	03-11-2024	Book Debt	NA
CV	-	28-10-2020	11.50	10.00	60 MONTHS	28-10-2025	Book Debt	NA
CVI	-	20-11-2020	11.00	15.00	366 DAYS	21-11-2024	Book Debt	NA
CVI	-	20-11-2020	11.50	30.00	60 MONTHS	20-11-2025	Book Debt	NA
CVII	-	07-12-2020	11.50	10.00	60 MONTHS	07-12-2025	Book Debt	NA
CVIII	-	21-12-2020	10.50	8.00	24 MONTHS	25-12-2024	Book Debt	NA
CVIII	-	21-12-2020	10.50	8.00	366 DAYS	27-12-2024	Book Debt	NA
CVIII	-	21-12-2020	11.00	10.00	366 DAYS	22-12-2024	Book Debt	NA

Debenture Series	ISIN	Date of Allotment	Coupon	Principal Amount (₹ in lakhs)	Tenure	Redemption Date	Security	Credit Rating
CVIII	-	21-12-2020	11.50	0.50	60 MONTHS	21-12-2025	Book Debt	NA
CIX	-	12-01-2021	11.50	31.00	60 MONTHS	12-01-2026	Book Debt	NA
CX	-	02-02-2021	11.00	9.90	366 DAYS	03-02-2025	Book Debt	NA
CX	-	02-02-2021	11.25	2.00	366 DAYS	08-02-2025	Book Debt	NA
CX	-	02-02-2021	11.50	2.00	60 MONTHS	02-02-2026	Book Debt	NA
CXI	-	24-02-2021	11.50	1.00	60 MONTHS	24-02-2026	Book Debt	NA
CXI	-	24-02-2021	12.00	20.00	366 DAYS	25-02-2025	Book Debt	NA
CXII	-	11-03-2021	10.50	25.00	366 DAYS	17-03-2025	Book Debt	NA
CXII	-	11-03-2021	11.50	2.00	60 MONTHS	11-03-2026	Book Debt	NA
CXIII	-	26-03-2021	11.50	20.00	60 MONTHS	26-03-2026	Book Debt	NA
CXIV	-	15-04-2021	11.50	2.00	60 MONTHS	15-04-2026	Book Debt	NA
CXV	-	29-04-2021	11.50	28.00	60 MONTHS	29-04-2026	Book Debt	NA
CXVI	-	14-05-2021	11.25	10.00	60 MONTHS	14-05-2026	Book Debt	NA
CXVI	-	14-05-2021	11.50	25.00	60 MONTHS	14-05-2026	Book Debt	NA
CXVIII	-	22-06-2021	10.25	0.75	60 MONTHS	22-06-2024	Book Debt	NA
CXX	-	07-07-2021	10.25	5.00	60 MONTHS	07-07-2024	Book Debt	NA
CXX	-	07-07-2021	10.50	5.00	60 MONTHS	07-07-2024	Book Debt	NA
CXX	-	07-07-2021	11.00	10.00	60 MONTHS	07-07-2026	Book Debt	NA
CXX	-	07-07-2021	11.25	5.00	60 MONTHS	07-07-2026	Book Debt	NA
CXXI	-	15-07-2021	10.50	5.00	60 MONTHS	15-07-2026	Book Debt	NA

Debenture Series	ISIN	Date of Allotment	Coupon	Principal Amount (₹ in lakhs)	Tenure	Redemption Date	Security	Credit Rating
CXXII	INE0BUS07106	03-11-2021	10.50	41.75	18 MONTHS	04-11-2024	Book Debt	NA
CXXIII	INE0BUS07122	15-11-2021	10.75	9.50	60 MONTHS	15-11-2024	Book Debt	NA
CXXIII	INE0BUS07130	15-11-2021	11.00	5.00	60 MONTHS	15-05-2026	Book Debt	NA
CXXIV	INE0BUS07148	22-11-2021	10.82	5.00	60 MONTHS	22-11-2024	Book Debt	NA
CXXV	INE0BUS07197	02-12-2021	10.82	8.00	60 MONTHS	02-12-2024	Book Debt	NA
CXXV	INE0BUS07205	02-12-2021	11.00	27.50	60 MONTHS	02-06-2026	Book Debt	NA
CXXV	INE0BUS07213	02-12-2021	11.50	40.00	60 MONTHS	02-06-2026	Book Debt	NA
CXXVI	INE0BUS07254	09-12-2021	10.75	17.00	60 MONTHS	09-12-2024	Book Debt	NA
CXXVIII	INE0BUS07296	28-12-2021	10.75	10.00	60 MONTHS	28-12-2024	Book Debt	NA
CXXVIII	INE0BUS07304	28-12-2021	10.82	10.00	60 MONTHS	28-12-2024	Book Debt	NA
CXXVIII	INE0BUS07312	28-12-2021	11.00	20.00	60 MONTHS	28-06-2026	Book Debt	NA
CXXVIII	INE0BUS07320	28-12-2021	12.00	3.00	61 MONTHS	28-01-2027	Book Debt	NA
CXXIX	INE0BUS07353	04-01-2022	11.00	15.00	60 MONTHS	04-07-2026	Book Debt	NA
CXXIX	INE0BUS07361	04-01-2022	11.50	9.00	60 MONTHS	04-08-2026	Book Debt	NA
CXXXI	INE0BUS07395	29-01-2022	11.00	14.00	60 MONTHS	29-07-2026	Book Debt	NA
CXXXI	INE0BUS07403	29-01-2022	12.00	16.00	61 MONTHS	28-02-2027	Book Debt	NA
CXXXIV	INE0BUS07452	19-03-2022	11.00	12.00	60 MONTHS	19-10-2026	Book Debt	NA
CXXXVI	INE0BUS07494	30-04-2022	11.00	15.00	60 MONTHS	30-04-2027	Book Debt	NA

Debenture Series	ISIN	Date of Allotment	Coupon	Principal Amount (₹ in lakhs)	Tenure	Redemption Date	Security	Credit Rating
CXXXVIII	INE0BUS07619	30-07-2022	10.55	5.00	60 MONTHS	30-07-2024	Book Debt	NA
CXXXIX	INE0BUS07668	18-08-2022	10.55	56.00	60 MONTHS	18-08-2024	Book Debt	NA
CXXXIX	INE0BUS07676	18-08-2022	11.00	14.50	60 MONTHS	18-08-2027	Book Debt	NA
CXL	INE0BUS07692	27-09-2022	10.55	25.80	60 MONTHS	27-09-2024	Book Debt	NA
CXLI	INE0BUS07718	27-10-2022	10.55	31.00	60 MONTHS	27-10-2024	Book Debt	NA
CXLI	INE0BUS07734	27-10-2022	11.00	2.00	60 MONTHS	27-10-2027	Book Debt	NA
CXLII	INE0BUS07775 ,INE0BUS07783	03-12-2022	10.55	64.70	60 MONTHS	03-12-2024	Book Debt	NA
CXLII	INE0BUS07767	03-12-2022	11.00	15.00	60 MONTHS	03-12-2027	Book Debt	NA
CXLIII	INE0BUS07809	17-01-2023	10.55	12.00	60 MONTHS	17-01-2025	Book Debt	NA
CXLIII	INE0BUS07817	17-01-2023	11.00	5.00	60 MONTHS	17-01-2028	Book Debt	NA
CXLIV	INE0BUS07825	24-02-2023	10.00	31.00	60 MONTHS	24-08-2024	Book Debt	NA
CXLIV	INE0BUS07841	24-02-2023	10.55	42.00	60 MONTHS	24-02-2025	Book Debt	NA
CXLV	INE0BUS07874	31-03-2023	10.00	10.00	60 MONTHS	30-09-2024	Book Debt	NA
CXLV	INE0BUS07866	31-03-2023	10.55	14.75	60 MONTHS	31-03-2025	Book Debt	NA
CXLV	INE0BUS07858	31-03-2023	11.00	20.00	60 MONTHS	31-03-2028	Book Debt	NA
CXLVI	INE0BUS07890	28-04-2023	10.55	10.00	60 MONTHS	28-04-2025	Book Debt	NA
CXLVI	INE0BUS07916	28-04-2023	11.00	80.00	60 MONTHS	28-04-2025	Book Debt	NA
CXLVI	INE0BUS07908	28-04-2023	11.00	10.00	60 MONTHS	28-04-2028	Book Debt	NA

Debenture Series	ISIN	Date of Allotment	Coupon	Principal Amount (₹ in lakhs)	Tenure	Redemption Date	Security	Credit Rating
CXLVII	INE0BUS07999	18-05-2023	10.55	15.00	60 MONTHS	18-05-2025	Book Debt	NA
03_BC	INE0BUS07AA5	05-06-2023	8.17	1000.00	60 MONTHS	05-09-2024	Book Debt	Acuite BBB+/Stable
03_BC	INE0BUS07AB3	05-06-2023	8.40	1500.00	60 MONTHS	05-09-2024	Book Debt	Acuite BBB+/Stable
CXLVIII	INE0BUS07AC1	28-07-2023	9.00	15.00	60 MONTHS	28-07-2024	Book Debt	NA
CXLVIII	INE0BUS07AH0	28-07-2023	10.00	5.00	60 MONTHS	28-01-2025	Book Debt	NA
CXLVIII	INE0BUS07AG2	28-07-2023	10.55	37.55	60 MONTHS	28-07-2025	Book Debt	NA
CXLVIII	INE0BUS07AF4	28-07-2023	10.75	21.00	60 MONTHS	28-07-2025	Book Debt	NA
CXLVIII	INE0BUS07AD9	28-07-2023	11.50	6.00	61 MONTHS	28-08-2028	Book Debt	NA
CXLVIII	INE0BUS07AE7	28-07-2023	12.25	15.00	72 MONTHS	28-07-2029	Book Debt	NA
CXLIX	INE0BUS07AI8	02-09-2023	10.55	39.50	60 MONTHS	02-09-2025	Book Debt	NA
CL	INE0BUS07AM0	25-09-2023	9.00	20.50	60 MONTHS	25-09-2024	Book Debt	NA
CL	INE0BUS07AL2	25-09-2023	10.00	10.00	60 MONTHS	25-03-2025	Book Debt	NA
CL	INE0BUS07AK4	25-09-2023	10.55	42.25	60 MONTHS	25-09-2025	Book Debt	NA
04_BC	INE0BUS07AJ6	19-10-2023	8.17	2500.00	60 MONTHS	19-01-2025	Book Debt	CRISIL BBB+/Stable
CLI	INE0BUS07AO6	20-11-2023	10.55	21.00	60 MONTHS	20-11-2025	Book Debt	NA
CLI	INE0BUS07AN8	20-11-2023	11.00	8.00	60 MONTHS	20-11-2028	Book Debt	NA
CLI	INE0BUS07AP3	20-11-2023	11.50	50.00	60 MONTHS	20-11-2028	Book Debt	NA
CLII	INE0BUS07AQ1	27-12-2023	9.00	3.00	60 MONTHS	27-12-2024	Book Debt	NA

Debenture Series	ISIN	Date of Allotment	Coupon	Principal Amount (₹ in lakhs)	Tenure	Redemption Date	Security	Credit Rating
CLII	INE0BUS07AR9	27-12-2023	10.55	5.00	60 MONTHS	27-12-2025	Book Debt	NA
05_BC	INE0BUS07BA3	19-06-2024	11.00	2500.00	15 MONTHS	19-09-2025	Book Debt	CRISIL BBB+/Stable
TOTAL				**9,277.49**				

6. **Private Placement of secured redeemable Market Linked Non-convertible debentures amounting to Nil as on June 30, 2024**

7. Public Issue of secured redeemable non-convertible debentures as on June 30, 2024

The Company has issued secured, redeemable, non-convertible debentures of face value of ₹1,000 each through public issue, of which ₹20,869.39 Lakhs was cumulatively outstanding as on June 30, 2024, the details of which are set out below:

Sr. No.	Description	Date of Allotment	ISIN	Tenor/ Period of Maturity	Coupon (per annum)	Credit Rating	No. of NCD holders as on June 30, 2024 (₹ in lakhs)	Amount outstanding as on June 30, 2024 (₹ in lakhs)	Redemption / Maturity Date	Security
1	NCD Issue I Secured, Redeemable, Listed, Rated Non-Convertible Debentures	25-10-2021	INE0BUS07064	36 Months - Monthly	10.75%	'CRISIL BBB/Stable'	302	573.28	24-10-2024	First ranking Pari passu charge with Existing Secured Creditors, on current assets, including book debts, receivables,
2			INE0BUS07072	36 Months - Annual	10.75%		67	90.57	24-10-2024	
3			INE0BUS07080	36 Months - Cumulative	10.82%		137	238.68	24-10-2024	
4			INE0BUS07098	54 Months - Monthly	11.00%		293	631.83	24-04-2026	
5	NCD Issue II Secured, Redeemable, Listed, Rated Non-Convertible	28-06-2022	INE0BUS07569	61 Months - Monthly	11.00%	'ACUITE BBB+ /Stable'	667	2,101.24	27-07-2027	
6			INE0BUS07577	77 Months - Doubling	11.50%		273	689.18	27-11-2028	

Sr. No.	Description	Date of Allotment	ISIN	Tenor/ Period of Maturity	Coupon (per annum)	Credit Rating	No. of NCD holders as on June 30, 2024 (₹ in lakhs)	Amount outstanding as on June 30, 2024 (₹ in lakhs)	Redemption / Maturity Date	Security
	Debentures									loans and advances and cash & bank balances (excluding Reserves created in accordance with law and exclusive charge created in favour of secured charge holders in terms of their respective loan agreem
7	NCD Issue III Secured, Redeemable, Listed, Rated Non-Convertible Debentures	23-06-2023	INE0BUS07932	400 Days - Monthly	9.00 %	'CRISIL BBB+ /Stable'	342	366.99	27-07-2024	
8			INE0BUS07924	400 Days - Cumulative	9.00 %		312	445.53	27-07-2024	
9			INE0BUS07981	24 Months - Monthly	10.50%		1,233	2,647.83	23-06-2025	
10			INE0BUS07973	24 Months - Cumulative	10.75%		499	940.05	23-06-2025	
11			INE0BUS07940	61 Months - Monthly	11.50%		1,165	2,805.35	23-07-2028	
12			INE0BUS07957	61 Months - Cumulative	11.50%		45	47.34	23-07-2028	
13			INE0BUS07965	72 Months - Doubling	12.25%		691	1,478.77	23-06-2029	
14	NCD Issue IV Secured, Redeemable, Listed, Rated Non-Convertible Debentures	16-02-2024	INE0BUS07AY5	366 Days - Monthly	9.00 %	'CRISIL BBB+ /Stable'	382	441.98	16-02-2025	
15			INE0BUS07AZ2	366 Days - Cumulative	9.00 %		385	402.05	16-02-2025	

Sr. No.	Description	Date of Allotment	ISIN	Tenor/ Period of Maturity	Coupon (per annum)	Credit Rating	No. of NCD holders as on June 30, 2024 (₹ in lakhs)	Amount outstanding as on June 30, 2024 (₹ in lakhs)	Redemption / Maturity Date	Security
										ents/documents), both present and future of the Company
16			INE0BUS07AX7	24 Months - Monthly	9.75%		293	305.07	13-02-2026	
17			INE0BUS07AW9	24 Months - Cumulative	9.75%		133	170.77	13-02-2026	
18			INE0BUS07AS7	36 Months - Monthly	10.75%		775	1,653.10	15-02-2027	
19			INE0BUS07AU3	36 Months - Cumulative	10.75%		206	267.37	15-02-2027	
20			INE0BUS07AT5	60 Months - Monthly	11.50%		1,251	3,232.30	15-02-2029	
21			INE0BUS07AV1	72 Months - Cumulative	12.25%		706	1,340.11	15-02-2030	
Total							**10,157.00**	**20,869.39**	**-**	

b. Details of Unsecured Borrowings:

The Company's outstanding unsecured borrowings, on standalone basis amount to ₹20,520.80 Lakhs as on June 30, 2024. The details of the individual borrowings are set out below:

1. **Details of Unsecured Term Loans:** Nil

2. **Subordinated Debts**

The outstanding amount of privately placed subordinated debt was ₹16,461.50 lakhs as on June 30, 2024, the details of which are set forth below:

(*₹ in lakhs*)

Sr. No.	Series of NCD	ISIN	Date of Allotment	Coupon Rate	Tenor (Months)	Total Issue size (Principal Amount)	Amount Outstanding as on June	Redemption Date	Credit Rating

						(₹ in lakhs)	30, 2024 (₹ in lakhs)		
1	-	-	16-04-2016 to 31-03-2017	11.75% to 12.50%	60	1,558.80	2.25	01-09-2021 to 30-03-2022	-
2	-	-	03-04-2017 to 31-03-2018	11.50% to 12.50%	60	2,690.40	5.25	02-04-2022 to 30-03-2023	-
3	-	-	03-04-2018 to 30-03-2019	11.50% to 12.50%	60	1,520.00	1.95	02-04-2023 to 29-03-2024	-
4	-	-	02-04-2019 to 30-03-2020	11.50% to 16.00%	60/71/72	4,194.50	3,782.40	02-04-2024 to 28-02-2026	-
5	-	-	02-04-2020 to 30-03-2021	12.00% to 16.00%	60/66/71	4,794.35	4,794.35	02-04-2025 to 28-02-2027	-
6	-	-	01-04-2021 to 30-03-2022	11.00% to 14.87%	60/61/66/71/74	5,743.95	5,763.10	31-03-2026 to 30-07-2026	-
7	-	-	09-04-2022 to 31-03-2023	11.50% to 14.00%	60/72/74	1,509.10	1,509.10	09-05-2027 to 31-05-2029	-
8	-	-	29-04-2023 to 30-03-2024	11.50% to 12.00%	60/74	499.75	499.75	29-05-2028 to 30-05-2030	-
9	-	-	22-04-2024 to 27-06-2024	11.50% to 12.00%	61/74	103.35	103.35	22-05-2029 to 27-08-2030	-
TOTAL						**22,614.20**	**16,461.50**		

3. Unsecured non-convertible debentures, as on June 30, 2024

a. Private Placement of unsecured non-convertible debentures, as on June 30,2024

The Company has not issued unsecured, redeemable non-convertible debentures on a private placement basis, as on June 30, 2024.

b. Non-convertible debentures & Sub-ordinated debts that are matured but not redeemed

(₹ in lakhs)

Parameters	Principal Amount outstanding as on June 30, 2024
Privately placed secured redeemable NCD matured but not redeemed – Secured	17.25
Sub-ordinated debt matured but not redeemed – Unsecured	24.20
Total matured but not redeemed	**41.45**

c. Public Issue of non-convertible debentures as on June 30, 2024

The Company has issued unsecured, redeemable, non-convertible debentures through public issue, of which ₹4,059.30 lakhs was cumulatively outstanding as on June 30, 2024, the details of which are set out below:

Sr. No.	Description	Date of Allotment	ISIN	Tenor/ Period of Maturity	Coupon (per annum)	Credit Rating	No. of NCD holders as on June 30, 2024 (₹ in lakhs)	Amount outstanding as on June 30, 2024 (₹ in lakhs)	Redemption / Maturity Date
1	NCD Issue I unsecured, Redeemable, Non-Convertible Debentures	25-10-2021	INE0BUS08013	61 Months - Monthly	12.00%	'CRISIL BBB+/Stable'	836	2,701.18	24-11-2026
2			INE0BUS08021	61 Months - Annual	12.00%		78	83.93	24-11-2026
3			INE0BUS08039	71 Months - Doubling	12.43%		510	1,274.19	24-09-2027
Total							**1,424**	**4,059.30**	**-**

d. Perpetual Debt Instrument as on June 30, 2024:

The Company has not issued any perpetual debt instruments on a private placement basis as on June 30, 2024.

e. Details of Commercial Paper:

As on June 30, 2024, there are no outstanding commercial papers issued by the Company.

f. Letter of Comfort: Nil

g. Details of Corporate Guarantees

As on June 30, 2024 our Company has not issued any corporate guarantees on behalf of any subsidiary, JV entity, group company, etc.

h. Details of bank fund-based facilities /rest of borrowings (if any, including hybrid debt instruments such as foreign currency convertible bonds (FCCB) or optionally convertible debentures and preference shares from financial institutions or financial creditors as on June 30,2024:

The Company does not have any bank fund-based facilities /rest of borrowings (if any, including hybrid debt instruments such as foreign currency-convertible bonds (FCCB) or optionally convertible debenture and preference shares from financial institutions or financial creditors as on June 30,2024.

i. Inter-Corporate Deposits: Nil

j. Inter-Corporate Loans: Nil

k. Loan from Directors and Relatives of Directors:

The Company has not raised any loan from directors and relatives of directors as on June 30, 2024.

l. Details of any outstanding borrowings taken/ debt securities issued where taken/ issued (a) for consideration other than cash, whether in whole or in part, (b) at a premium or discount, or (c) in pursuance of an option as on June 30, 2024.

The Company has not amount of corporate guarantee or letter of comfort, contingent liability and has Nil outstanding borrowings taken / debt securities issued where taken/issued (a) for consideration other than cash, whether in whole or in part, (b) at a premium or discount, or (c) in pursuance of an option as on June 30, 2024.

m. Servicing behaviour on existing debt securities, payment of due interest on due dates on financing facilities or debt securities

The Company confirms that there has not been default upon or delay in payment of any interest and/or principal for the existing term loans, debt securities and other financial indebtedness in the preceding three years and the current financial year as on June 30,2024.

n. List of top 10 debenture holders (secured and unsecured) in terms of value (on cumulative basis) as on June 30, 2024

Sr. No.	Name of holders	Category of holder	Principal Amount (₹ in lakhs)	Holding as a % of outstanding nonconvertible securities
1.	Credavenue Securities Private Limited	NCD-Private Placement	2,170.00	6.34%
2.	IKF Finance Limited	NCD-Private Placement	1,000.00	2.92%
3.	Poddar Tyres Limited	NCD-Private Placement	600.00	1.75%
4.	Santosh Rubber Machinery Private Limited	NCD-Private Placement	450.00	1.32%
5.	Indel Capital Ventures and Investments Private Limited	NCD-Private Placement/Public Issue	380.80	1.11%
6.	Shri Ram Finance Corporation	NCD-Private Placement	370.00	1.08%
7.	Ramesh Hariharan	NCD-Private Placement	300.00	0.88%
8.	Mas Financial Services Limited	NCD-Private Placement	260.00	0.76%
9.	Asokan	NCD-Private Placement/Public Issue	246.00	0.72%
10.	Arunkumar Ramanlal Gandhi	NCD-Private Placement/Public Issue	200.00	0.58%

o. List of top 10 holders of commercial paper as on June 30, 2024 in terms of value (on cumulative basis): NIL

Restrictive Covenants under our Financing Arrangements

Many of the financing agreements include various restrictive conditions and covenants restricting certain corporate actions, and the Company is required to take the prior approval of the lender before carrying out such activities. For instance, the Company, *inter alia*, is required to obtain the prior written consent in the following instances:

i. to declare and/or pay dividend to any of its Shareholders whether equity or preference, during any financial year unless the Company has paid to the lender the dues payable by the Company in that year;

ii. to undertake or permit any merger, amalgamation or compromise with its Shareholders, creditors or effect any scheme of amalgamation or reconstruction or disposal of whole of the undertaking
iii. to create or permit any charges or lien, sell or dispose of any encumbered assets;
iv. to alter its capital structure, or otherwise acquire any share capital;
v. to effect a change of ownership or control, or management of the Company;
vi. to enter into long term contractual obligations directly affecting the financial position of the Company;
vii. to borrow or obtain credit facilities from any bank or financial institution;
viii. to undertake any guarantee obligations on behalf of any other company; and
ix. sell, assign, mortgage or otherwise dispose of any of the fixed assets charged to the banks.

SECTION VI - LEGAL AND OTHER INFORMATION

OUTSTANDING LITIGATIONS

Except as stated in this section, there are no outstanding: (i) criminal proceedings; (ii) actions by statutory/regulatory authorities; (iii) claims for any indirect and direct tax liability; and (iv) other litigations which are identified as material in terms of the Materiality Threshold (as defined hereinafter below), each involving our Company, our Group Companies, Directors, Subsidiary Company or Promoter.

*Our NCD Sub Committee of the Board, in its meeting held on August 28, 2024, has adopted a threshold for the identification of material litigations ("**Materiality Threshold**"). As per the Materiality Threshold, other than for the purposes of (i) to (iii) above, all outstanding litigation, wherein:*

(a) the quantified monetary amount of claim by or against the relevant person in any such pending litigation proceeding is or is in excess of 5% of the average of absolute value of profit or loss after tax, as per the last three audited financial statements of our Company amounting to ₹104.18 lakhs; or

(b) the outcome of such litigation proceeding may have a material adverse effect on the business, operations, prospects or reputation of the Company, has been considered as 'material litigation', and accordingly has been disclosed in this Draft Prospectus.

Further, except as mentioned in this section, there are no proceedings involving our Group Companies, which may have a material adverse effect on the position of our Company.

It is clarified that for the purposes of the above, pre-litigation notices received by our Company, Directors, Promoter, Subsidiary Company or Group Companies shall, unless otherwise decided by our Board of Directors, not be considered as litigation until such time that our Company or Directors or Promoter or Group Companies, as the case may be, is impleaded as a defendant in litigation proceedings before any judicial forum.

Further, except as stated in this section, there are no: (i) litigation or legal action pending or taken by any Ministry or Department of the Government or a statutory authority against our Promoter during the current financial year and last three financial years of this Draft Prospectus and any direction issued by such Ministry or Department or statutory authority; (ii) pending litigation involving our Company, our Promoter, our Directors, Group Companies, Subsidiary Company or any other person, whose outcome could have material adverse effect on the position of our Company; (iii) pending proceedings initiated against our Company for economic offences; (iv) default and non-payment of statutory dues, etc; (v) inquiries, inspections or investigations initiated or conducted against our Company and/ or our Subsidiary under the Companies Act or any previous companies law in the current financial year and last three financial years of this Draft Prospectus; (vi) prosecutions filed (whether pending or completed), fines imposed or compounding of offences done in the current financial year and last three financial years of this Draft Prospectus; and (vii) material frauds committed against our Company in the current financial year and last three financial years.

Further from time to time, we have been and shall continue to be involved in legal proceedings filed by and/or against us, arising in the ordinary course of our business. We believe that the number of proceedings in which we are/were involved is not unusual for a company of our size doing business in India.

Unless stated to the contrary, the information provided below is as of the date of this Draft Prospectus.

All terms defined in a particular litigation disclosure below are for that particular litigation only.

1. **Material litigations and regulatory actions involving our Company**

   As on the date of this Draft Prospectus, following are material litigations in our Company:

   (i) Civil litigation by our Company

   The Company ("**Petitioner**") has an arbitration claim petition numbered MA No. 82/24 against M/s Fablums Medicare Private Limited and the managing director, chairman and directors of the said company ("**Respondents**") before Vacation Court, District Judge, Ernakulam ("**Hon'ble Court**") on 30 April, 2204 under the section 9 (1) (ii) (e) of the Arbitration and Conciliaiton Act, 1996. The Respondent availed a loan amounting to ₹1,21,00,000 ("**Loan**"), which was secured by way of equitable mortgage against properties in Kannadi-1 Village, Palakkad District, with the title deeds entrusted to the Petitioner. Under the terms of the loan agreement dated September 28, 2023 ("**Loan Agreement**"), the Respondents had agreed to repay the Loan in 48 monthly instalments but have defaulted, resulting in a pending balance of ₹1,20,33,062 as of November 18, 2023, which the Petitioner demanded through a recall notice. Despite the notice, the Respondents failed to settle the dues, and an updated amount of ₹1,29,34,922/- is now outstanding. The Petitioner believes that the Respondents are attempting to sell the mortgaged property to evade repayment. Consequently, the Petitioner seeks the Hon'ble Court's order directing the Respondents to furnish security for the outstanding amount and to prevent the sale of the property through an attachment order. Additionally, the Petitioner requests that the dispute be resolved through arbitration, as per the Loan Agreement, and that the Hon'ble Court attach the property pending the outcome of arbitration to ensure the Petitioner's ability to recover the debt. A notice to the Respondent and the Petitioner has been issued by the Hon'ble Court.

(ii) Civil litigation against our Company

There are no civil cases filed by our Company.

(iii) Criminal litigation by our Company

Except as disclosed below there are no criminal cases filed by our Company:

1. Our Company filed a criminal complaint (**"Complaint"**) on September 1, 2021 in Karimnagar II Town Police Station, Karimnagar, Telangana against Moluguri Kiran, Ashok, Sharath Kumar, Sandeep Reddy and Sathish (**"Accused"**) under Sections 420 of the Indian Penal Code, 1860 (**"IPC"**). The Accused cheated the Company by pledging spurious gold ornaments due to which the Company suffered a financial loss of ₹5,09,500. Pursuant to the Complaint, a case bearing crime no. 333/21 (**"Case"**) was registered vide first information report no. 333 (**"FIR"**) dated September 1, 2021, under Section 420 of IPC. The Case is under investigation and is currently pending before the Judicial Magistrate of First Class (PCR) Special Mobile at Karimnagar.

2. Our Company filed a criminal complaint (**"Petition"**) on April 23, 2021 in Pudukkottai Town Police Station, Pudukkottai, Tamil Nadu against Sumathi, Marimuthu and Pavithra Jayanthi (**"Accused"**) for commission of alleged crime under Sections 420, 408, 120B, 419 read with Section 34 of the Indian Penal Code, 1860 (**"IPC"**). The Accused including both employees and customers of the Company cheated the Company by pledging stolen gold ornaments due to which the Company suffered a financial loss of ₹90,24,129. Parallelly, a case has been filed by HDB Financial Services Limited claiming possession of the stolen gold ornaments pledged with our Company. Subsequently, a claim petition has been filed by our Company claiming interim custody of the gold ornaments pledged with our Company before the Judicial Magistrate Court, Pudukkottai. The case filed by HDB Financial Services Limited and the claim petition filed by our Company are currently pending before the Judicial Magistrate Court, Pudukkottai.

3. Our Company filed a criminal petition / complaint (**"Petition"**) on February 25, 2021 in Melapalayam Police Station, C2, Tamil Nadu against A Helanraja, Venkatesh. B, Marliya, Paramanantham, Ganesan. K, and (**"Accused"**) under Sections 420, 408, 120B, 419 read with Section 34 of the Indian Penal Code, 1860 (**"IPC"**). The Accused including both employees and customers of the Company cheated the Company by pledging spurious gold ornaments due to which the Company suffered a financial loss of ₹21,06,000. Pursuant to the Petition case bearing Crime No. 141/21 (**"Case"**) was registered vide First Information Report No. 141 (**"FIR"**) dated March 5, 2021, under Section 402, 408 of IPC against A Helanraja, Venkatesh. B, Marliya, Paramanantham, Ganesan. K. The Case is under investigation and is currently pending before the Principal District Court, Tirunelveli

4. Our Company filed a criminal petition / complaint (**"Petition"**) on March 24, 2021 in the Kuniamuthur Police Station, Tamil Nadu against Nithyanandham, Vigneswaran and Ramya (**"Accused"**) under Section 419, 420, 477A and Section 120B of the Indian Penal Code, 1860 (**"IPC"**). The Accused pledged spurious gold ornaments and stole the amount due to which the Company suffered a financial loss of ₹6,33,300. Pursuant to the Petition, case bearing Crime No. 224/21 (**"Case"**) was registered vide First Information Report No. 224 (**"FIR"**) dated March 24, 2021 under section 419 read with sections 420, 477A and 120B of IPC. The Case is under investigation and is currently pending before the Judicial Magistrate No. VII, Coimbatore.

5. The Company filed a Police complaint ("**Petition**") dated November 18, 2020 in the Hosadurga Police Station, Chitradurga District, Karnataka against Shankra, Thimmaiah, Nagarajappa, Santhosha and Shilpa ("**Accused**") under Section 419,420, 477A, 120B read with section 34 of the Indian Penal Code, 1860 ("**IPC**"). The Accused customers pledged theft gold ornaments in Hosadurga Branch of the Company and availed gold loan. Later police seized the said gold ornaments in connection with another crime. Pursuant to the Petition, case bearing Crime No. 386/2020 ("**Case**") was registered vide First Information Report No. 386/2020 ("**FIR**") in the Hosadurga Police Station dated November

18, 2020 under Section 419, 420, 120B read with 34 of IPC. The Case is under investigation and is currently pending before the Judicial First Class Magistrate Court, Hosadurga.

6. The Company filed a criminal petition / complaint (**“Petition”**) on November 2, 2020, in the KR Nagar Police Station against Manu S. (**“Accused”**) under Section 420 of the Indian Penal Code, 1860 (**“IPC”**). The Accused cheated the Company by pledging stolen gold ornaments as security for gold loan due to which the Company suffered a financial loss of ₹3,94,224. Pursuant to the Petition, case bearing Crime No. 343/2020 (**“Case”**) was registered vide First Information Report No. 343/2020 (**“FIR”**) dated November 2, 2020 under Section 420 of IPC. The Case is under investigation and is currently pending before the CJM Court, KR Nagar, Mysore district.

7. The Company filed a criminal petition / complaint (**“Petition”**) on August 18, 2020 in the JJ Nagar Police Station, Mogappair, Chennai against Chandrasekaran M., Jibin George M, Ezhilarasan S., Saravanan. T. and Charles Prabhakaran (**“Accused”**) under Section 420, 408, 465, 468, 471, 477A, 120(b) 419 read with Section 34 of the Indian Penal Code, 1860 (**“IPC”**). The Accused cheated the Company and committed theft, fraud and financial misappropriation by manipulating customer accounts without the knowledge of the customers and the Company for an amount of ₹36,28,399. Pursuant to the Petition, case bearing Crime No. 610/2021 (**“Case”**) was registered vide First Information Report No. 610 (**“FIR”**) dated June 18, 2021, under Section 420, 408, 465, 468, 471, 477A, 120B, 419 read with Section 34 of IPC. Chandrasekaran M., Jibin George M, Ezhilarasan S., Saravanan. T. were arrayed as Accused in the FIR. The Case is under investigation and is currently pending before the Judicial Magistrate Ambattur.

8. The Company filed a criminal petition / complaint (“**Petition**”) on March 17, 2020 in the Electronic City Sub Division, Police Station, Bangalore City, against Nihal Antony Raj, Sunanda K.O and Shilpa B.V. (“**Accused**”) under Sections 34, 120B, 408, 465, 477A, 468, 420, 419 and 471 of the Indian Penal Code, 1860 (“IPC”). The Accused cheated the Company and committed theft, fraud and financial misappropriation by manipulating customer accounts without the knowledge of the customers and the Company due to which the Company suffered a financial loss of ₹64,09,000. Pursuant to the Petition, case bearing Crime No. 0061/2020 (“Case”) was registered vide First Information Report No. 61 (“**FIR**”) dated March 17, 2020. The Case is under investigation and is currently pending before the 4th Additional CMM Court, Bangalore City.

9. Company has filed a criminal petition/complaint (“**Petition**”) on July 19, 2022 before the Sankarankoil Town Police Station against the accused Churchil Edwin (“**Accused**”) under section 420,465, 468 and 471 of the Indian Penal Code, 1860 (“**IPC**”). The Accused made believe the Company and pledged spurious gold for the purpose of availing gold loan. Moreover, the Accused has forged the Aadhar card for the said act. The Accused with an intention to cause illegal loss to the Company and to have illegal gain to the Accused have committed the crime. The act of the Accused have caused to the tune of an amount of ₹2,81,300. Currently, the matter is pending with police to file charge sheet before the appropriate court.

10. That on June 11, 2022 the Gopalapatnam Police visited our Company and seized gold ornaments pledged by Kommoju Veera Varaha Seshu (**“Accused”**) as per FIR No.170/22 under section 380 of IPC. The complainant, Saladhi Gowri has filed a complaint against her minor son, child in conflict with the law Saladi Chaitra Govind (“**CICL**”). While questioning the CICL, he revealed before the Police that he has given the gold ornaments to Kommoju Veera Varaha Seshu, who in turn pledged the said gold ornament and availed gold loan to the tune of ₹1,83,175. The Accused with an intention to cause illegal loss to the Company and to have illegal gain to the Accused has committed the crime. The act of the Accused has caused to the tune of an amount of ₹1,83,175. Further, an amount of ₹1,28,100 has been released by the insurance company. Currently, the matter is pending with police to file charge sheet before the appropriate court.

11. That on January 13, 2023 the Luxettipet Police visited our Company and seized gold ornaments pledged by Katherapaka Anjaneya Prasad alias Anji Babu (**“Accused”**) as per FIR No.209/22 under sections 366, 376 and 406 of the Indian Penal Code, 1860 (“**IPC**”) and section 4 of The Protection of Children from Sexual Offences Act, 2012 (“**POCSO Act**”) and section 10 of The Prohibition of Child Marriage Act, 2006. The complainant, Birudula Satyanarayana, has filed a complaint against the Accused for the above crime. While questioning the Accused he revealed before the Police that he has pledged the said gold ornament and availed gold loan to the tune of ₹1,64,000. The Accused with an intention to cause illegal loss to the Company and to have illegal gain to the Accused has committed the crime. The act of the Accused has caused a loss to the Company to the tune of an

amount of ₹1,64,000. Currently, the matter is pending with police to file charge sheet before the appropriate court.

12. That on February 6, 2023 the Jagatsinghpur Police visited our Company and seized gold ornaments pledged by Basanth Guru and Sanjay Das (collectively the **"Accused"**) (pledged through his wife Jamuna Das) as per FIR No.0052/23 under section 380 of Indian Penal Code,1860 ("**IPC**"). The complainant, Pravat Kumar Mohanty has filed a complaint against the Accused. While questioning both the Accused, they have revealed before the Police that they have pledged the said gold ornament and availed gold loan to the tune of ₹3,49,100. Both the Accused with an intention to cause illegal loss to the Company and to have illegal gain to themselves have committed the crime. The act of both the Accused have caused loss to the Company to the tune of an amount of ₹3,49,100. Currently, the matter is pending with police to file charge sheet before the appropriate court.

13. That the Company filed a complaint before District Crime Branch, Ramanathapuram against the Jeeva Jyothi and 4 others ("**Accused**") of the Company for the offence under Sections 403, 405,408 and 120B of the Indian Penal Code, 1860 ("**IPC**"). After conducting the initial enquiry by the District Crime Branch, Ramanathapuram a crime was registered on March,18, 2023. All the Accused are the employees of the Company have cheated the Company by misappropriating the amounts of the Company for their illegal gains. The act of all the Accused have caused to the tune of an amount of ₹52,48,873. Currently, the matter is pending with police to file charge sheet before the appropriate court.

14. That on March 4, 2023 the Prakash Nagar Police visited our Company and seized gold ornaments pledged by Kommana Suresh as per FIR No.400/22 under section 408 and 420 of IPC. The complainant, Sugathan Sheeja Kattilparambil has filed a complaint against Putchakayala Kiran, Chamankuri Veera Venkata Durga Devi, Koujula Sunil Kumar and Pithala Chinnna Babu (collectively the **"Accused"**). While questioning the above named Accused, they have revealed before the Police that they have given the gold ornaments to Kommana Suresh, who in turn pledged the said gold ornament and availed gold loan to the tune of ₹2,50,650. The Accused with an intention to cause illegal loss to the Company and to have illegal gain to themselves have committed the crime. The act of all the Accused have caused loss to the Company to the tune of an amount of ₹2,50,650. Currently, the matter is pending with police to file charge sheet before the appropriate court.

15. The Company has filed a criminal petition/complaint on March 9, 2023, before the Fairlands Police Station against the Abdul Khadar (**"Accused"**) vide CSR No.134/2023 (**Registered as FIR No.929/23**). The Accused pledged spurious gold with the Company for the purpose of availing gold loan. The Accused with an intention to cause illegal loss to the Company and to have illegal gain to the Accused has committed the crime. The act of the Accused caused loss to the Company to the tune of an amount of ₹4,11,450. Currently, the matter is pending with police to file charge sheet before the appropriate court.

16. The Company has filed a criminal complaint on April 28, 2023 as per FIR No.278/22, before Ajith Singh Nagar Police Station against Mr. Mungara Vijaya Ganesh and Saitala Gunalakshmi (collectively the" **Accused**"). Both of them were employees of the company for the offences under section 408,486, 379,120(B) of the Indian Penal code, 1860 ("IPC"). After conducting the initial enquiry by the Ajith Singh Nagar Police Station registered a crime. The Accused have committed criminal acts by misusing their authority and position have stolen the gold ornaments from the safe locker of the company and misappropriated the cash amounting to ₹43,69,618 from the Company. The Accused have committed theft, misappropriation of cash, criminal breach of trust, criminal conspiracy, cheating, forgery and embezzling the company funds.

17. The defacto complainant Mr. Nataraju has filed a complaint against Shrinivas and Kalkere Manja (collectively the **"Accused 1"**) pursuant to which on May 5, 2023 the Tiptur Police visited our Company at Turuvekere branch and seized gold ornaments pledged by Mrs Roopa K as per FIR No. 20/23 under section 454,457 and 380 of IPC. While questioning the Accused namely Shrinivas and Kalkere Manja, they have revealed before the Police that they have given the gold ornaments to Mrs. Roopa KT (**"Accused 2 "**), who in turn pledged the said gold ornament and availed gold loan to the tune of ₹1,24,000. Accused 2 with an intention to cause illegal loss to the Company and to have illegal gain to themselves have committed the crime. The act of the Accused 1 and Accused 2 have caused loss to the company to the tune of an amount of ₹1,24,000. Currently, the matter is pending with police to file charge sheet before the appropriate court.

18. The complainant Mr. Nataraju has filed a complaint against Shrinivas and Kalkere Manja (collectively the **"Accused 1"**), pursuant to which, on May 6, 2023 the Tiptur Police visited our

Company at Tiptur branch and seized gold ornaments pledged by Mr. Girish C S as per FIR No.20/23 under section 454,457 and 380 of IPC. While questioning the above referred accused, they have revealed before the Police that they have given the gold ornaments to Mr. Girsih C S(**"Accused 2"**), who in turn pledged the said gold ornament and availed gold loan to the tune of ₹1,52,203. Accused 2 with an intention to cause illegal loss to the Company and to have illegal gain to themselves have committed the crime. The act of the Accused 1 and Accused 2 have caused loss to the company to the tune of an amount of ₹1,52,203. Now the matter is pending with police to file charge sheet before the appropriate court.

19. The defacto complainant Mrs. Nelapati Pawani has filed a complaint against the accused, Junaid Khan (**"Accused 1"**), pursuant to which on September 9, 2023 the Karimnagar II Town Police visited our Company and seized gold ornaments pledged by Mr. Dontha Yashwanth Raj as per FIR No.429/23 under section 354-A and 386 of IPC and 65 and 66-D of IT Act. Also under section 11 r/w 12 of POCSO Act. While questioning the above referred Accused 1, he have revealed before the Police that he gave the gold ornaments to Mr. Dontha Yashwanth Raj(**"Accused 2"**), who in turn pledged the said gold ornament and availed gold loan to the tune of ₹1,18,750. Accused 2with an intention to cause illegal loss to the company and to have illegal gain to themselves have committed the crime. The act of the Accused 1 and Accused 2 have caused loss to the Company to the tune of an amount of ₹1,18,750. Now the matter is pending with police to file charge sheet before the appropriate court.

20. The complainant Mr. Kiran Kumar K.K, has filed a complaint against the Accused, pursuant to which on September 12, 2023, the Chamarajanagar Police visited our Company and seized gold ornaments pledged by Mr. Nagendrappa M C (**"Accused"**) as per FIR No. 24/23 under section 406,408,409 and 420 of IPC. While questioning the above referred accused, he revealed before the Police that he had pledged the gold ornaments and availed gold loan and personal loan to the tune of ₹1,94,000. The Accused with an intention to cause illegal loss to the company and to have illegal gain to themselves have committed the crime. The act of the Accused had caused loss to the company to the tune of an amount of ₹1,94,000. Now the matter is pending with police to file charge sheet before the appropriate court.

21. The complainants Mr. Polishetti Venkateshwarlu and Mr. Ramanamma Gottiparthy have filed a complaint against the accused Korrapati Veera Naga Raju, Vijay, Vamshi, Nani, Chinna, Vijaya Raju, S/o Venkateshwara Rao and Vemuri Krishan, Sai Krishna S/o Ramaiah (collectively the "**Accused**") pursuant to which, on September 25, 2023 the Huzurnagar Police and Kodad Police visited our Company and seized gold ornaments pledged by Mr. Palakuri Narayana as per FIR No.213/23 under section 380 of IPC and as per FIR No. 310/23 under section 457 and 380 IPC. From the FIR No.213/23 of Huzurnagar Police and FIR No.310/23 of Kodad Police, it is understood that the Accused with a dishonest intention to cheat the Company, has acted with malafide and pledged gold ornaments stolen by his accomplices and misrepresented that such gold ornaments belong to him, fully knowing that he is doing an illegal act and that loss will be caused to the Company. The Accused had the intention to make illegal gain. Thus, the Accused has cheated the Company by pledging such gold ornaments for the purpose of his illegal gain. The Accused benefited from the same and caused illegal loss to the Company and cheated the Company by pledging stolen ornaments and thereby causing a loss of ₹5,39,500 to the Company. Now the matter is pending with police to file charge sheet before the appropriate court.

22. The defacto complainant has filed a complaint against the accused Karthik ("**Accused**") pursuant to which, on October 19, 2023, the Fairlands Police visited our Company and seized gold ornaments pledged by Mr. Manikandan R as per FIR No.1038/23 under section 408 of IPC. From the FIR No.1038/23 of Fairlands, it is understood that the Accused with a dishonest intention to cheat the Company, has acted with malafide and pledged gold ornaments stolen by his brother and misrepresented that such gold ornaments belong to him, fully knowing that he is doing an illegal act and that loss will be caused to the Company. The Accused had the intention to make illegal gain. Thus the Accused has cheated the Company by pledging such gold ornaments for the purpose of his illegal gain. The Accused benefited from the same and caused illegal loss to the Company and cheated the Company by pledging stolen ornaments and thereby causing a loss of ₹8,15,300 to the Company. Now the matter is pending with police to file charge sheet before the appropriate court.

23. The complainant Mr. Parla Koushik has filed a complaint against the Accused, pursuant to which, on November 30, 2023, the II Town Police, Visakhapatnam City visited our Company and seized gold ornaments pledged by Mr. Sindanthapu Jagadeesh("**Accused**"), as per FIR No.379/22 under section 406, 408 r/w 34 of IPC. While questioning the Accused, he revealed before the Police that he had pledged the gold ornaments and availed gold loan to the tune of ₹1,23,550. The Accused with an

intention to cause illegal loss to the Company and to have illegal gain to themselves have committed the crime. The act of the accused had caused loss to the Company to the tune of an amount of ₹1,23,550. Now the matter is pending with police to file charge sheet before the appropriate court.

24. The Company has filed a criminal petition/complaint on October 15, 2023, before the Yashwanthpur Police Station against Mr. Vishin Raj Jain (**"Accused"**) vide FIR No.333/2023. The Accused pledged spurious gold ornaments with the Company for the purpose of availing gold loan. The Accused with an intention to cause illegal loss to the Company and to have illegal gain to the Accused has committed the crime. The act of the Accused caused loss to the Company to the tune of an amount of ₹2,34,400. Currently, the matter is pending with police for investigation and filing of first information report.

25. The defacto complainant has filed a complaint against the accused Mrs. Archana Betageri, Shantappa and Praveen C (collectively "**Accused**"), pursuant to which on November 16, 2023 the Haveri CEN Crime Police visited our Company and seized gold ornaments pledged by Mr. Puneet Y Betageri, Sameeahamed Karajagi and Mr. Roshana Jameer Makabul Sab as per FIR No.92/23 under section 408 of IPC. From the FIR No.92/23 of Haveri CEN Crime Police Station, it is understood that the Accused with a dishonest intention to cheat the company, have acted with mala fides and pledged gold ornaments stolen by Mrs. Archana Betageri, Shantappa and Praveen C and misrepresented that such gold ornaments belong to them, fully knowing that they are doing an illegal act and that loss will be caused to the petitioner company. The Accused had the intention to make illegal gains. Thus the Accused has cheated the Company by pledging such gold ornaments for the purpose of their illegal gains. The Accused benefited from the same and caused illegal loss to the petitioner Company and cheated the Company by pledging stolen ornaments and thereby caused a loss of ₹7,33,703 to the Company, which was collected from the above customer/accused on the very same day. Now the matter is pending with police to file charge sheet before the appropriate court.

26. The defacto complainants Mr. Balaramegowda and Mr. Kempegowda have filed a complaint pursuant to which, on January 17, 2024 the Tavarekere Police and Rajarajeshwari Nagar Police visited our Company and seized gold ornaments pledged by Shivaraju Kappe Shiva and Ravikiran (collectively the" **Accused"**) as per FIR No. 374/23 under section 457 & 380 of IPC and as per FIR No. 538/23 under section 454,457 and 380 IPC. From the FIR No. 374/23 and as per FIR No. 538/23, it is understood that the Accused with a dishonest intention to cheat the Company, has acted with malafide and pledged gold ornaments stolen by his accomplices and misrepresented that such gold ornaments belong to him, fully knowing that he is doing an illegal act and that loss will be caused to the Company. The Accused had the intention to make illegal gain. Thus, the Accused has cheated the Company by pledging such gold ornaments for the purpose of his illegal gain. The Accused benefited from the same and caused illegal loss to the Company and cheated the Company by pledging stolen ornaments and thereby causing a loss of ₹4,62,900 to the Company. Now the matter is pending with police to file charge sheet before the appropriate court.

27. That the Company filed a complaint before vide email to the DGP- Tamil Nadu, IG- Madurai, SP-Ramanathapuram and SHO Thondi against the Gopinath R and 6 others (collectively referred as "**Accused**"). Accused Nos. 1 to 4 are the employees of the Company and Accused Nos. 5 to 6 are the accomplices of the accused nos. 1 to 4. Also accused nos. 5 to 7 are the customers of the company. The complaint was filed for the offence under criminal conspiracy, theft, breach of trust, Cheating and misappropriation of cash of the Indian Penal Code, 1860 ("**IPC**"). Again, the Company has filed a complaint before Hon'ble DGP-Tamil Nadu in the month of April to direct the concerned police to register and FIR. Even after our earnest efforts, the police have failed to file an FIR. Having left with no other option, the Company has entrusted an advocate to file a private complaint to the court of relevant jurisdiction. All the Accused have cheated the Company by misappropriating the amounts of the Company for their illegal gains. The act of all the Accused have caused to the tune of an amount of ₹30,99,587.

28. The Company has filed a criminal complaint on February 15, 2024 as per FIR No.29/24, before Nazarabad Police Station against Mr. Nagaraj R and Manjunatha K, both being the employees of the Company (collectively the" **Accused**"), for the offences under section 120(B),379,406,408, 420, 465,468, 471 r/w 34 of the Indian Penal code, 1860 ("**IPC**"). After conducting the initial enquiry, Nazarabad Police Station has registered a crime that the Accused have committed criminal acts by misusing their authority and position and have pledged spurious gold ornaments in the name of customers, misappropriated the amounts paid by customers and also have availed personal loan amount by misleading the customers, which amounted to ₹25,29,238 from the Company. The

Accused have committed theft, misappropriation of cash, criminal breach of trust, criminal conspiracy, cheating and forgery.

29. The complainant Mr. Prem Sai Vankayala has filed a complaint against Cherukuri Vishwanatha Raghuram ("**Accused**"), pursuant to which, on March 07, 2024, the Kodad Police, visited our Company and seized gold ornaments pledged by the Accused, as per FIR No.321/23 under section 457 and 380 of IPC. While questioning the Accused, he revealed before the Police that he had pledged the gold ornaments and availed gold loan to the tune of ₹1,33,202. The Accused with an intention to cause illegal loss to the Company and to have illegal gains from them have committed the crime. The acts of the accused have caused loss to the Company to the tune of an amount of ₹1,33,202. Now the matter is pending with police to file charge sheet before the appropriate court.

30. The Company has filed a criminal petition/complaint on March 23, 2024, before the Baripada Police Station against Mr. Chinmay Chirasundar Das (**"Accused"**) an employee of the company vide FIR No.204/2024 under section 407 of IPC. The Accused stole the gold ornaments pledged by the customer Mr. Surjit S.I and also pledged spurious gold ornaments with the Company for the purpose of availing gold loan. The Accused with an intention to cause illegal loss to the Company and to have illegal gains has committed the crime. The acts of the Accused have caused loss to the Company to the tune of an amount of ₹309,100, which was later collected from the accused employee. Currently, the matter is pending with police for investigation and filing of first information report.

31. The defacto complainants Mrs. Vasantha R has filed a complaint against unknown person. During the police investigation the police has identified the accused as Prasanna Kumar, Prasanna Biliya, Nagesh Kullanga and Shivalingagowda Gunda(collectively, along with Mrs. Arathi referred to as the **"Accused"**), pursuant to which, on April 16, 2024 the Puttenahalli Police visited our Company and seized gold ornaments pledged by Mrs. Arathi (herein after also included as an **"Accused"**) as per FIR No. 0136/24 under section 397, 34 of IPC. From FIR No. 0136/24, it is understood that the Accused with a dishonest intention to cheat the Company, has acted with malafide and pledged gold ornaments stolen by her accomplices and misrepresented that such gold ornaments belong to her, fully knowing that she is doing an illegal act and that loss will be caused to the Company. The Accused had the intention to make illegal gains by pledging such gold ornaments. The Accused benefited from the same and caused illegal loss to the Company and cheated the Company by pledging stolen ornaments and thereby causing a loss of ₹2,84,714 to the Company. Now the matter is pending with police to file charge sheet before the appropriate court.

32. The complainant Mr. Sushil Ramnivas Soni has filed a complaint against Mr. Sunil Babanrao Adani ("**Accused**"), pursuant to which, on May 17, 2024, the Chakan Police, visited our Company and seized gold ornaments pledged by the Accused, on the basis of FIR No.280/24 under section 381 of IPC. While questioning the Accused, he revealed before the Police that he had pledged the gold ornaments and availed gold loan to the tune of ₹1,53,028. The Accused with an intention to cause illegal loss to the Company and to have illegal gains to themselves have committed the crime. The act of the accused had caused loss to the Company to the tune of an amount of ₹1,53,028. Now the matter is pending with police to file charge sheet before the appropriate court.

33. The Company has filed a criminal complaint on July 24, 2023 as per FIR No.401/24, before Gajuwaka Police Station against Mr. Maddila Raghunadha Rao, Srikakulapu Srinivasa Rao and Gabu Ramakrishna, all being employees of the company (collectively the **"Accused**") for the offences under section 408 and 420 of the Indian Penal code, 1860 ("**IPC**"). After conducting the initial enquiry, the Gajuwaka Police Station registered a crime. The Accused have committed criminal acts by misusing their authority and position and stolen and misappropriated the cash paid by the customers and pledged spurious gold ornaments by colluding with customers and thereby caused a loss to the tune of ₹54,04,426 to the Company, after adjusting what they all have paid to the Company. The Accused have committed theft, misappropriation of cash, criminal breach of trust, criminal conspiracy, cheating.

34. The complainant Mr. Krishnamurthy G.S has filed a complaint against the Murthy K.A (**"Accused"**), pursuant to which, on July 02, 2024, the Kodigehalli Police, visited our Company and seized gold ornaments pledged by the Accused, as per FIR No.272/23 under section 380 of IPC. While questioning the Accused, he revealed before the Police that he had pledged the gold ornaments and availed gold loan to the tune of ₹6,21,371. The Accused with an intention to cause illegal loss to the Company and to have illegal gains to themselves have committed the crime. The act of the accused had caused loss to the Company to the tune of an amount of ₹6,21,371. Now the matter is pending with police to file charge sheet before the appropriate court.

35. The complainant Mrs.K.S. Madhavi has filed a complaint against Mr. Sammeta Prashanth ("**Accused**"), pursuant to which, on July 30, 2024, the Mangapet Police visited our Company and seized gold ornaments pledged by the Accused, as per FIR No.73/24 under section 403, 409 and 420 of IPC. While questioning the Accused, he revealed before the Police that he had pledged the gold ornaments and availed gold loan to the tune of ₹5,37,000. The Accused with an intention to cause illegal loss to the Company and to have illegal gain to him have committed the crime. The act of the accused had caused loss to the Company to the tune of an amount of ₹5,37,000. Now the matter is pending with police to file charge sheet before the appropriate court.

36. The complainant Mr. Manas Ranjan Das has filed a complaint against Mr. Amarnath Pradhan and his mother Sachithra Pradhan (collectively the "**Accused**"), pursuant to which, on July 26, 2024, the Nemalo Police, visited our Company and seized gold ornaments pledged by the Accused, as per FIR No.51/24 under section 457 and 380 of IPC. While questioning the Accused, he revealed before the Police that he had pledged the gold ornaments and availed gold loan to the tune of ₹4,74,877. The Accused with an intention to cause illegal loss to the Company and to have illegal gains to themselves have committed the crime. The act of the accused had caused loss to the Company to the tune of an amount of ₹4,74,877. Now the matter is pending with police to file charge sheet before the appropriate court.

37. The complainant Mr. Thrayambak Yashwanthrao Lodh has filed a complaint against the Mrs. Dipali Pogade ("**Accused**"), pursuant to which, on July 30, 2024, the Mangapet Police visited our Company and seized gold ornaments pledged by the Accused, as per FIR No.721/24 under section 331(3) and 305(a) of BNSS. While questioning the Accused, she revealed before the Police that she had pledged the gold ornaments and availed gold loan to the tune of ₹1,05,237. The Accused with an intention to cause illegal loss to the Company and to have illegal gains to him have committed the crime. The act of the accused had caused loss to the Company to the tune of an amount of ₹1,05,237. Now the matter is pending with police to file charge sheet before the appropriate court.

38. The defacto complainants Smt. Jyothi. and Mr. Vasudevappa Shivappa have filed a complaint against unknown person pursuant to which, on September 09, 2024 the Anavatti Police and Guttal Police visited our Company and seized gold ornaments pledged by Mr. Srikanth M Gudugur ("**Accused**"), as per FIR No.0053/24 under section 392 of IPC and FIR No. 0115/24 under section 380 and 457 of IPC. While questioning the Accused, he revealed before the Police that he had pledged the gold ornaments and availed gold loan to the tune of ₹3,52,997/-. The Accused with an intention to cause illegal loss to the Company and to have illegal gains to themselves have committed the crime. The act of the accused had caused loss to the Company to the tune of an amount of ₹3,52,997/-. Now the matter is pending with police to file charge sheet before the appropriate court.

39. The defacto complainant Mrs Asha has filed a complaint before Sarjapur Police Station as per FIR No. 176/2021 dated 19-09-2021 stating that her gold ornaments were stolen. Police thereafter has arrested Mr. Deepak G.B (**"Accused"**) and during the investigation it was found that he has pledged the stolen gold ornaments with our company. During the investigation it was revealed that the complainant Mrs. Asha and Deepak GB are family members they have conspired together and committed the offence. Thereafter the gold valuing Rs. 10,38,750/- was returned to the company. Now the matter is pending with appropriate court.

40. The Company filed a criminal petition / complaint ("Petition") on June 15, 2022 before Aundipatti, Police Station, Theni District, against Sateesh Kumar & Vijaykumar. ("Accused"). Pursuant to the complaint police has registered a case as per FIR No. 207/2022, Aundipatti Police Station under Sections 406 and 420 of the Indian Penal Code, 1860 ("IPC"). The Accused cheated the Company by pledging spurious gold ornaments and made believe the company that the said ornaments are pure gold. Now the matter is pending before the Hon'ble Court.

41. <u>Cases filed by the Company under Section 138 of the Negotiable Instruments Act, 1881</u>

    The Company has filed various complaints and notices under Section 138 of the Negotiable Instruments Act, 1881 for recovering amounts due from various entities on account of dishonouring of cheques issued by such entities. As of the date of this Draft Prospectus, there are 68 such complaints pending before Judicial First Class Magistrate Court, Kalamassery. The total amount involved in such cases is approximately ₹71.05 lakhs.

(iv) Criminal litigation against our Company

There are no criminal cases filed against our Company.

(v) **Tax Proceedings involving our Company**

There are no tax proceedings against our Company.

2. **Material litigations involving our Subsidiary Company as on the date of this Draft Prospectus**

There are no pending litigations involving our Subsidiary Company as on the date of this Draft Prospectus.

3. **Material litigations involving our Directors as on the date of this Draft Prospectus**

(i) Civil litigation by our Directors

There are no civil cases filed by our Directors.

(ii) Civil litigation against our Directors

There are no civil cases filed by our Directors.

(iii) Criminal litigation by our Directors

There are no criminal cases by our Directors.

(iv) Criminal litigation by our Directors

There are no criminal cases filed against our Directors.

(v) Taxation proceedings involving our Directors:

(₹ in lakhs)

Name of the Director	No. of Cases		Amount Involved	
	Direct	Indirect Tax	Direct Tax	Indirect Tax
Umesh Mohanan	2	0	75.77	0

4. **Material litigation or legal or regulatory actions involving our Promoter as of the date of this Draft Prospectus**

There are no litigations involving our Promoter.

5. **Litigations involving group companies**

Except as disclosed below there are no litigations involving our Group Companies:

(i) Civil litigation by our Group Companies

There are no civil cases filed by our Group Companies.

(ii) Civil litigation against our Group Companies

Except as disclosed below there are no civil litigations against our Group Companies:

1. **M-Star Satellite Communications Private Limited**

An attachment petition has been filed by Cyber Systems ("**Plaintiff**") dated September 9, 2020 before the Hon'ble Sub Court at Ernakulam against M-Star Satellite Communications Private Limited ("Defendant"). The Plaintiff has prayed for an order to attach the Scheduled property as mentioned the plaint. The petitioner is engaged in the business of sourcing and supplying rights in Cinematographic films, there was a sale agreement dated January 18, 2020, for the sale of the overseas exhibition and distribution of a film "Varane Avashyamund" for ₹3,00,00,000. The Plaintiff has claimed that there has been delays and misrepresentation by the Defendant regarding the lead role in the movie. The Plaintiff has claimed damages amounting to ₹50,00,000 with interest up to 12% per annum. The plaintiff has further prayed for an attachment of the defendant's rights in the upcoming movie "Kurup" till the disposal of the suit. Now the matter is pending before the Hon'ble Court for finality.

2. **Indel Automotives Private Limited**

A petition has been filed by Thomas Kuriakose in CC 378/2020 on the file of CDRC Thrissur, has prayed for replacement of his car with a new one. After taking delivery of his car, the complainant has faced several issues due to manufacturing defect and deficiency in service. The breaks of the complainant's car was not working property and hence he and his family are scared to drive the car. Complainant has prayed for replacement of the car or cost of the car.

(iii) Criminal litigation by our Group Companies

There are no criminal cases by our Group Companies.

(iv) Criminal litigation against our Group Companies

There are no criminal cases against our Group Companies.

(v) Tax litigation involving our Group Companies

Except as disclosed below there are no civil litigations against our Group Companies:

M-Star Hotels Private Limited

1. The Assessing Officer: - (“the AO”) has erred in disallowing claim of depreciation as excess depreciation amounting to ₹15,16,624 and expenses paid as brokerage and other expenses amounting to ₹27,32,480 as unexplained expenses.
2. The Assessing Officer ("the AO") has erred in Disallowances on account of Exempt income (sec.14A) amounting to ₹11,31,018 on the alleged ground that as per Sec14A the appellant has no income as part of total income which has exempted.
3. The Assessing Officer ("the AO”) has erred in Disallowances on account of Exempt income (sec. 14A) amounting to ₹20,94,747 on the alleged ground that as per Sec14A the appellant has no income as part of total income which has exempted.

6. **Litigation or legal action pending or taken by any ministry or government department or statutory authority against our Promoter during the current financial year and last three financial years of this Draft Prospectus and any direction issued by any such ministry or department or statutory authority upon conclusion of such litigation or legal action.**

There are no litigation or legal action pending or taken by any ministry or government department or statutory authority against our Promoter during the current financial year and last three financial years of this Draft Prospectus and any direction issued by any such ministry or department or statutory authority upon conclusion of such litigation or legal action.

7. **Inquiries, inspections or investigations initiated or conducted under the Companies Act or any previous companies’ law in the current financial year and last three financial years of this Draft Prospectus against our Company and / or our Subsidiary Company (whether pending or not); fines imposed or compounding of offences done by our Company and/ or our Subsidiary in the current financial year and last three financial years of this Draft Prospectus.**

There are no inquiries, inspections or investigations initiated or conducted under the Companies Act or any previous companies’ law in the current financial year and last three financial years of this Draft Prospectus against our Company and/or Subsidiary (whether pending or not); fines imposed or compounding of offences done by our Company and/or Subsidiary in the current financial year and last three financial years of this Draft Prospectus.

8. **Details of acts of material frauds committed against our Company in the current financial year and last three financial years, if any, and if so, the action that was taken by our Company.**

Except as disclosed below, there are no material frauds committed against our Company in the current financial year and last three financial years:

(in ₹lakhs)

Sl. No	Branch	Date of detection / Date of reporting to RBI	Amount (₹ in lakh)	Modus Operandi & Action Taken	Recovery (₹ in lakh)	Amount written off (₹ in lakh)	Provisions (₹ in lakh)	Action Taken by the Company
1.	Pudukottai Branch	22-04-2021 / 14-05-2021	90.29	Employees manipulated customer account and thefted amount	-	90.29	-	Company filed police complaint. All the fraudulent employee's wo involved in this fraud was terminated from their service
2.	KarimNagar Branch	01-09-2021 / 11-10-2021	5.09	Customer pledged spurious gold ornaments	-	5.09	-	Company filed police complaint and FIR has been registered as FIR No.333/2021
3.	Aundipatti Branch	01-09-2021 / 11-10-2021	4.65	Employees replaced the customer Pledged gold ornaments with spurious ornaments for their financial gain	1.98	-	-	Company filed Police complaint on 11-10-2021. All the fraudulent employees who involved in this fraud was terminated from their service
4.	Bagalgunte Branch	20-11-2021 / 07-12-2021	10.38	Customer pledged theft gold ornaments	10.38	-	-	Company filed police complaint on 22-11-2021 against the accused customer petition No. 394/2021
5.	Gajuwaka Branch	09-06-2022 / 24-06-2022	1.83	Customer pledged theft gold for financial gain	1.28	-	-	FIR filed by the actual owner of Gold
6.	Kulathur Branch	24-02-2022 / 24-06-2022	8.34	Cheating and forgery by the customer,	1.15	-	-	Cheque case filed before JFCM Kalamassery

Sl. No	Branch	Date of detection / Date of reporting to RBI	Amount (₹ in lakh)	Modus Operandi & Action Taken	Recovery (₹ in lakh)	Amount written off (₹ in lakh)	Provisions (₹ in lakh)	Action Taken by the Company
				pledging low purity ornaments				
7.	Sankarankovil Branch	19-07-2022 / 03-08-2022	2.81	Customer pledged spurious gold for financial gain	-	2.81	-	FIR filed by the company
8.	Paramakudi	09-02-2023 / 31-03-2023	52.48	misappropriation of cash, cheating, criminal breach of trust, conspiracy etc. by employees	7.89	-	-	FIR filed against the accused staffs and terminated them from service
9.	Devi chowk	04-03-2023 / 31-03-2023	2.84	pledging stolen gold ornaments by the customer	-	-	-	FIR filed; matter is pending with police to file charge sheet before the appropriate court.
10.	Jagatsighpur	06-02-2023 / 31-03-2023	3.63	pledging stolen gold ornaments by the customer	-	-	-	FIR filed and now the matter is with police to file charge sheet before court
11.	Mancherial	13-01-2023 / 31-03-2023	1.85	pledging gold of a minor by the accused	-	-	-	FIR filed; matter is pending with police to file charge sheet before the appropriate court.
17	Alagapuram	08-03-2023 / 31-03-2023	4.11	Customer pledged spurious gold ornaments	2.63	-	-	CSR filed and matter is pending with the police for investigation and filing FIR
18	Ajith Singh Nagar	20-04-2023/ 10-07-2023	45.70	Employees misappropriated the cash	2.86	3.41	-	Company filed Police complaint. All the fraudulent employees who involved in this fraud was terminated from their service

Sl. No	Branch	Date of detection / Date of reporting to RBI	Amount (₹ in lakh)	Modus Operandi & Action Taken	Recovery (₹ in lakh)	Amount written off (₹ in lakh)	Provisions (₹ in lakh)	Action Taken by the Company
19	Turvekere	05-05-2023/ 18-07-2023	1.24	Customer pledged Stolen gold ornaments	-	-	-	Company filed police complaint against the accused customer.
20	Tiptur	06-05-2023/ 18-07-2023	1.52	Customer pledged Stolen gold ornaments	-	-	-	Company filed police complaint against the accused customer
21	Karimnagar	04-09-2023/ 21-09-2023	1.19	Customer pledged Stolen gold ornaments from Minor	-	-	-	Company filed police complaint against the accused customer.
22	Nanjangund	12-09-2023/ 21-09-2023	1.94	Customer pledged Stolen gold ornaments	-	-	-	Company filed police complaint against the accused customer.
23	Suryapet	25-09-2023/ 10-10-2023	5.40	Customer pledged Stolen gold ornaments	0.15	-	-	Company filed police complaint against the accused customer.
24	Alagapuram	20-10-2023/ 27-10-2023	8.15	Customer pledged Stolen gold ornaments	-	-	-	Company filed police complaint against the accused customer.
25	Mathikere	22-09-2023/ 27-10-2023	2.34	Customer pledged Spurious Gold	-	-		FIR filed by the company
26	Haveri	16-11-2023/ 27-11-2023	7.34	Customer pledged Stolen gold ornaments	7.34	-	-	FIR filed; matter is pending with police to file charge sheet before the appropriate court. All the loss amount fully recovered by the company
27	Dondaprathi	30-11-2023/ 05-12-2023	1.24	Customer pledged Stolen gold ornaments	-	-	-	FIR filed by the company

Sl. No	Branch	Date of detection / Date of reporting to RBI	Amount (₹ in lakh)	Modus Operandi & Action Taken	Recovery (₹ in lakh)	Amount written off (₹ in lakh)	Provisions (₹ in lakh)	Action Taken by the Company
28	Mathikere	17-01-24/ 29-01-24	4.62	Customer pledged stolen gold ornaments	0.30	-	4.62	FIR filed and now the matter is with police to file charge sheet before court
29	Thondi	10-01-24 to 23-01-24/ 13-02-24	29.00	Employees in connivance with Customers misappropriated cash	-	-	40.00	Complaint filed before Police and even after our earnest efforts, police has not filed FIR. So, we have entrusted advocate to file private complaint before court.
30	TC Circle	06-11-23 to 11-11-23/ 16-03-24	25.29	Employees misappropriated cash and pledged spurious gold		-	25.29	FIR filed and now the matter is with police to file charge sheet before court
31	Baripada	13-02-24 to 17-02-24/ 20-03-24	3.09	Employee misappropriated cash by pledging spurious gold and stole of gold ornaments.	3.09	-	-	FIR filed and now the matter is with police to file charge sheet before court. Company have recovered total amounts.
32	Guntur	07-03-24/ 16-03-24	1.33	Customer pledged stolen gold ornaments	-	-	1.33	FIR filed and now the matter is with police to file charge sheet before court
33	Bagalgunte	16-04-24/ 22-04-24	2.84	Customer pledged stolen gold ornaments	-	-	-	FIR filed and now the matter is with police to file charge sheet before court

Sl. No	Branch	Date of detection / Date of reporting to RBI	Amount (₹ in lakh)	Modus Operandi & Action Taken	Recovery (₹ in lakh)	Amount written off (₹ in lakh)	Provisions (₹ in lakh)	Action Taken by the Company
34	Chakan	17-05-24/ 21-05-24	1.53	Customer pledged stolen gold ornaments	-	-	-	FIR filed and now the matter is with police to file charge sheet before court
35	Gajuwaka	12-06-24/ 18-07-24	76.32	Employees misappropriated cash paid by customers and also pledged spurious gold ornaments	22.60	-	-	FIR filed and now the matter is with police to file charge sheet before court
36	Hongasandra	01-07-2024/ 03-07-24	6.21	Customer pledged stolen gold ornaments	-	-	-	FIR filed and now the matter is with police to file charge sheet before court
37	Warangal	30-07-24/ 14-08-2024	5.37	Customer pledged stolen gold ornaments	-	-	-	FIR filed and now the matter is with police to file charge sheet before court
38	Salipur	26-07-2024/ 14-08-2024	4.74	Customer pledged stolen gold ornaments	-	-	-	FIR filed and now the matter is with police to file charge sheet before court
39	Dattatreya Nagar	27-08-2024/ 02-09-2024	1.05	Customer pledged stolen gold ornaments	-	-	-	FIR filed and now the matter is with police to file charge sheet before court
40	Ranibennur	09-09-2024	3.53	Customer pledged stolen gold ornaments	-	-	-	FIR filed and now the matter is with police to file charge sheet before court

9. **Summary of reservations, qualifications, emphasis of matter or adverse remarks of auditors during the current financial year and last three financial years of this Draft Prospectus and of their impact on the financial statements and financial position of our Company and the corrective steps taken and proposed to be taken by our Company for each of the said reservations or qualifications or emphasis of matter or adverse remarks:**

   There are no reservations or qualifications or emphasis of matter or adverse remarks in the Company's and in the audited financial statements in the current financial year and last three financial years of this Draft Prospectus.

10. **Summary of other observations of the auditors during the current financial year and last three financial years of this Draft Prospectus and of their impact on the financial statements and financial position of our Company and the corrective steps taken and proposed to be taken by our Company for each of the said observation:**

    Other than as disclosed below, there are no other observations of the auditors during the current financial year and last three financial years of this Draft Prospectus and of their impact on the financial statements and financial position of our Company:

Financial Year	Basis of Financial Statements	Summary of Qualifications or reservations or emphasis of matter or adverse remarks or other observations by auditors in the audit report / CARO	Impact on the financial statements and financial position of the Company	Corrective steps taken and proposed to be taken by the Company
2023-24	Standalone	To the best of our knowledge and according to the information and explanation given to us, there have been instances of fraud on the Company amounting to ₹139.40 lakhs as included in Note 61 to the Standalone Financial Statements.	The impact of the same is already reflected in the financial statements for the year.	The Company recovered ₹13.74 lakhs form employees, filed police complaints against the employees and terminated them from the employment
2022-23	Standalone	To the best of our knowledge and according to the information and explanation given to us, there have been instances of fraud on the Company amounting to ₹77.89 lakhs as included in Note 42 to the Standalone Financial Statements.	The impact of the same is already reflected in the financial statements for the year.	The Company recovered Rs 11.80 lakhs form employees, filed police complaints against the employees and terminated them from the employment
2021-22	Consolidated	NIL	NIL	NIL
	Standalone	To the best of our knowledge and according to the information and explanation given to us, there have been instances of fraud on the Company amounting to ₹94.65 lakhs as included in Note 42 to the Standalone Financial Statements.	The impact of the same is already reflected in the financial statements for the year.	The Company recovered Rs 1.98 lakhs form employees, filed police complaints against the employees and terminated them from the employment

11. **Details of disciplinary action taken by SEBI or Stock Exchanges against the Promoters/Group companies in the last five financial years, including outstanding action**

    There are no disciplinary action taken by SEBI or Stock Exchanges against the Promoters/Group companies in the last five financial years, including outstanding action.

KEY REGULATIONS AND POLICIES

The regulations summarized below are not exhaustive and are only intended to provide general information to Investors and are neither designed nor intended to be a substitute for any professional legal advice. Taxation statutes such as the IT Act, GST laws (including CGST, SGST and IGST) and applicable local sales tax statutes, labour regulations such as the Employees State Insurance Act, 1948 and the Employees Provident Fund and Miscellaneous Provisions, Act, 1952, and other miscellaneous regulations such as the Trade Marks Act, 1999 and applicable Shops and Establishments statutes apply to us as they do to any other Indian company and therefore have not been detailed below.

The following description is a summary of certain sector specific laws and regulations in India, which are applicable to our Company. The information detailed in this chapter has been obtained from publications available in the public domain. The regulations set out below may not be exhaustive and are only intended to provide general information to the investors and are neither designed nor intended to substitute for professional legal advice. The statements below are based on the current provisions of the Indian law, and the judicial and administrative interpretations thereof, which are subject to change or modification by subsequent legislative, regulatory, administrative or judicial decisions.

The major regulations governing our Company are detailed below:

Our Company is a non-banking financial company (NBFC) – Middle Layer which does not accept public deposits. As such, our business activities are *inter-alia* regulated by RBI regulations applicable to a Non-Deposit taking Non-Banking Financial Company – Middle Layer.

Regulations governing NBFCs

Reserve Bank of India Act, 1934

As per the RBI Act, a non-banking financial company means (i) a financial institution which is a company, (ii) a non-banking institution which is a company and which has as its principal business the receiving of deposits, under any scheme or arrangement or in any other manner, or lending in any manner, (iii) such other non-banking institution or class of such institutions, as the RBI may, with the previous approval of the Central Government and by notification in the Official Gazette, specify.

The RBI Act, further defines a 'financial institution' to mean a non-banking institution which, among other things, includes carrying on the business or as part of its business, financing activities, whether by way of making loans or advances or otherwise, of any activity, other than its own or the acquisition of shares/stock/bonds/debentures/securities issued by the Government of India or other local authorities or other marketable securities of like nature.

RBI has clarified through a press release (*Ref. No. 1998-99/1269*) issued in 1999, that in order to identify a particular company as an NBFC, it will consider both the assets and the income pattern as evidenced from the last audited balance sheet of the company to decide a company's principal business. The company will be treated as an NBFC if its financial assets are more than 50 per cent of its total assets (netted off by intangible assets) and income from financial assets should be more than 50 per cent of the gross income. Both these tests are required to be satisfied in order to determine the principal business of a company.

Every NBFC is required to submit to the RBI a certificate, from its statutory auditor within one month from the date of finalisation of the balance sheet and in any case, not later than December 30 of that year, inter-alia stating that it is engaged in the business of non-banking financial institution requiring it to hold a certificate of registration.

Being an NBFC, our Company is inter-alia governed by the RBI Act, the Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023 and the Non-Banking Financial Companies Acceptance of Public Deposits (Reserve Bank) Directions, 2016. In addition to these regulations, NBFCs are also governed by various circulars, notifications, guidelines and directions issued by the RBI from time to time.

The major regulations governing our Company are detailed below:

In terms of the Master Direction- Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023 dated October 19, 2023 ("**Master Directions**"), NBFCs have been categorised into following four layers based on their size, activity, and perceived riskiness by the RBI:

i) NBFC- Base Layer ("**NBFC-BL**");
ii) NBFC- Middle Layer ("**NBFC-ML**");

iii) NBFC- Upper layer ("**NBFC-UL**"); and
iv) NBFC- Top Layer ("**NBFC-TL**")

The NBFC- BL comprise of (a) non-deposit taking NBFCs below the asset size of ₹1,000 crore and (b) NBFCs undertaking the following activities- (i) NBFC-Peer to Peer Lending Platform (NBFC-P2P), (ii) NBFC-Account Aggregator (NBFC-AA), (iii) Non-Operative Financial Holding Company (NOFHC) and (iv) NBFCs not availing public funds and not having any customer interface.

The NBFC- ML consist of (a) all deposit taking NBFCs ("**NBFC-Ds**"), irrespective of asset size, (b) non-deposit taking NBFCs with asset size of ₹1,000 crore and above and (c) NBFCs undertaking the following activities (i) Standalone Primary Dealers (SPDs)– (ii) Infrastructure Debt Fund - Non-Banking Financial Companies (IDF-NBFCs), (iii) Core Investment Companies (CICs), (iv) Housing Finance Companies (HFCs) and (v) Infrastructure Finance Companies (NBFC-IFCs).

The NBFC-UL comprise of those NBFCs which are specifically identified by RBI as warranting enhanced regulatory requirement based on a set of parameters and scoring methodology as provided in annex 1 to Master Directions. The top ten eligible NBFCs in terms of their asset size shall always reside in the upper layer, irrespective of any other factor.

The NBFC-TL will ideally remain empty. This layer can get populated if RBI is of the opinion that there is a substantial increase in the potential systemic risk from specific NBFC-Upper Layer. Such NBFC shall move to the NBFC-Top Layer.

As on date of filing of this Draft Prospectus the Company falls under the category of NBFC-ML, as its assets size is above ₹1,000 crore, as per the last audited balance sheet.

Rating of NBFCs

Pursuant to the Master Directions, all applicable NBFCs are required to furnish information about downgrading / upgrading of assigned rating of any financial product issued by them, within fifteen days of such a change in rating, to the regional office of the RBI under whose jurisdiction their registered office is functioning.

Prudential Norms

The Master Directions amongst other requirements prescribe guidelines regarding capital requirement, income recognition, asset classification, provisioning requirements, capital adequacy requirements, concentration of credit/ investment, etc.

Provisioning Requirements

Every applicable NBFC after taking into account the time lag between an account becoming non-performing, its recognition as such, the realisation of the security and erosion overtime in the value of the security charged, shall make provisions against sub-standard assets, doubtful assets and loss assets in the manner provided for in the Master Directions.

In the interests of counter cyclicality and so as to ensure that NBFCs create a financial buffer to protect them from the effect of economic downturns, RBI *vide* its circular no. DNBS.PD.CC. No.207/ 03.02.002 /2010-11 dated January 17, 2011, introduced provisioning for standard assets by all NBFCs at the rate of 0.25 per cent of the outstanding standard assets. Subsequently, RBI vide its circular no. DNBR (PD) CC No. 037/03.01.001/2014-15 dated June 03, 2015 raised the provision for standard assets to 0.40 per cent to be met by March 2018. The general provisions on standard assets are not reckoned for arriving at Net NPAs. However, the general provisions towards standard assets are not needed to be netted from gross advances but shall be shown separately as 'Contingent Provisions against Standard Assets in the balance sheet. NBFCs are allowed to include the '*General Provisions on Standard Assets*' in Tier 2 Capital which together with other 'general provisions/ loss reserves' will be admitted as Tier 2 Capital only up to a maximum of 1.25 per cent of the total risk-weighted assets.

Capital Adequacy Norms

In terms of the Master Directions, NBFCs – Middle Layer are required to maintain, a minimum capital ratio consisting of Tier 1 and Tier 2 capital which shall not be less than 15% of its aggregate risk weighted assets on balance sheet and risk adjusted value of off-balance sheet items. The Tier 1 capital in respect of NBFCs – Middle Layer (except NBFC-MFI and NBFC primarily engaged in lending against gold jewellery), at any point of time, shall not be less than 10 per cent.

"Tier 1 Capital" means owned fund as reduced by investment in shares of other non-banking financial companies and in shares, debentures, bonds, outstanding loans and advances including hire purchase and lease finance made to and deposits with subsidiaries and companies in the same group exceeding, in aggregate, ten per cent of the owned fund; and perpetual debt instruments issued by a non-deposit taking non-banking financial company in each year to the extent it does not exceed 15 per cent of the aggregate Tier 1 Capital of such company as on March 31 of the previous accounting year.

Owned Funds are defined as paid-up equity capital, preference shares which are compulsorily convertible into equity, free reserves, balance in share premium account; capital reserve representing surplus arising out of sale proceeds of asset, excluding reserves created by revaluation of assets; less accumulated loss balance, book value of intangible assets and deferred revenue expenditure, if any.

Tier 2 Capital includes the following (a) preference shares other than those which are compulsorily convertible into equity; (b) revaluation reserves at discounted rate of 55%; (c) general provisions (including that for standard assets) and loss reserves to the extent these are not attributable to actual diminution in value or identifiable potential loss in any specific asset and are available to meet unexpected losses, to the extent of one-and-one-fourth percent of risk weighted assets; (d) hybrid debt capital instruments; and (e) subordinated debt; and (f) perpetual debt instrument issued by non-deposit taking non-banking financial company, which is in excess of what qualifies for Tier 1 Capital, to the extent that the aggregate does not exceed Tier 1 Capital.

Hybrid debt means, capital instrument, which possess certain characteristics of equity as well as debt.

Subordinated debt means an instrument, which is fully paid up, is unsecured and is subordinated to the claims of other creditors and is free from restrictive clauses and is not redeemable at the instance of the holder or without the consent of the supervisory authority of the NBFC. The book value of such instrument is subjected to discounting as prescribed under the Master Directions and to the extent such discounted value does not exceed fifty percent of Tier 1 capital.

Asset Classification

The Master Directions require that every applicable NBFC shall, after taking into account the degree of well-defined credit weaknesses and extent of dependence on collateral security for realisation, classify its lease/hire purchase assets, loans and advances and any other forms of credit into the following classes:

- Standard assets;
- Sub-standard Assets;
- Doubtful Assets; and
- Loss assets

Further, such class of assets would not be entitled to be upgraded merely as a result of rescheduling, unless it satisfies the conditions required for such upgradation. At present every NBFC-ML is required to make a general provision for standard assets at 0.40 per cent.

Other stipulations on policies

Applicable NBFCs are required to frame board approved policies *inter alia* including, (i) a policy for demand and call loan; (ii) liquidity risk management policy; (iii) policy on outsourcing; (iv) fair practice code; (v) policies under the Information Technology Framework for the NBFC Sector; (vi) interest rate model policy; (vii) investment policy; (viii) know you customer/ anti-money laundering policy; (ix) policy for ascertaining the fit and proper criteria of the directors at the time of appointment, and on a continuing basis.

The prudential norms also specifically prohibit NBFCs from lending against its own shares.

Net Owned Fund

Section 45-IA of the RBI Act provided that to carry on the business of a NBFC, an entity would have to register as an NBFC with the RBI and would be required to have a minimum net owned fund of ₹200 lakh. However, the net owned fund requirement has been incrementally revised by the Master Directions. Master Directions stipulates the glided path to minimum net owned fund requirement of ₹500 lakh by March 31, 2025 and ₹1,000 lakh by March 31, 2027 by the NBFCs with customer interface or public funds.

Reserve Fund

In addition to the above, Section 45-IC of the RBI Act requires NBFCs (unless specifically exempted by RBI) to create a reserve fund and transfer therein a sum of not less than 20% of its net profits earned annually before declaration of dividend.

Such sum cannot be appropriated by the NBFC except for the purpose as may be specified by the RBI from time to time and every such appropriation is required to be reported to the RBI within 21 days from the date of such appropriation.

Information with respect to change of address, directors, auditors, etc. to RBI

Applicable NBFCs are required to inform the RBI (Regional Office of the Department of Supervision of the Bank) of any change in the address, telephone no's, etc. of its registered office, names and addresses of its directors/auditors, names and designations of its principal officers, the specimen signatures of its authorised signatories, within one month from the occurrence of such an event.

Lending against security of gold

The RBI pursuant to the Master Directions, as amended from time to time has prescribed that all NBFCs shall maintain a loan to value ratio not exceeding 75% for loans granted against the collateral of gold jewellery. The Value of gold jewellery, for the purpose of determining maximum permissible limit shall be the intrinsic value of the gold content therein and no other cost elements shall be added thereto.

*Reserve Bank of India (Know Your Customer (KYC)) Master Directions, 2016 dated February 25, 2016, as amended ("**RBI KYC Directions**") and Prevention of Money-Laundering Act, 2002*

The RBI KYC Directions have been extended inter-alia to all NBFCs, and in terms of the RBI KYC Directions, every entity regulated thereunder is required to formulate a KYC policy which is duly approved by the board of directors of such entity or a duly constituted committee thereof. The KYC policy formulated in terms of the RBI KYC Directions is required to include four key elements, being customer acceptance policy, risk management, customer identification procedures and monitoring of transactions. It is advised that all NBFC's adopt the same with suitable modifications depending upon the activity undertaken by them and ensure that a proper policy framework of anti-money laundering measures is put in place, to ensure adherence to RBI KYC Directions.

Further, all NBFCs are required to adhere to provisions of Prevention of Money-Laundering Act, 2002, the Prevention of Money-Laundering (Maintenance of Records) Rules, 2005, and rules, circulars and regulations issued thereunder, as amended from time to time. The NBFCs are required to introduce a system of maintaining proper record of transactions prescribed under Rule 3 of Prevention of Money Laundering (Maintenance of Records) Rules, 2005

Accounting Standards & Accounting policies

NBFCs that are required to implement Indian Accounting Standards ("**Ind AS**") as per the Companies (Indian Accounting Standards) Rules, 2015 ("**Accounting Standard Rules**") shall prepare their financial statements in accordance with Ind AS notified by the Government of India and shall comply with the regulatory guidance specified in the Master Directions. Disclosure requirements for notes to accounts specified in the Master Directions shall continue to apply. The Ministry of Corporate Affairs ("**MCA**"), in its press release dated January 18, 2016, issued a roadmap for implementation of Ind AS converged with IFRS for non-banking financial companies, scheduled commercial banks, insurers, and insurance companies. RBI vide its circular dated February 11, 2016, inter alia specified that scheduled commercial banks (excluding RRBs) shall follow the Indian Accounting Standards as notified under the Companies (Indian Accounting Standards) Rules, 2015, subject to any guideline or direction issued by the Reserve Bank in this regard in the manner provided in the said circular. The Accounting Standard Rules were subsequently amended by MCA Notification dated March 30, 2016. Ind AS is applicable to our Company since the Company had its first public issuance on October 21, 2021

Implementation of Indian Accounting Standards: RBI Notification

The Reserve bank of India vide notification number RBI/2019-20/170 DOR (NBFC).CC.PD.No.109/22.10.106/ 2019-20 dated March 13, 2020 framed regulatory guidance on Ind AS which is applicable on Ind AS implementing NBFCs and Asset Reconstruction Companies (ARCs) for preparation of their financial statements from financial year 2019-20 onwards. These guidelines focus on the need to ensure consistency in the application of the accounting standards in specific areas, including asset classification and provisioning, and provide clarifications on regulatory capital in the light of Ind AS implementation.

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

The directions lists down detailed instructions in relation to submission of returns, including their periodicity, reporting time, due date, purpose and the requirement of filing such returns by various categories of NBFCs.

Implementation of Green Initiative of the Government

All applicable NBFCs are required take proactive steps for increasing the use of electronic payment systems, elimination of post-dated cheques and gradual phase-out of cheques in their day to day business transactions which would result in more cost-effective transactions and faster and accurate settlements.

Guidelines for Appointment of Statutory Central Auditors (SCAs)/Statutory Auditors (SAs) of Commercial Banks (excluding RRBs), UCBs and NBFCs (including HFCs) dated April 27, 2021

The circular puts in place regulations for ensuring independence of auditors, avoiding conflict of interest in auditor's appointments and to improve the quality and standards of audit in RBI Regulated Entities.

Master Direction – Non-Banking Financial Companies Auditor's Report (Reserve Bank) Directions, 2016

In addition to the report made by the auditor under Section 143 of the Companies Act, 2013 on the accounts of an NBFC , the auditor shall make a separate report to the Board of Directors of the company on *inter alia* examination of validity of certificate of registration obtained from the RBI, whether the NBFC is entitled to continue to hold such certificate of registration in terms of its Principal Business Criteria (financial asset / income pattern) as on 31st March of the applicable year, whether the NBFC is meeting the required net owned fund requirement, whether the board of directors has passed a resolution for non-acceptance of public deposits, whether the company has accepted any public deposits during the applicable year, whether the company has complied with the prudential norms relating to income recognition, accounting standards, asset classification and provisioning for bad and doubtful debts as applicable to it, whether the capital adequacy ratio as disclosed in the return submitted to the RBI in NBS-7 (DNBS03), has been correctly arrived at and whether such ratio is in compliance with the minimum CRAR prescribed by RBI, whether the company has furnished to RBI the annual statement of capital funds, risk assets/exposures and risk asset ratio within the stipulated period.

Where the statement regarding any of the items referred in the auditor certificate above, is unfavourable or qualified, or in the opinion of the auditor the company has not complied with the regulations issued by RBI, it shall be the obligation of the auditor to make a report containing the details of such unfavourable or qualified statements and/or about the non-compliance, as the case may be, in respect of the company to the concerned Regional Office of the Department of Non-Banking Supervision of the RBI under whose jurisdiction the registered office of the company is located.

Risk-Based Internal Audit (RBIA)

An independent and effective internal audit function in a financial entity provides vital assurance to the board of directors and its senior management of NBFC regarding the quality and effectiveness of the entity's internal control, risk management and governance framework. The essential requirements for a robust internal audit function include, inter alia, sufficient authority, proper stature, independence, adequate resources and professional competence. RBI *vide* its circular dated February 03, 2021, *inter-alia* mandated all non-deposit taking NBFCs (including Core Investment Companies) with asset size of ₹5,000 crore and above to implement the RBIA framework by March 31, 2022.

Reserve Bank of India (Information Technology Governance, Risk, Controls and Assurance Practices) Directions, 2023

All NBFCs shall have a board approved Information Technology policy/Information system policy. This policy may be designed considering the basic standards stipulated in the said directions. These directions incorporate, consolidate and update the guidelines, instructions and circulars on IT Governance, Risk, Controls, Assurance Practices and Business Continuity/ Disaster Recovery Management.

Master Direction - Monitoring of Frauds in NBFCs (Reserve Bank) Directions, 2016

RBI has issued Monitoring of Frauds in NBFCs (Reserve Bank) Directions, 2016 ("**Fraud Directions, 2016**"). As per the Fraud Directions, 2016, NBFCs are required to put in place a reporting system for recording frauds without any delay. NBFCs are required to fix staff accountability in respect of delays in reporting of fraud cases to the RBI. In order to maintain uniformity in reporting frauds, the Fraud Directions, 2016, prescribe the manner of classification of frauds. Such NBFCs are required to report frauds committed to various bodies like the board, the audit committee, the RBI and the police authorities, depending on the amount involved in the fraud. In terms of the Fraud Directions, 2016 such NBFCs shall disclose the amount related to fraud reported by the NBFC for the year in their balance sheet.

Directions on Managing Risks and Code of Conduct in Outsourcing of Financial Services by NBFCs

With a view to put in place necessary safeguards applicable to outsourcing of activities by NBFCs, the RBI has issued directions on managing risks and code of conduct in outsourcing of financial services by NBFCs ("**Outsourcing Directions**").

The Outsourcing Directions specify that core management functions including internal audit, strategic and compliance functions, decision making functions such as determining compliance with KYC norms, according sanction for loans, shall not be outsourced by NBFCs. However, for NBFCs in a group/conglomerate, these functions may be outsourced within the group subject to compliance with instructions in the Outsourcing Directions. Further, while internal audit function itself is a management process, the internal auditors can be on contract.

Fair practice code

Applicable NBFCs having customer interface should mandatorily adopt the guidelines on fair practices to be adhered to while conducting business. The guidelines require that all communications to the borrower shall be in the vernacular language or a language as understood by the borrower. Also, loan application forms shall include necessary information which affects the interest of the borrower, so that a meaningful comparison with the terms and conditions offered by other NBFCs can be made and informed decision can be taken by the borrower. Such NBFCs should also give notice to the borrower in the vernacular language or a language as understood by the borrower of any change in the terms and conditions including disbursement schedule, interest rates, service charges, prepayment charges etc. Such NBFCs shall also ensure that changes in interest rates and charges are effected only prospectively.

In order to regulate charging of excessive interest rates, applicable NBFCs are required to adopt an interest rate model. The rate of interest and the approach for gradations of risk and rationale for charging different rate of interest to different categories of borrowers shall be explicitly disclosed to the borrower. In the matter of recovery of loans, such NBFCs shall not resort to undue harassment methods which include persistently bothering the borrowers at odd hours, use muscle power for recovery of loans etc. Such NBFCs shall also ensure that the staffs are adequately trained to deal with the customers in an appropriate manner.

Also, NBFC-ML are required to lay down an appropriate grievance redressal mechanism within the organisation.

Ombudsman scheme for customers of NBFCs

The RBI has on November 12, 2021 introduced the Reserve Bank - Integrated Ombudsman Scheme, 2021 (the "**Scheme**"). The Scheme integrates three ombudsman schemes of RBI namely, (i) the Banking Ombudsman Scheme, 2006; (ii) the Ombudsman Scheme for Non-Banking Financial Companies, 2018; and (iii) the Ombudsman Scheme for Digital Transactions, 2019. The Scheme makes 'deficiency in services' as ground for filing complaints with certain exceptions. The responsibility of representing the NBFC and furnishing information in respect of complaints filed by customers against the NBFC would be that of the principal nodal officer in the rank of a general manager or equivalent. The NBFC will not have the right to appeal in cases where an award is issued by the ombudsman against it on account of non-response or non-furnishing of information sought within stipulated time. A complaint may be lodged online through the portal designed for the purpose (https://cms.rbi.org.in). The complaint may also be submitted through electronic or physical mode to the Centralised Receipt and Processing Centre as notified by the RBI. The ombudsman is entitled to call for certified copy of documents from the NBFC and the ombudsman is required to maintain confidentiality in relation to the same. The proceedings before the ombudsman shall be summary in nature. The Ombudsman's award shall contain, inter alia, the direction, if any, to the NBFC for specific performance of its obligations and in addition to or otherwise, the amount, if any, to be paid by the NBFC to the complainant by way of compensation for any loss suffered by the complainant.

Asset Liability Management

Under the terms of the Master Directions, non-deposit accepting NBFCs having an asset base of ₹100 crore or more are required to comply with the RBI Guidelines on Liquidity Risk Management Framework ("**LRM Framework**"). The RBI has prescribed the Guidelines for asset liability management ("**ALM**") system in relation to NBFCs through LRM Framework. The LRM Framework provides that in order to ensure sound and robust liquidity risk management system, the board of directors of the NBFC shall frame a liquidity risk management framework which ensures that it maintains sufficient liquidity, including a cushion of unencumbered, high quality liquid assets to withstand a range of stress events, including those involving the loss or impairment of both unsecured and secured funding sources. The liquidity risk management policy should spell out the entity-level liquidity risk tolerance; funding strategies; prudential limits; system for measuring, assessing and reporting/ reviewing liquidity; framework for stress testing; liquidity planning under alternative scenarios/formal contingent funding plan; nature and frequency of management reporting; periodical review of assumptions used in liquidity projection; etc. A desirable organizational set up for liquidity risk management shall include (a) Board of Directors who shall have the overall responsibility for management of liquidity risk, (b) the risk management committee ("**RMC**") consisting of chief executive officer ("**CEO**")/ managing director ("**MD**") and heads of various risk verticals, who shall be responsible for evaluating the overall risks faced by the NBFC including liquidity risk, (c) asset liability management committee ("**ALCO**") consisting of the NBFC's top management shall be responsible for ensuring adherence to the risk tolerance/limits set by the board of directors as well as implementing the liquidity risk management strategy of the NBFC. The CEO/ MD or the Executive Director (ED) should head the ALCO. The role of the ALCO with respect to liquidity risk should include, *inter alia*, decision on desired maturity profile and mix of incremental assets and liabilities, sale of assets as a source of funding, the structure, responsibilities and controls for managing liquidity risk, and overseeing the liquidity positions of all branches, (d) asset liability management support group ("**ALM Support Group**") consisting of the operating staff responsible for analysing, monitoring and reporting the liquidity risk profile to the ALCO. The maturity profile as prescribed in the directions could be used for measuring the future cash flows of NBFCs in different time buckets. Within each time bucket, there could be mismatches depending on cash inflows and outflows. While the mismatches up to one year would be relevant since these provide early warning signals of impending liquidity problems, the main focus shall be on the short-term mismatches, viz., 1-30/ 31 days. The net cumulative negative mismatches in the statement of structural liquidity in the maturity buckets 1-7 days, 8-14 days, and 15-30 days shall not exceed 10 percent, 10 percent and 20 percent of the cumulative cash outflows in the respective time buckets. NBFCs, however, are expected to monitor their cumulative mismatches (running total) across all other time buckets upto 1 year by establishing internal prudential limits with the approval of the board of directors. NBFCs shall also adopt the above cumulative mismatch limits for their structural liquidity statement for consolidated operations. Other than liquidity risk the applicable NBFC has to manage currency risk and interest rate risk under the terms of LRM Framework.

Guidelines on Digital Lending and Guidelines on Default Loss Guarantee (DLG) in Digital Lending

RBI on September 2, 2022 issued Guidelines on Digital Lending. The Guidelines on Digital Lending are applicable to all Commercial Banks, Primary (Urban) Co-operative Banks, State Co-operative Banks, District Central Co-operative Banks; and NBFCs. The Guidelines on Digital Lending prescribe guidelines W.r.t. Customer Protection and Conduct, Collection of fees, charges, Disclosures to borrowers, Grievance Redressal, Assessing the borrower's creditworthiness, Cooling off/look-up period, Due diligence and other requirements with respect to lending service providers engaged by the regulated entity, Technology and Data Requirement, Storage of Data, Comprehensive privacy policy, Technology standards, Reporting to Credit Information Companies and Loss sharing arrangement in case of default. The RBI guidelines on DLG, inter-alia governs arrangements between regulated entities (REs) and lending service providers (LSPs) or between two REs involving DLG.

The Recovery of Debts due to Banks and Financial Institutions Act, 1993

The Recovery of Debts due to Banks and Financial Institutions Act, 1993 (the "**DRT Act**") provides for establishment of the Debts Recovery Tribunals (the "**DRTs**") for expeditious adjudication and recovery of debts due to banks and public financial institutions or to a consortium of banks and public financial institutions. Under the DRT Act, the procedures for recovery of debt have been simplified and time frames have been fixed for speedy disposal of cases. The DRT Act lays down the rules for establishment of DRTs, procedure for making application to the DRTs, powers of the DRTs and modes of recovery of debts determined by DRTs. These include attachment and sale of movable and immovable property of the defendant, arrest of the defendant and his detention in prison and appointment of receiver for management of the movable or immovable properties of the defendant.

The DRT Act also provides that a bank or public financial institution having a claim to recover its debt, may join an ongoing proceeding filed by some other bank or public financial institution, against its debtor, at any stage of the proceedings before the final order is passed, by making an application to the DRT.

Foreign Investment Regulations

Foreign investment in Indian securities is regulated through the Consolidated Foreign Direct Investment ("**FDI**") Policy and Foreign Exchange Management Act, 1999 ("**FEMA**"). The government bodies responsible for granting foreign investment approvals are the concerned ministries/ departments of the Government of India and the RBI. The Union Cabinet has approved phasing out the Foreign Investment Promotion Board, as provided in the press release dated May 24, 2017. Accordingly, pursuant to the office memorandum dated June 5, 2017, issued by the Department of Economic Affairs, Ministry of Finance, approval of foreign investment under the FDI policy has been entrusted to concerned ministries/departments. Subsequently, the Department of Industrial Policy & Promotion ("**DIPP**") issued the Standard Operating Procedure (SOP) for Processing FDI Proposals on August 17, 2023 (the "**SOP**"). The SOP read with the consolidated FDI policy effective on October 15, 2020 provides a list of the competent authorities for granting approval for foreign investment for sectors/activities requiring Government approval. For sectors or activities that are currently under automatic route but which required Government approval earlier as per the extant policy during the relevant period, the concerned administrative ministry/department shall act as the competent authority (the "**Competent Authority**") for the grant of post facto approval of foreign investment. In circumstances where there is a doubt as to which department shall act as the Competent Authority, the DIPP shall identify the Competent Authority. The DIPP has from time to time made policy pronouncements on FDI through press notes and press releases which are notified by RBI as amendment to FEMA. In case of any conflict FEMA prevails.

The Foreign Exchange Management (Debt Instruments) Regulations, 2019 notified by RBI on October 17, 2019, regulate investment in India by a person resident outside India in listed NCDs.

The Consolidated FDI Policy consolidates the policy framework in place as on October 15, 2020. Further, on January 4, 2018 the RBI released the Master Direction on Foreign Investment in India (last updated on August 8, 2024). Under the approval route, prior approval from the relevant ministry and competent authorities, as per the procedure established under the Standard Operating Procedure for Processing FDI Proposals ("**SOP**") dated August 17, 2023 or RBI is required. FDI for the items/activities that cannot be brought in under the automatic route may be brought in through the approval route. Approvals are accorded on the recommendation of the FIPB, which is chaired by the Secretary, DIPP, with the Union Finance Secretary, Commerce Secretary and other key Secretaries of the Government of India as its members.

As per the sector specific guidelines of the Government of India, 100 per cent FDI/ Non-Resident Indian ("**NRI**") investments are allowed under the automatic route in certain NBFC activities subject to compliance with guidelines of the RBI in this regard.

Guidelines for Licencing and other Approvals for Authorised Money Changers (AMCs)

Full Fledged Money Changers (FFMCs) are authorised by the Reserve Bank to deal in foreign exchange for specified purposes, to widen the access of foreign exchange facilities to residents and tourists while ensuring efficient customer service through competition. FFMCs are authorised to purchase foreign exchange from residents and non-residents visiting India and to sell foreign exchange for certain approved purposes. AD Category –I Banks/ADs Category – II/FFMCs may appoint franchisees to undertake purchase of foreign currency*. No person shall carry on or advertise that he carries on money changing business unless he is in possession of a valid money changer's licence issued by the Reserve Bank.

** Note: -Franchisees of AD Category –I Banks/ADs Category – II/FFMCs functioning within 10 kilometres from the borders of Pakistan and Bangladesh may also sell the currency of the bordering country, with the prior approval of the Regional offices concerned of the Reserve Bank. Other franchises of AD Category –I Banks/ADs Category – II/FFMCs cannot sell foreign currency.*

Guidelines for appointment of Agents/ Franchisees by Authorised Dealer Category – FFMCs.

Under the Scheme, the Reserve Bank permits FFMCs to enter into franchisee/agency agreements at their option for the purpose of carrying on Restricted Money Changing business i.e. conversion of foreign currency notes, coins or travellers' cheques into Indian Rupees.
A franchisee can be any entity which has a place of business and a minimum Net Owned Funds of ₹10 lakhs. Franchisees can undertake only restricted money changing business.

FFMCs as the franchisers are free to decide on the tenor of the arrangement as also the commission or fee through mutual agreement with the franchisee. The Agency/Franchisee agreement to be entered into should include the salient features as mentioned under the master circular. The master circular also prescribes the procedure for application, due diligence of franchisees, selection of centres, training, reporting, audit and inspection of franchisees and Anti Money Laundering (AML)/Know Your Customer (KYC)/Combating the Financing of Terrorism (CFT) Guidelines.

Note: No licence for appointment of franchisees will be issued to any FFMC, against whom any major DoE/DRI/CBI/Police case is pending. In case where any FFMC has received one-time approval for appointing franchisees and subsequent to the date of approval, any DoE/DRI/CBI/Police case is filed, the FFMC should not appoint any further franchisees and bring the matter to the notice of the Reserve Bank immediately. A decision will be taken by the Reserve Bank regarding allowing the FFMC to appoint franchisees.

Operational Instructions

Foreign exchange in any form can be brought into India freely without limit provided it is declared on the Currency

Declaration Form (CDF) on arrival to the Custom Authorities. When foreign exchange brought in the form of currency notes or travellers' cheques does not exceed US $10,000 or its equivalent and/or the value of foreign currency notes does not exceed US $5,000 or its equivalent, declaration thereof on CDF is not insisted upon.

Taking out foreign exchange in any form, other than foreign exchange obtained from an authorised dealer or a money changer is prohibited unless it is covered by a general or special permission of the Reserve Bank. Non-residents, however, have general permission to take out an amount not exceeding the amount originally brought in by them, subject to compliance with the provisions of sub-para above.

Authorised Money Changers (AMCs)/franchisees may freely purchase foreign currency notes, coins and traveller's cheques from residents as well as non-residents. Where the foreign currency was brought in by declaring on form CDF, the tenderer should be asked to produce the same. The AMC should invariably insist on production of declaration in CDF.

AMCs may sell Indian Rupees to foreign tourists/visitors against International Credit Cards/International Debit Cards and take prompt steps to obtain reimbursement through normal banking channels.

AMCs may issue certificate of encashment when asked for in cases of purchases of foreign currency notes, coins and travellers cheques from residents as well as non-residents. These certificates bearing authorised signatures should be issued on the letter head of the money changer and proper record should be maintained.

In cases where encashment certificate is not issued, attention of the customers should be drawn to the fact that unspent local currency held by non-residents will be allowed to be converted into foreign currency only against production of a valid encashment certificate.

AMCs may purchase from other AMCs and ADs any foreign currency notes, coins and encashed travellers' cheques tendered in the normal course of business. Rupee equivalent of the amount of foreign exchange purchased should be paid only by way of crossed account payee cheque/demand draft/bankers' cheque/Pay order.

AMCs may sell foreign exchange up to the prescribed ceiling (currently US $ 10,000) specified in Schedule III to the Foreign Exchange Management (Current Account Transaction) Rules, 2000 during a financial year to persons resident in India for undertaking one or more private visits to any country abroad (except Nepal and Bhutan). Exchange for such private visits will be available on a self-declaration basis to the traveller regarding the amount of foreign exchange availed during a financial year. Foreign nationals permanently resident in India are also eligible to avail of this quota for private visits provided the applicant is not availing of facilities for remittance of his salary, savings, etc., abroad in terms of extant regulations.

AMCs may sell foreign exchange to persons' resident in India for undertaking business travel or for attending a conference or specialised training or for maintenance expenses of a patient going abroad for medical treatment or check-up abroad or for accompanying as attendant to a patient going abroad for medical treatment/check-up up to the limits as specified in Schedule III to FEMA (Current Account Transactions) Rules, 2000.

AMCs may convert into foreign currency, unspent Indian currency held by non-residents at the time of their departure from India, provided a valid Encashment Certificate is produced.

AMCs may convert at their discretion, unspent Indian currency up to ₹10,000 in the possession of non-residents if, for bona fide reasons, the person is unable to produce an Encashment Certificate after ensuring that the departure is scheduled to take place within the following seven days. FFMCs may provide facility for reconversion of Indian Rupees to the extent of ₹50,000 to foreign tourists (not NRIs) against ATM Receipts based on the following documents- Valid passport and visa, ticket confirmed for departure within 7 days, Original ATM slip.

AMCs may issue a cash memo, if asked for, on official letterhead to travellers to whom foreign currency is sold by them. The cash memo may be required for production to emigration authorities while leaving the country.

AMCs may put through transactions relating to foreign currency notes and travellers' cheques at rates of exchange determined by market conditions and in alignment with the ongoing market rates.

AMCs should display at a prominent place in or near the public counter, a chart indicating the rates for purchase/sale of foreign currency notes and travellers' cheques for all the major currencies and the card rates for any day, should be updated, latest by 10:30 a.m.

AMCs should keep balances in foreign currencies at reasonable levels and avoid build-up of idle balances with a view to speculating on currency movements.

Franchisees should surrender foreign currency notes, coins and travellers' cheques purchased only to their franchisers within seven working days.

The transactions between authorised dealers and FFMCs should be settled by way of account payee crossed cheques/demand drafts. Under no circumstances should settlement be made in cash.

AMCs may obtain their normal business requirements of foreign currency notes from other AMCs/authorised dealers in foreign exchange in India, against payment in rupees made by way of account payee crossed cheque/demand draft.

Where AMCs are unable to replenish their stock in this manner, they may make an application to the Forex Markets Division, Foreign Exchange Department, Central Office, RBI, Mumbai through an AD Category-I for permission to import foreign currency into India. The import should take place through the designated AD Category-I through whom the application is made.

AMCs may export surplus foreign currency notes/encashed travellers' cheques to an overseas bank through designated Authorised Dealer Category - I in foreign exchange for realisation of their value through the latter. FFMCs may also export surplus foreign currency to private money changers abroad subject to the condition that either the realisable value is credited in advance to the AD Category – I bank’s nostro account or a guarantee is issued by an international bank of repute covering the full value of the foreign currency notes/coins to be exported.

In the event of foreign currency notes purchased being found fake/forged subsequently, AMCs may write- off up to US $ 2000 per financial year after approval of their Top Management after exhausting all available options for recovery of the amount. Any write-off in excess of the above amount, would require the approval of the Regional Office concerned of the Foreign Exchange Department of the Reserve Bank.

Further, provisions regarding the following are also mentioned-

- Registers and Books of Accounts of Money-changing Business
- Submission of Statements to the Reserve Bank
- Inspection of Transactions of AMCs
- Concurrent Audit
- Temporary Money Changing Facilities

Opening of Foreign Currency Accounts by AMCs

AMCs, with the approval of the respective Regional Offices of the Foreign Exchange Department, may be allowed to open Foreign Currency Accounts in India, subject to the following conditions: -

i. Only one account may be permitted at a particular centre.

ii. Only the value of foreign currency notes/encashed TCs exported through the specific bank and realised can be credited to the account.

iii. Balances in the accounts shall be utilised only for settlement of liabilities on account of:

  (a) TCs sold by the AMCs,
  (b) Foreign currency notes acquired by the AMCs from AD Category-I banks, and
  (c) No idle balance shall be maintained in the said account.

All AMCs are required to submit their annual audited balance sheet to the respective Regional office of the Reserve Bank for the purpose of verification of their Net Owned Funds along-with a certificate from the statutory auditors regarding the NOF as on the date of the balance sheet. As AMCs are expected to maintain the minimum NOF on an ongoing basis, if there is any erosion in their NOF below the minimum level, they are required to bring it to the notice of the Reserve Bank immediately along with a detailed time bound plan for restoring the Net Owned Funds to the minimum required level.

FFMCs, which are not Regional Rural Banks (RRBs), Local Area Banks (LABs), Urban Co-operative Banks (UCBs) and Non-Banking Financial Companies (NBFCs) having a minimum net worth of ₹500 lakhs, may participate in the designated currency futures and currency options on exchanges recognised by the Securities and Exchange Board of India (SEBI) as clients only for the purpose of hedging their underlying foreign exchange exposures. FFMCs and ADs Category–II which are RRBs, LABs, UCBs and NBFCs, may be guided by the instructions issued by the respective regulatory Departments of the Reserve Bank in this regard.

*The Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 ("**SARFAESI Act**")*

The SARFAESI Act regulates the securitization and reconstruction of financial assets of banks and financial institutions. The RBI has issued guidelines to banks and financial institutions on the process to be followed for sales of financial assets to asset reconstruction companies. These guidelines provide that a bank or a financial institution or an NBFC may sell financial assets to an asset reconstruction company provided the asset is a Non - Performing Asset ("**NPA**"). Securitisation Companies and Reconstruction Companies ("**SCs/RCs**") are required to obtain, for the purpose of enforcement of security interest, the consent of secured creditors holding not less than 60 per cent of the amount outstanding to a borrower as against 75 per cent. While taking recourse to the sale of secured assets in terms of Section 13(4) of the SARFAESI Act, a SC/RC may itself acquire the secured assets, either for its own use or for resale, only if the sale is conducted through a public auction.

As per the SARFAESI Amendment Act of 2004, the constitutional validity of which was upheld in a recent Supreme Court ruling, non-performing assets have been defined as an asset or account of a borrower, which has been classified by a bank or financial institution as sub-standard, doubtful or loss asset in accordance with directions or guidelines issued by the RBI. In case the bank or financial institution is regulated by a statutory body/authority, NPAs must be classified by such bank in accordance with guidelines issued by such regulatory authority. The RBI has issued guidelines on classification of assets as NPAs. Further, these assets are to be sold on a "without recourse" basis only.

The SARFAESI Act provides for the acquisition of financial assets by Securitization Company or Reconstruction Company from any bank or financial institution on such terms and conditions as may be agreed upon between them. A securitization company or reconstruction company having regard to the guidelines framed by the RBI may, for the purposes of asset reconstruction, provide for measures such as the proper management of the business of the borrower by change in or takeover of the management of the business of the borrower, the sale or lease of a part or whole of the business of the borrower and certain other measures such as rescheduling of payment of debts payable by the borrower; enforcement of security.

Additionally, under the provisions of the SARFAESI Act, any securitisation company or reconstruction company may act as an agent for any bank or financial institution for the purpose of recovering its dues from the borrower on payment of such fee or charges as may be mutually agreed between the parties.

Various provisions of the SARFAESI Act have been amended by the Enforcement of Security Interest and Recovery of Debt Laws and Miscellaneous Provisions (Amendment) Act, 2016 as also the Insolvency and Bankruptcy Code, 2016 (which amended S.13 of SARFAESI). As per this amendment, the Adjudicating Authority under the Insolvency and Bankruptcy Code, 2016 shall by order declare moratorium for prohibiting inter alia any action to foreclose, recover or enforce any security interest created by the corporate debtor in respect of its property including any action under the SARFAESI Act.

Further, in accordance with Ministry of Finance notification no. S.O. 856(E) dated February 24, 2020, the eligibility limit for to enforcement of security interest with respect to secured debt recovery by NBFCs (having assets worth ₹10,000 lakh and above) has been reduced from ₹50 lakh to ₹20 lakh.

Insolvency and Bankruptcy Code, 2016

The Insolvency and Bankruptcy Code, 2016 (Bankruptcy Code) was notified on August 5, 2016. The Bankruptcy Code offers a uniform and comprehensive insolvency legislation encompassing all companies, partnerships and individuals (other than financial firms). It allows creditors to assess the viability of a debtor as a business decision and agree upon a plan for its revival or a speedy liquidation. The Bankruptcy Code creates a new institutional framework, consisting of a regulator, insolvency professionals, information utilities and adjudicatory mechanisms, which will facilitate a formal and time-bound insolvency resolution and liquidation process.

RBI *vide* its circular dated June 7, 2019, laid down the Prudential Framework for Resolution of Stressed Assets whereby prescribing the regulatory approach for resolution of stressed assets interalia by: (i) early recognition and reporting of default by banks, financial institutions and NBFCs in respect of large borrowers; (ii) Affording complete discretion to lenders with regard to design and implementation of resolution plans, in supersession of earlier resolution schemes (S4A, SDR, 5/25 etc.), subject to the specified timeline and independent credit evaluation; (iii) Laying down a system of disincentives in the form of additional provisioning for delay in implementation of resolution plan or initiation of insolvency proceedings; (iv) Withdrawal of asset classification dispensations on restructuring. Future upgrades to be contingent on a meaningful demonstration of satisfactory performance for a reasonable period; and (v) Requiring the mandatory signing of an inter-creditor agreement (ICA) by all lenders, which will provide for a majority decision making criteria. MCA vide notification dated November 15, 2019, issued the Insolvency and Bankruptcy (Insolvency and Liquidation Proceedings of Financial Service Providers and Application to Adjudicating Authority) Rules, 2019 ("**FSP Rules**") inter alia governing the corporate insolvency resolution process and liquidation process of Financial Service Providers (FSPs) under the Bankruptcy Code.

The issuance of the FSP Rules has made viable and unified resolution process accessible for the FSPs and their creditors with some procedural differences.

Companies Act, 2013

The Companies Act, 2013 ("**Companies Act**") has been notified by the Government of India on August 30, 2013 (the "**Notification**").

The Companies Act provides for, among other things, changes to the regulatory framework governing the issue of capital by companies, corporate governance, audit procedures, corporate social responsibility, requirements for independent directors, director's liability, class action suits, and the inclusion of women directors on the boards of companies. The Companies Act is complemented by a set of rules that set out the procedure for compliance with the substantive provisions of the Companies Act

Shops and Establishments legislations in various states

The provisions of various Shops and Establishments legislations, as applicable, regulate the conditions of work and employment in shops and commercial establishments and generally prescribe obligations in respect of inter-alia registration, opening and closing hours, daily and weekly working hours, holidays, leave, health, termination of services and safety measures and wages for overtime work.

Labour Laws

India has stringent labour related legislations. The Company is required to comply with certain labour laws, which include the Employees' Provident Funds and Miscellaneous Provisions Act 1952, Employees' State Insurance Act, 1948, the Minimum Wages Act, 1948, the Payment of Bonus Act, 1965, Workmen Compensation Act, 1923, the Payment of Gratuity Act, 1972, Maternity Benefit Act, 1961 and the Payment of Wages Act, 1936, amongst others.

Intellectual Property

Intellectual Property in India enjoys protection under both common law and statute. Under statute, India provides for patent protection under the Patents Act, 1970, copyright protection under the Copyright Act, 1957 and trademark protection under the Trademarks Act, 1999. The above enactments provide for protection of intellectual property by imposing civil and criminal liability for infringement.

Other Regulations

Our Company is required to comply with the provisions of the Companies Act, SEBI Listing Regulations, various circulars and notifications issued by SEBI as applicable, labour laws, shops and establishment acts, various tax related legislations and other applicable statutes for its day-to-day operations.

OTHER REGULATORY AND STATUTORY DISCLOSURES

Issuer's Absolute Responsibility

"The Issuer, having made all reasonable inquiries, accepts responsibility for and confirms that this Draft Prospectus contains all information with regard to the Issuer and the issue which is material in the context of the issue, that the information contained in the Prospectus is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly stated and that there are no other facts, the omission of which make this document as a whole or any of such information or the expression of any such opinions or intentions misleading."

Authority for the Issue

At the meeting of the Board of Directors of our Company held on May 30, 2024, the Directors approved the issue of NCDs to the public up to an amount not exceeding ₹30,000 lakhs in one or more tranches. Further, the present borrowing is within the borrowing limits under Section 180(1)(c) of the Companies Act, 2013, duly approved by the shareholders' vide their resolution passed at their EGM held on April 20, 2023. This Issue for an amount not exceeding ₹15,000 lakh has been approved by the NCD-Sub Committee of the Board of our Company in its meeting dated August 28, 2024.

Prohibition by SEBI

Our Company, persons in control of our Company, Directors of our Company and/or our Promoter have not been restrained, prohibited or debarred by SEBI from accessing the securities market or dealing in securities and no such order or direction is in force. Further, no member of our promoter group has been prohibited or debarred by SEBI from accessing the securities market or dealing in securities due to fraud.

Our Company confirms that there are no fines or penalties levied by SEBI or the Stock Exchanges pending to be paid by the Company as on the date of this Draft Prospectus.

No regulatory action is pending against the issuer or its promoters or directors before the Board or the Reserve Bank of India.

Categorisation as a Wilful Defaulter

Our Company, our Directors and/or our Promoter have not been categorised as a Wilful Defaulter nor are they in default of payment of interest or repayment of principal amount in respect of debt securities issued to the public, for a period of more than six months.

None of our Whole-time Directors and/or our Promoters, is a whole-time director or promoter of another company which has been categorised as a wilful defaulter.

Declaration as a Fugitive Economic Offender

None of our Directors have been declared as a Fugitive Economic Offender.

Other confirmations

None of our Company or our Directors or our Promoters, or person(s) in control of our Company was a promoter, director or person in control of any company which was delisted within a period of ten years preceding the date of this Draft Prospectus, in accordance with Chapter V of the SEBI Delisting Regulations.

The NCDs shall be considered as secured only if the charged asset is registered with Sub-registrar and Registrar of Companies or CERSAI or Depository etc., as applicable, or is independently verifiable by the debenture trustee.

The Consents/ permissions and no objection certificates required for creation of further *pari-passu* charge in favour of the Debenture Trustee on the assets from the Existing Secured Creditors have been obtained.

Further, it is confirmed that our Company is in compliance with applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended and any other guidelines so specified by SEBI;

Disclaimer statement from our Company, our Directors and the Lead Manager

Our Company, our Directors and the Lead Manager accepts no responsibility for statements made other than in this Draft Prospectus or in the advertisements or any other material issued by or at our Company's instance in connection with the Issue of the NCDs and anyone placing reliance on any other source of information including our Company's website, or any website of any affiliate of our Company would be doing so at their own risk. The Lead Manager accept no responsibility, save to the limited extent as provided in the Issue Agreement.

None among our Company or the Lead Manager or any Member of the Syndicate is liable for any failure in uploading the Application due to faults in any software/ hardware system or otherwise; the blocking of Application Amount in the ASBA Account on receipt of instructions from the Sponsor Bank on account of any errors, omissions or non-compliance by various parties involved in, or any other fault, malfunctioning or breakdown in, or otherwise, in the UPI Mechanism.

Investors who make an Application in the Issue will be required to confirm and will be deemed to have represented to our Company, the Lead Manager and their respective directors, officers, agents, affiliates, and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire the NCDs and will not issue, sell, pledge, or transfer the NCDs to any person who is not eligible under any applicable laws, rules, regulations, guidelines and approvals to acquire the NCDs. Our Company, the Lead Manager and their respective directors, officers, agents, affiliates, and representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire the NCDs being offered in the Issue.

Disclaimer Clause of SEBI

IT IS TO BE DISTINCTLY UNDERSTOOD THAT FILING OF THE DRAFT PROSPECTUS TO THE SECURITIES AND EXCHANGE BOARD OF INDIA (SEBI) SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE ISSUE IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE PROSPECTUS. THE LEAD MANAGER, VIVRO FINANCIAL SERVICES PRIVATE LIMITED, HAS CERTIFIED THAT THE DISCLOSURES MADE IN THE PROSPECTUS ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE SEBI (ISSUE AND LISTING OF NON-CONVERTIBLE SECURITIES) REGULATIONS, 2021 IN FORCE FOR THE TIME BEING. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING INVESTMENT IN THE PROPOSED ISSUE.

IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE ISSUER IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE PROSPECTUS, THE LEAD MANAGER IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE ISSUER DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE LEAD MANAGER VIVRO FINANCIAL SERVICES PRIVATE LIMITED, HAS FURNISHED TO SEBI A DUE DILIGENCE CERTIFICATE DATED [•], 2024, WHICH READS AS FOLLOWS:

[•]

Disclaimer Clause of BSE

"BSE LIMITED ("THE EXCHANGE") HAS GIVEN, VIDE ITS APPROVAL LETTER DATED [•], 2024 PERMISSION TO THIS COMPANY TO USE THE EXCHANGE'S NAME IN THIS OFFER DOCUMENT AS ONE OF THE STOCK EXCHANGES ON WHICH THIS COMPANY'S SECURITIES ARE PROPOSED TO BE LISTED. THE EXCHANGE HAS SCRUTINIZED THE DRAFT OFFER DOCUMENT/OFFER DOCUMENT FOR ITS LIMITED INTERNAL PURPOSE OF DECIDING ON THE MATTER OF GRANTING THE AFORESAID PERMISSION TO THIS COMPANY. THE EXCHANGE DOES NOT IN ANY MANNER:

A) WARRANT, CERTIFY OR ENDORSE THE CORRECTNESS OR COMPLETENESS OF ANY OF THE CONTENTS OF THIS OFFER DOCUMENT; OR

B) WARRANT THAT THIS COMPANY'S SECURITIES WILL BE LISTED OR WILL CONTINUE TO BE LISTED ON THE EXCHANGE; OR

C) TAKE ANY RESPONSIBILITY FOR THE FINANCIAL OR OTHER SOUNDNESS OF THIS COMPANY, ITS PROMOTERS, ITS MANAGEMENT OR ANY SCHEME OR PROJECT OF THIS COMPANY.

AND IT SHOULD NOT FOR ANY REASON BE DEEMED OR CONSTRUED THAT THE DRAFT OFFER DOCUMENT/OFFER DOCUMENT HAS BEEN CLEARED OR APPROVED BY THE EXCHANGE. EVERY PERSON WHO DESIRES TO APPLY FOR OR OTHERWISE ACQUIRES ANY SECURITIES OF THIS COMPANY MAY DO SO PURSUANT TO INDEPENDENT INQUIRY, INVESTIGATION AND ANALYSIS AND SHALL NOT HAVE ANY CLAIM AGAINST THE EXCHANGE WHATSOEVER BY REASON OF ANY LOSS WHICH MAY BE SUFFERED BY SUCH PERSON CONSEQUENT TO OR IN CONNECTION WITH SUCH SUBSCRIPTION/ACQUISITION WHETHER BY REASON OF ANYTHING STATED OR OMITTED TO BE STATED HEREIN OR FOR ANY OTHER REASON WHATSOEVER".

DISCLAIMER CLAUSE OF RBI

THE COMPANY IS HAVING A VALID CERTIFICATE OF REGISTRATION DATED SEPTEMBER 27, 2021 UNDER SECTION 45 IA OF THE RESERVE BANK OF INDIA ACT, 1934. HOWEVER, RBI DOES NOT ACCEPT ANY RESPONSIBILITY OR GUARANTEE ABOUT THE PRESENT POSITION AS TO THE FINANCIAL SOUNDNESS OF THE COMPANY OR FOR THE CORRECTNESS OF ANY OF THE STATEMENTS OR REPRESENTATIONS MADE OR OPINIONS EXPRESSED BY THE COMPANY AND FOR REPAYMENT OF DEPOSITS/DISCHARGE OF LIABILITY BY THE COMPANY.

DISCLAIMER CLAUSE OF CARE ANALYTICS AND ADVISORY PRIVATE LIMITED

THIS REPORT IS PREPARED BY CARE ANALYTICS AND ADVISORY PRIVATE LIMITED (CAREEDGE RESEARCH). CAREEDGE RESEARCH HAS TAKEN UTMOST CARE TO ENSURE ACCURACY AND OBJECTIVITY WHILE DEVELOPING THIS REPORT BASED ON INFORMATION AVAILABLE IN CAREEDGE RESEARCH'S PROPRIETARY DATABASE, AND OTHER SOURCES CONSIDERED BY CAREEDGE RESEARCH AS ACCURATE AND RELIABLE INCLUDING THE INFORMATION IN PUBLIC DOMAIN. THE VIEWS AND OPINIONS EXPRESSED HEREIN DO NOT CONSTITUTE THE OPINION OF CAREEDGE RESEARCH TO BUY OR INVEST IN THIS INDUSTRY, SECTOR OR COMPANIES OPERATING IN THIS SECTOR OR INDUSTRY AND IS ALSO NOT A RECOMMENDATION TO ENTER INTO ANY TRANSACTION IN THIS INDUSTRY OR SECTOR IN ANY MANNER WHATSOEVER.

THIS REPORT HAS TO BE SEEN IN ITS ENTIRETY; THE SELECTIVE REVIEW OF PORTIONS OF THE REPORT MAY LEAD TO INACCURATE ASSESSMENTS. ALL FORECASTS IN THIS REPORT ARE BASED ON ASSUMPTIONS CONSIDERED TO BE REASONABLE BY CAREEDGE RESEARCH; HOWEVER, THE ACTUAL OUTCOME MAY BE MATERIALLY AFFECTED BY CHANGES IN THE INDUSTRY AND ECONOMIC CIRCUMSTANCES, WHICH COULD BE DIFFERENT FROM THE PROJECTIONS.

NOTHING CONTAINED IN THIS REPORT IS CAPABLE OR INTENDED TO CREATE ANY LEGALLY BINDING OBLIGATIONS ON THE SENDER OR CAREEDGE RESEARCH WHICH ACCEPTS NO RESPONSIBILITY, WHATSOEVER, FOR LOSS OR DAMAGE FROM THE USE OF THE SAID INFORMATION. CAREEDGE RESEARCH IS ALSO NOT RESPONSIBLE FOR ANY ERRORS IN TRANSMISSION AND SPECIFICALLY STATES THAT IT, OR ITS DIRECTORS, EMPLOYEES, PARENT COMPANY – CARE RATINGS LIMITED., OR ITS DIRECTORS, EMPLOYEES DO NOT HAVE ANY FINANCIAL LIABILITIES WHATSOEVER TO THE SUBSCRIBERS/USERS OF THIS REPORT. THE SUBSCRIBER/USER ASSUMES THE ENTIRE RISK OF ANY USE MADE OF THIS REPORT OR DATA HEREIN. THIS REPORT IS FOR THE INFORMATION OF THE AUTHORIZED RECIPIENT IN INDIA ONLY AND ANY REPRODUCTION OF THE REPORT OR PART OF IT WOULD REQUIRE EXPLICIT WRITTEN PRIOR APPROVAL OF CAREEDGE RESEARCH.

CAREEDGE RESEARCH SHALL REVEAL THE REPORT TO THE EXTENT NECESSARY AND CALLED FOR BY APPROPRIATE REGULATORY AGENCIES, VIZ., SEBI, RBI, GOVERNMENT AUTHORITIES, ETC., IF IT IS REQUIRED TO DO SO. BY ACCEPTING A COPY OF THIS REPORT, THE RECIPIENT ACCEPTS THE TERMS OF THIS DISCLAIMER, WHICH FORMS AN INTEGRAL PART OF THIS REPORT.

DISCLAIMER CLAUSE OF CRISIL RATINGS LIMITED (A SUBSIDIARY OF CRISIL LIMITED)

A RATING BY CRISIL RATINGS REFLECTS ITS CURRENT OPINION ON THE LIKELIHOOD OF TIMELY PAYMENT OF THE OBLIGATIONS UNDER THE RATED INSTRUMENT AND DOES NOT CONSTITUTE AN

AUDIT OF THE RATED ENTITY BY CRISIL RATINGS. OUR RATINGS ARE BASED ON INFORMATION PROVIDED BY THE ISSUER OR OBTAINED BY CRISIL RATINGS FROM SOURCES IT CONSIDERS RELIABLE. CRISIL RATINGS DOES NOT GUARANTEE THE COMPLETENESS OR ACCURACY OF THE INFORMATION ON WHICH THE RATING IS BASED. A RATING BY CRISIL RATINGS IS NOT A RECOMMENDATION TO BUY/SELL OR HOLD THE RATED INSTRUMENT; IT DOES NOT COMMENT ON THE MARKET PRICE OR SUITABILITY FOR A PARTICULAR INVESTOR. CRISIL RATINGS HAS A PRACTICE OF KEEPING ALL ITS RATINGS UNDER SURVEILLANCE AND RATINGS ARE REVISED AS AND WHEN CIRCUMSTANCES SO WARRANT. CRISIL RATINGS IS NOT RESPONSIBLE FOR ANY ERRORS AS ESPECIALLY STATES THAT IT HAS NO FINANCIAL LIABILITY WHATSOEVER TO THE SUBSCRIBERS/USERS/TRANSMITTERS/DISTRIBUTERS OF ITS RATINGS. CRISIL RATINGS' CRITERIA ARE AVAILABLE WITHOUT CHARGE TO THE PUBLIC ON THE WEBSITE, WWW.CRISILRATINGS.COM. CRISIL RATINGS OR ITS ASSOCIATES MAY HAVE OTHER COMMERCIAL TRANSACTIONS WITH THE COMPANY/ENTITY. FOR THE LATEST RATING INFORMATION ON ANY INSTRUMENT OF ANY COMPANY RATED BY CRISIL RATINGS, PLEASE VISIT WWW.CRISILRATINGS.COM OR CONTACT CUSTOMER SERVICE HELPDESK AT CRISILRATINGDESK@CRISIL.COM OR AT 1800-267-1301.

Track record of past public issues handled by the Lead Manager

The track record of past issues handled by the Lead Manager, as required by SEBI Master Circular no. SEBI/HO/CFD/PoD-1/P/CIR/2023/157 dated September 26, 2023, are available at the following website:

Name of Lead Manager	Website
Vivro Financial Services Private Limited	http://www.vivro.net/offerdocuments

Listing

An application will be made to BSE for permission to deal in and for an official quotation of our NCDs.

If permissions to deal in and for an official quotation of our NCDs are not granted by the Stock Exchange, our Company will forthwith repay, without interest, all moneys received from the Applicants in pursuance of this Draft Prospectus.

Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at the Stock Exchange mentioned above are taken within 6 Working Days from the date of closure of the issue.

Consents

Consents in writing of Directors of our Company, Company Secretary and Compliance Officer, Chief Financial Officer, Statutory Auditors, legal advisor to the Issue, Lead Manager, the Registrar to the Issue, Credit Rating Agency, Public Issue Account Bank, Sponsor Bank, Refund Bank, Syndicate Member, the Debenture Trustee, CARE Analytics and Advisory Private Limited and the lenders to our Company to act in their respective capacities, have been obtained and will be filed along with a copy of the Prospectus with the RoC as required under Section 26 of the Companies Act, 2013. Further such consents have not been withdrawn up to the time of delivery of the Prospectus with the Stock Exchange.

Expert Opinion

Except as stated below, our Company has not obtained any expert opinions:

(a) Our Company has received written consent, from the Statutory Auditor, namely Bhatter & Company, Chartered Accountants, *vide* their letter dated September 27, 2024, to include its name as required under Section 26(1)(a)(v) of the Companies Act, 2013 read with SEBI NCS Regulations, in this Draft Prospectus and as an "expert" as defined under Section 2(38) of the Companies Act, 2013 to the extent and in its capacity as a statutory auditor, in respect of (a) their report dated May 30, 2024 on the Audited Financial Statements for Fiscal 2024 included in the Draft Prospectus; (b) their report dated May 28, 2023 on the Audited Financial Statements for Fiscal 2023 included in this Draft Prospectus (ii) their Limited Review Report dated August 9, 2024 on the Unaudited Financial Results included in this Draft Prospectus. However, the term "expert" shall not be construed to mean an "expert" as defined under the U.S. Securities Act, 1993. The consent of the Statutory Auditors has not been withdrawn as on the date of this Draft Prospectus.

(b) Consent letter dated September 27, 2024 from FRG & Company, Chartered Accountants, to include their name as an "expert" as required under section 26 (1) of the Companies Act, 2013 read with SEBI NCS Regulations, in this Draft Prospectus, and as an "expert" as defined under section 2(38) of the Companies Act, 2013 to the extent and in their capacity as our Statutory Auditor, and in respect of their reports dated May 30, 2022 on the Audited Financial Statements for Fiscal 2022.

Common form of Transfer

We undertake that there shall be a common form of transfer for the NCDs held in dematerialised form and they shall be transferred subject to and in accordance with the rules/procedures as prescribed by NSDL/CDSL and the relevant Depositary Participants of the transferor or transferee and any other applicable laws and rules notified in respect thereof.

Filing of the Draft Prospectus

This Draft Prospectus is filed with the Designated Stock Exchange in terms of Regulation 27 of the SEBI NCS Regulations for dissemination on its website(s) prior to the opening of the Issue.

Filing of the Prospectus

The Prospectus shall be filed with the RoC in accordance with Section 26 of the Companies Act, 2013.

Disclosures in accordance with the SEBI Debenture Trustee Master Circular

Appointment of Debenture Trustee

The Company has appointed the Debenture Trustee in accordance with the terms of the Debenture Trustee Agreement.

Terms and Conditions of Debenture Trustee Agreement

Fees charged by Debenture Trustee

The Debenture Trustee has agreed for one time acceptance fee amounting to ₹90,000 with annual fee of ₹1 lakhs per annum for the services as agreed in the engagement letter dated August 29, 2024.

Terms of carrying out due diligence

As per the SEBI Debenture Trustee Master Circular, as amended and/ or supplemented from time to time, the Debenture Trustee is required to exercise independent due diligence to ensure that the assets of the Issuer company are sufficient to discharge the interest and principal amount with respect to the debt securities of the Issuer at all times. Accordingly, the Debenture Trustee shall exercise due diligence as per the following process, for which our company has consented to.

a. The Debenture Trustee, either through itself or its agents /advisors/consultants, shall carry out requisite diligence to verify the status of encumbrance and valuation of the assets and whether all permissions or consents (if any) as may be required to create the security as stipulated in the offer document and other applicable laws has been obtained. For the purpose of carrying out the due diligence as required in terms of the Relevant Laws, the Debenture Trustee, either through itself or its agents /advisors/consultants, shall have the power to examine the books of account of the Company and to have the Company's assets inspected by its officers and/or external auditors/ valuers/ consultants/ lawyers/ technical experts/ management consultants appointed by the Debenture Trustee.

b. The Company shall provide all assistance to the Debenture Trustee to enable verification from the Registrar of Companies, Sub-registrar of Assurances (as applicable), CERSAI, depositories, information utility or any other authority, as may be relevant, where the assets and/or encumbrances in relation to the assets of the Company or any third-party security provider are registered / disclosed.

c. Further, in the event that existing charge holders have provided conditional consent / permissions to the Company to create further charge on the assets, the Debenture Trustee shall also have the power to verify such conditions by reviewing the relevant transaction documents or any other documents executed between existing charge holders and the Company. The Debenture Trustee shall also have the power to intimate the existing charge holders about proposal of creation of further encumbrance and seeking their comments/ objections, if any, if Company is required to do so under the respective financing documents executed with the said existing charge holders.

d. Without prejudice to the aforesaid, the Company shall ensure that it provides and procures all information, representations, confirmations and disclosures as may be required in the sole discretion of the Debenture Trustee to carry out the requisite diligence in connection with the issuance and allotment of the Debentures, in accordance with the relevant laws/ Applicable Law.

e. The Debenture Trustee shall have the power to either independently appoint or direct the Company to (after consultation with the Debenture Trustee) appoint intermediaries, valuers, chartered accountant firms, practicing company secretaries, consultants, lawyers and other entities in order to assist in the diligence by the Debenture Trustee. All costs, charges, fees and expenses that are associated with and incurred in relation to the diligence as well as preparation of the reports/certificates/documentation, including all out of pocket expenses towards legal or inspection costs, travelling and other costs, shall be solely borne by the Company.

In addition to the above terms of carrying out the due diligence, the Debenture Trustee Agreement provides for, inter alia, the following terms and conditions:

a. The Company undertakes to promptly furnish all and any information as may be required by the Debenture Trustee in terms of the Companies Act and the Debenture Trust Deed on a regular basis, including without limitation the following documents, as may be applicable

b. The Debenture Trustee does not have the obligations of a borrower or a principal debtor or a guarantor as to the monies paid/invested by investors for the NCDs.

Process of Due Diligence to be carried out by the Debenture Trustee

Due Diligence will be carried out as per SEBI (Debenture Trustees) Regulations, 1993, SEBI NCS Regulations and circulars issued by SEBI from time to time.

While the NCDs are secured as per terms of the Offer Document and charge is held in favor of the Debenture Trustee, the extent of recovery would depend upon realization of asset value and the Debenture Trustee in no way guarantees / assures full recovery / partial of either principal or interest.

Other Confirmations

The Debenture Trustee confirms that they have undertaken the necessary due diligence in accordance with Applicable Law, including the SEBI (Debenture Trustees) Regulations, 1993, read with the SEBI Debenture Trustee Master Circular.

The Debenture Trustee undertakes that the NCDs shall be considered as secured only if the charged asset is registered with sub-registrar and Registrar of Companies or CERSAI or depository, etc., as applicable, or is independently verifiable by the Debenture Trustee.

VISTRA ITCL (INDIA) LIMITED HAVE FURNISHED TO STOCK EXCHANGES A DUE DILIGENCE CERTIFICATE DATED SEPTEMBER 25, 2024, AS PER THE FORMAT SPECIFIED IN ANNEX II - A OF SEBI DEBENTURE TRUSTEE MASTER CIRCULAR AND UNDER PART A OF SCHEDULE IV OF THE SEBI NCS REGULATIONS WHICH READS AS FOLLOWS:

(1) **WE HAVE EXAMINED DOCUMENTS PERTAINING TO THE SAID ISSUE AND OTHER SUCH RELEVANT DOCUMENTS, REPORTS AND CERTIFICATIONS.**

(2) **ON THE BASIS OF SUCH EXAMINATION AND OF THE DISCUSSIONS WITH THE ISSUER, ITS DIRECTORS AND OTHER OFFICERS, OTHER AGENCIES AND OF INDEPENDENT VERIFICATION OF THE VARIOUS RELEVANT DOCUMENTS, REPORTS AND CERTIFICATIONS:**

WE CONFIRM THAT:

(a) THE ISSUER HAS MADE ADEQUATE PROVISIONS FOR AND/OR HAS TAKEN STEPS TO PROVIDE FOR ADEQUATE SECURITY FOR THE DEBT SECURITIES TO BE ISSUED.

(b) THE ISSUER HAS OBTAINED THE PERMISSIONS / CONSENTS NECESSARY FOR CREATING SECURITY ON THE SAID PROPERTY(IES).

(c) THE ISSUER HAS MADE ALL THE RELEVANT DISCLOSURES ABOUT THE SECURITY AND ITS CONTINUED OBLIGATIONS TOWARDS THE HOLDERS OF DEBT SECURITIES.

(d) ISSUER HAS ADEQUATELY DISCLOSED ALL CONSENTS/ PERMISSIONS REQUIRED FOR CREATION OF FURTHER CHARGE ON ASSETS IN OFFER DOCUMENT / PRIVATE PLACEMENT MEMORANDUM/ AND ALL DISCLOSURES MADE IN THE OFFER DOCUMENT/PRIVATE PLACEMENT MEMORANDUM WITH RESPECT TO CREATION OF SECURITY ARE IN CONFIRMATION WITH THE CLAUSES OF DEBENTURE TRUSTEE AGREEMENT.

(e) ISSUER HAS DISCLOSED ALL COVENANTS PROPOSED TO BE INCLUDED IN DEBENTURE TRUST DEED (INCLUDING ANY SIDE LETTER, ACCELERATED PAYMENT CLAUSE ETC.), OFFER DOCUMENT/PRIVATE PLACEMENT MEMORANDUM.

(f) ISSUER HAS GIVEN AN UNDERTAKING THAT CHARGE SHALL BE CREATED IN FAVOUR OF DEBENTURE TRUSTEE AS PER TERMS OF ISSUE BEFORE FILING OF LISTING APPLICATION.

WE HAVE SATISFIED OURSELVES ABOUT THE ABILITY OF THE ISSUER TO SERVICE THE DEBT SECURITIES.

Our Company undertakes that it shall submit the due diligence certificate from Debenture Trustee to the Stock Exchange as per format specified in Annex II - A of SEBI Debenture Trustee Master Circular and under Part A of Schedule IV of the SEBI NCS Regulations.

Debenture Redemption Reserve (“DRR”)

Pursuant to Regulation 16 of the SEBI NCS Regulations and Section 71(4) of the Companies Act, 2013 states that where debentures are issued by any company, the company shall create a debenture redemption reserve out of the profits of the company available for payment of dividend. Rule 18(7) of the Companies (Share Capital and Debentures) Rules, 2014, as amended by Companies (Share Capital and Debentures) Amendment Rules, 2019, listed NBFC/to be listed NBFCs is not required to create a DRR in case of public issue of debentures. The rules further mandate that the company which is coming with a Public Issue shall deposit or invest, as the case may be, before the 30th day of April of each year a sum which shall not be less than 15% of the amount of its debentures maturing during the year ending on the 31st day of March of the next year in any one or more prescribed methods.

Accordingly, our Company is not required to create a DRR for the NCDs proposed to be issued through this Issue. Further, our Company shall deposit or invest, as the case may be, before the 30th day of April of each year a sum which shall not be less than 15% of the amount of its debentures maturing during the year ending on the 31st day of March of the next year in any one or more following methods: (a) in deposits with any scheduled bank, free from charge or lien; (b) in unencumbered securities of the Central Government or of any State Government; (c) in unencumbered securities mentioned in clauses (a) to (d) and (ee) of Section 20 of the Indian Trusts Act, 1882; (d) in unencumbered bonds issued by any other company which is notified under clause (f) of Section 20 of the Indian Trusts Act, 1882. The abovementioned amount deposited or invested, must not be utilized for any purpose other than for the repayment of debentures maturing during the year provided that the amount remaining deposited or invested must not at any time fall below 15% of the amount of debentures maturing during year ending on the 31st day of March of that year, in terms of the applicable laws.

Recovery Expense Fund

Our Company shall create a recovery expense fund in the manner as specified by SEBI in SEBI Debenture Trustee Master Circular as amended from time to time and Regulation 11 of SEBI NCS Regulations with the Designated Stock Exchange and will inform the Debenture Trustee regarding the creation of such fund. The recovery expense fund may be utilised by Debenture Trustee, in the event of default by our Company under the terms of the Debenture Trust Deed, for taking appropriate legal action to enforce the security.

Kindly note, any default committed by the Company in terms of the NCDs proposed to be issued shall be reckoned at each respective International Securities Identification Number level assigned to the respective Option(s)/Series of NCDs issued.

Settlement Guarantee Fund

Our Company will deposit amounts in the settlement guarantee fund, as applicable, in the manner as specified in the SEBI Master Circular. This fund has been created under the SEBI Master Circular to ensure upfront collection of charges from eligible issuers at the time of allotment of debt securities.

Debenture Trust Deed

Our Company and the Debenture Trustee will execute a Debenture Trust Deed, inter alia, specifying the powers, authorities and obligations of the Debenture Trustee and us, as per the extant SEBI regulations applicable for the proposed Issue.

Issue related expenses

For details of Issue related expenses, see "*Objects of the Issue*" on page 52.

Reservation

No portion of this Issue has been reserved.

Underwriting

This Issue will not be underwritten.

Details regarding the Company and other listed companies which are associate companies as described under the Companies Act, 2013, which made any capital issue during the last three years.

There are no other listed companies under the same management / associate companies as described under the Companies Act, 2013, which have made any public capital issuances during the previous three years from the date of this Draft Prospectus.

Public issue of Equity Shares

Our Company has not made any public issue of Equity Shares in the last three years.

Previous Public Issues of Non-Convertible Debenture

Other than Public Issue 1, Public Issue 2, Public Issue 3 and Public Issue 4, our Company has previously not made any public issues of non-convertible debentures. Other than as specifically disclosed in this Draft Prospectus, our Company has not issued any securities for consideration other than cash.

Utilization of Issue Proceeds

Our Board of Directors certifies that:

(i) all monies received out of the Issue of the NCDs to the public shall be transferred to a separate bank account maintained with a scheduled bank, other than the bank account referred to in section 40(3) of the Companies Act and the SEBI NCS Regulations, and our Company will comply with the conditions as stated therein, and these monies will be transferred to Company's bank account after receipt of listing and trading approvals;

(ii) details of all monies utilised out of the Issue referred to in sub-item (i) shall be disclosed under an appropriate separate head in our balance sheet indicating the purpose for which such monies were utilised;

(iii) details of all unutilised monies out of the Issue referred to in sub-item (i), if any, shall be disclosed under an appropriate separate head in our balance indicating the form of financial assets in which such unutilised monies have been invested;

(iv) we shall utilize the Issue proceeds only upon creation of security as stated in this Draft Prospectus in the section titled *"Terms of the Issue"* on page 213 and after (a) permissions or consents for creation of first *pari passu* charge have been obtained from the creditors who have first *pari passu* charge over the assets sought to be provided as Security; (b) receipt of the minimum subscription of 75% of the Base Issue Size pertaining to the relevant Issue; (c) completion of Allotment and refund process in compliance with Section 40 of the Companies Act, 2013; (d) creation of security and confirmation of the same in terms of NCDs and (e) receipt of listing and trading approval from Stock Exchange;

(v) the Issue proceeds shall not be utilized towards full or part consideration for the purchase or any other acquisition, inter alia by way of a lease, of any of any immoveable property or in the purchase of any business or in the purchase of an interest in any business property;

(vi) the Issue proceeds shall be utilized in compliance with various guidelines, regulations and clarifications issued by RBI, SEBI or any other statutory authority from time to time. Further the Issue proceeds shall be utilised only for the purpose and objects stated in the Offer Documents; and

(vii) If Allotment is not made, application monies will be refunded/unblocked in the ASBA Accounts within such time as specified by SEBI, failing which interest will be due to be paid to the Applicants in accordance with applicable laws.

Dividend

Our Company has no formal dividend policy. The declaration and payment of dividends on our Equity Shares will be recommended by the Board of Directors and approved by our Shareholders, at their discretion, and will depend on a number of factors, including but not limited to our profits, capital requirements and overall financial condition. Please refer table below for the dividend declared by the Company during the last three Fiscals and current year. Please refer table below:

(₹ In lakh, except per share data)

Particulars	**From April 01, 2024 till September 24, 2024**	**For the Financial Year ended March 31,**		
		2024	**2023**	**2022**
On Equity Shares				
Fully Paid-up Share Capital (Nos.)	23,31,67,224	14,31,46,979	13,31,46,979	9,31,46,979
Face Value / Paid Up Value (₹)	10	10	10	10
Equity Share Capital	23,316.72	14,314.70	13,314.70	9,314.70
Rate of Dividend	Nil	Nil	Nil	Nil
Dividend	Nil	Nil	Nil	Nil
Dividend Distribution Tax	Nil	Nil	Nil	Nil

Jurisdiction

Exclusive jurisdiction for the purpose of the Issue is with the competent courts of jurisdiction in Mumbai, India.

Impersonation

As a matter of abundant caution, attention of the Investors is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013 which is reproduced below:

"Any person who:

(a) makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or

(b) makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or

(c) otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name, shall be liable for action under Section 447."

The liability prescribed under Section 447 of the Companies Act 2013 for fraud involving an amount of at least ₹10 lakhs or 1.00% of the turnover of the Company, whichever is lower, includes imprisonment for a term which shall not be less than six months extending up to 10 years (provided that where the fraud involves public interest, such term shall not be less than three years) and fine of an amount not less than the amount involved in the fraud, extending up to three times of such amount. In case the fraud involves (i) an amount which is less than ₹10 lakhs or 1.00% of the turnover of the Company, whichever is lower; and (ii) does not involve public interest, then such fraud is punishable with an imprisonment for a term extending up to five years or a fine of an amount extending up to ₹50 lakhs or with both.

Details regarding lending out of issue proceeds of Previous Issues

A. Lending Policy

Please refer to the paragraph titled "*Gold Loan Business*" under the section "*Our Business*" at page 102**.**

B. Loans given by the Company

The Company has not provided any loans/advances to associates, entities/persons relating to Board, Key Managerial Personnel, Senior Managerial Personnel or Promoter out of the proceeds of previous public issues or private placements of debentures.

C. Classification of loans/advances given

The detailed breakup of the types of loans given by the Company as on March 31, 2024 is as follows:

(₹ in lakhs)

No.	Type of Loans	Amount	Percentage of total AUM
1.	Secured	90,608.45	87.77%
2.	Unsecured	12,620.80	12.23%
Total assets under management (AUM)		**1,03,229.25**	**100.00%**

D. Denomination of loans outstanding by LTV as on March 31, 2024*

Sr. No.	LTV	Percentage of AUM
1.	Up to 40%	0.37%
2.	40%-50%	0.68%
3.	50%-60%	11.08%
4.	60%-70%	87.87%
5.	70%-80%	-
6.	80%-90%	-
7.	More than 90%	-
	Total	**100.00%**

**LTV at the time of origination*

E. Sectoral Exposure as on March 31, 2024

No.	Segment wise break up of AUM	Percentage of AUM
1.	**Retail**	
(a)	Mortgages (home loans and loans against property)	5.25%
(b)	Gold Loans	90.14%
(c)	Vehicle Finance	-
(d)	MFI	-
(e)	MSME	0.28%
(f)	Capital market funding (loans against shares, margin funding)	-
(g)	Others	-
2.	**Wholesale**	
(a)	Infrastructure	-
(b)	Real Estate (including builder loans)	-
(c)	Promoter funding	-
(d)	Any other sector (as applicable)	-
(e)	Others	4.33%
	Total	**100.00%**

*F. Denomination of the loans outstanding by ticket size as on March 31, 2024**

Sr. No.	Ticket size**	Percentage of AUM
1	Up to 2 lakhs	71.58%
2	2 lakhs to 5 lakhs	16.02%
3	5 lakhs to 10 lakhs	4.70%
4	10 lakhs to 25 lakhs	2.38%
5	25 lakhs to 50 lakhs	1.87%
6	50 lakhs to 1 crore	0.63%
7	1 crore to 5 crores	2.17%
8	5 crores to 25 crores	0.65%
9	25 crores to 100 crores	-
10	Above 100 cores	-
Total		**100.00%**

** Ticket size at the time of origination*
***The details provided are as per borrower and not as per loan account.*

G. Geographical classification of the borrowers as on March 31, 2024

Top 5 borrowers state wise

No.	Top 5 states	Percentage of AUM
1.	Tamil Nadu	24.84%
2.	Karnataka	24.39%
3.	Odisha	15.28%
4.	Telangana	10.87%
5.	Kerala	8.37%
6.	Other	16.26%
		100.00%

H. Details of loans overdue and classified as non-performing in accordance with the RBI's guidelines as on March 31, 2024

(₹ in lakhs)

Movement of gross NPA	Amount
Opening gross NPA	1,930.72
- Additions during the year	4,802.36
- Reductions during the year	1,686.66
Closing balance of gross NPA	**5,046.43**
Movement of net NPA	**Amount**
Opening net NPA	1,813.48
- Additions during the year	3,606.72
- Reductions during the year	1,614.35
Closing balance of net NPA	**3,805.86**
Movement of provisions for NPA	**Amount**
Opening balance	117.24
- Provisions made during the year	1,195.64
- Write-off / write-back of excess provisions	72.31
Closing balance	**1,240.57**

I. Segment-wise gross NPA as on March 31, 2024

No.	Segment wise break up of gross NPA	Gross NPA (%)*
1.	**Retail**	
a)	Mortgages (home loans and loans against property)	1.69%

No.	Segment wise break up of gross NPA	Gross NPA (%)*
b)	Gold Loans	2.75%
c)	Vehicle Finance	-
d)	MFI	-
e)	MSME	0.22%
f)	Capital market funding (loans against shares, margin funding)	-
g)	Others	0.31%
2.	**Wholesale**	-
a)	Infrastructure	-
b)	Real Estate (including builder loans)	-
c)	Promoter funding	-
d)	Any other sector (as applicable)	-
e)	Others	-
Gross NPA		**4.98%**

** Gross NPA means percentage of NPAs to total advances in that sector*

J. Residual Maturity Profile of Assets and Liabilities as on March 31, 2024

(₹ in lakhs)

	Up to 30/ 31 days	More than 1 month to 2 months	More than 2 months to 3 months	More than 3 months to 6 months	More than 6 months to 1 year	More than 1 year to 3 years	More than 3 years to 5 years	More than 5 years	Total
Deposit	-	-	-	-	-	-	-	-	-
Advances	10,053.3	2,761.03	3,801.16	19,426.58	56,784.19	4,885.96	3,722.17	1,794.86	1,03,229.25
Investments	-	-	-	-	-	-	-	-	-
Borrowings	1,727.49	2,012.11	7,711.88	16,745.90	10,852.16	30,496.23	17,980.83	3,244.33	90,770.93
Foreign Currency Assets	-	-	-	-	-	-	-	-	-
Foreign Current `Liabilities	-	-	-	-	-	-	-	-	-

K. (a) Details of top 20 borrowers with respect to concentration of advances as on March 31, 2024

(₹ in lakhs)

Particulars	Amount
Total advances to twenty largest borrowers	7,091.52
Percentage of Advances to twenty largest borrowers to Total Advances to the Company	6.87%

(b) Details of top 20 borrowers with respect to concentration of exposure as on March 31, 2024

(₹ in lakhs)

Particulars	Amount	
	Secured	Unsecured
Total exposure to twenty largest borrowers	2,162.58	4,928.94
Percentage of exposure to twenty largest borrowers to Total exposure to the Company	2.09%	4.77%

L. Classification of loans/advances given to Group Companies as on March 31, 2024:

Sr. No.	Name of Borrower	Amount of Advance/ exposure to such borrower (₹ in lakhs) (A)	Percentage of Exposure (A/ Total AUM)
1.	-	-	-

M. Details of any other contingent liabilities of the Issuer based on the last audited financial statements including amount and nature of liability;

The Company has no contingent liabilities as on March 31, 2024.

In addition, the Company may be involved in other legal proceedings and claims, in future, which may arise in the ordinary course of business.

N. Utilisation of Issue Proceeds of the previous issue by our Company and Group Companies

Company:

Utilisation of issue proceeds of previous issues

The proceeds from the previous issuance of non-convertible debentures by the Company have been and/or are being utilized in accordance with the use of proceeds set out in the respective offer documents and/or information memorandums under which such non-convertible debentures were issued which include, *inter alia*, to augment long-term resources of the Company, for on-lending and for general corporate purposes in accordance with the object clause of the Memorandum of Association of the Company.

Public Issue I

<table>
<tr><th>Sl. No.</th><th>Particulars</th><th></th></tr>
<tr><td>1.</td><td>ISIN</td><td>INE0BUS07023*, INE0BUS07031*, INE0BUS07049*, INE0BUS07056*, INE0BUS07064, INE0BUS07072, INE0BUS07080, INE0BUS07098, INE0BUS08013, INE0BUS08021, INE0BUS08039</td></tr>
<tr><td>2.</td><td>Date of Opening</td><td>September 23, 2021</td></tr>
<tr><td>3.</td><td>Date of Closing</td><td>October 18, 2021</td></tr>
<tr><td>4.</td><td>Issue Proceeds</td><td>9,400.89</td></tr>
<tr><td>5.</td><td>Utilisation of Issue Proceeds</td><td>
<table>
<tr><th>Purpose</th><th>Amount utilised (₹ in lakhs)</th></tr>
<tr><td>Onward Lending</td><td>8837.13</td></tr>
<tr><td>Interest/Repayment of Loans</td><td>-</td></tr>
<tr><td>Issue Related Expense</td><td>563.76</td></tr>
<tr><td>General Corporate Purpose</td><td>-</td></tr>
<tr><td>Total</td><td>9,400.89</td></tr>
</table>
</td></tr>
</table>

** ISINs were redeemed*

Public Issue II

<table>
<tr><th>Sl. No.</th><th>Particulars</th><th></th></tr>
<tr><td>1.</td><td>ISIN</td><td>INE0BUS07502*, INE0BUS07528*, INE0BUS07510*, INE0BUS07536*, INE0BUS07544*, INE0BUS07551*, INE0BUS07569, INE0BUS07577</td></tr>
<tr><td>2.</td><td>Date of Opening</td><td>May 27, 2022</td></tr>
<tr><td>3.</td><td>Date of Closing</td><td>June 22, 2022</td></tr>
<tr><td>4.</td><td>Issue Proceeds</td><td>8,148.32</td></tr>
<tr><td>5.</td><td>Utilisation of Issue Proceeds</td><td>
<table>
<tr><th>Purpose</th><th>Amount utilised (₹ in lakhs)</th></tr>
<tr><td>Onward Lending</td><td>7,824.87</td></tr>
<tr><td>Interest/Repayment of Loans</td><td>-</td></tr>
<tr><td>Issue Related Expense</td><td>323.45</td></tr>
<tr><td>General Corporate Purpose</td><td>-</td></tr>
<tr><td>Total</td><td>8,148.32</td></tr>
</table>
</td></tr>
</table>

** ISINs were redeemed*

Public Issue III

Sl. No.	Particulars	
1.	ISIN	INE0BUS07932*, INE0BUS07924*, INE0BUS07981, INE0BUS07973, INE0BUS07940, INE0BUS07957, INE0BUS07965
2.	Date of Opening	June 6, 2023
3.	Date of Closing	June 19, 2023
4.	Issue Proceeds	8,731.86
5.	Utilisation of Issue Proceeds	

Purpose	Amount utilised (₹ in lakhs)
Onward Lending	8,474.21
Interest/Repayment of Loans	-
Issue Related Expense	257.65
General Corporate Purpose	-
Total	**8,731.86**

** ISINs were redeemed*

Public Issue IV

Sl. No.	Particulars	
1.	ISIN	INE0BUS07AY5,INE0BUS07AZ2,INE0BUS07AX7,INE0BUS07AW9,INE0BUS07AS7, INE0BUS07AU3,INE0BUS07AT5, INE0BUS07AV1
2.	Date of Opening	January 30, 2024
3.	Date of Closing	February 12, 2024
4.	Issue Proceeds	7812.75
5.	Utilisation of Issue Proceeds	

Purpose	Amount utilised (₹ in lakhs)
Onward Lending	5,859.56
Interest/Repayment of Loans	-
Issue Related Expense	1,953.19
General Corporate Purpose	-
Total	**7,812.75**

Group Companies:

Nil

Rights Issue of Equity Shares by our Company

FY 2021-22

Date of Opening	March 31, 2022
Date of Closing	March 31, 2022
Total Issue Size (in lakh)	1100
Amount raised in the issue (in lakh)	1100
Date of Allotment	March 31, 2022
Utilisation of Proceeds	Business purpose

FY 2022-23

Date of Opening	June 16, 2022
Date of Closing	June 30, 2022
Total Issue Size (in lakh)	500
Amount raised in the issue (in lakh)	500

Date of Allotment	June 30, 2022
Utilisation of Proceeds	Business purpose

Date of Opening	July 7, 2022
Date of Closing	July 22, 2022
Total Issue Size (in lakh)	810
Amount raised in the issue (in lakh)	810
Date of Allotment	July 22, 2022
Utilisation of Proceeds	Business purpose

Date of Opening	August 25, 2022
Date of Closing	September 13, 2022
Total Issue Size (in lakh)	100
Amount raised in the issue (in lakh)	100
Date of Allotment	September 13, 2022
Utilisation of Proceeds	Business purpose

Date of Opening	September 22, 2022
Date of Closing	September 30, 2022
Total Issue Size (in lakh)	425
Amount raised in the issue (in lakh)	425
Date of Allotment	September 30, 2022
Utilisation of Proceeds	Business purpose

Date of Opening	February 7, 2023
Date of Closing	February 20, 2023
Total Issue Size (in lakh)	500
Amount raised in the issue (in lakh)	500
Date of Allotment	February 20, 2023
Utilisation of Proceeds	Business purpose

Date of Opening	February 28, 2023
Date of Closing	March 15, 2023
Total Issue Size (in lakh)	300
Amount raised in the issue (in lakh)	300
Date of Allotment	March 15, 2023
Utilisation of Proceeds	Business purpose

Date of Opening	March 23, 2023
Date of Closing	March 31, 2023
Total Issue Size (in lakh)	1365
Amount raised in the issue (in lakh)	1365
Date of Allotment	March 31, 2023
Utilisation of Proceeds	Business purpose

FY 2023-24

Date of Opening	September 25, 2023
Date of Closing	September 30, 2023
Total Issue Size (in lakh)	1000
Amount raised in the issue (in lakh)	1000
Date of Allotment	September 30, 2023
Utilisation of Proceeds	Business purpose

FY 2024-25

Date of Opening	May 15, 2024
Date of Closing	May 24, 2024
Total Issue Size (in lakh)	500
Amount raised in the issue (in lakh)	500

Date of Allotment	May 24, 2024
Utilisation of Proceeds	Business Purpose

Date of Opening	June 03, 2024
Date of Closing	June 29, 2024
Total Issue Size (in lakh)	600
Amount raised in the issue (in lakh)	600
Date of Allotment	June 29, 2024
Utilisation of Proceeds	Business Purpose

Date of Opening	July 01, 2024
Date of Closing	July 09, 2024
Total Issue Size (in lakh)	143
Amount raised in the issue (in lakh)	143
Date of Allotment	July 09, 2024
Utilisation of Proceeds	Business Purpose

Date of Opening	August 22, 2024
Date of Closing	August 30, 2024
Total Issue Size (in lakh)	276.835
Amount raised in the issue (in lakh)	276.835
Date of Allotment	August 30, 2024
Utilisation of Proceeds	Business Purpose

Rights Issue of Equity Shares by our Group Companies

M-Star Satellite Communications Private Limited-NIL

M-Star Heritage Hotels Private Limited-NIL

Indel Automotives Private Limited -NIL

M-Star Hotels Private Limited-NIL

Revaluation of assets

Our Company has not revalued its assets in the last three financial years.

Mechanism for redressal of investor grievances

Agreement dated September 25, 2024 between the Registrar to the Issue and our Company provides for settling of investor grievances in a timely manner and for retention of records with the Registrar to the Issue for a period of eight years.

All grievances relating to the Issue may be addressed to the Registrar to the Issue and Compliance Officer giving full details such as name, address of the Applicant, number of NCDs applied for, amount paid on Application and the details of Member of Syndicate or Trading Member of the Stock Exchange where the Application was submitted.

All grievances relating to the ASBA process may be addressed to the Registrar to the Issue with a copy to either (a) the relevant Designated Branch of the SCSB where the Application Form was submitted by the ASBA Applicant, or (b) the concerned Member of the Syndicate and the relevant Designated Branch of the SCSB in the event of an Application submitted by an ASBA Applicant at any of the Syndicate ASBA Application Locations, giving full details such as name, address of Applicant, Application Form number, option applied for, number of NCDs applied for, amount blocked on Application.

Additionally, the Stock Exchange shall be responsible for addressing investor grievances arising from applications submitted online through the app based/ web interface platform of the Stock Exchange or through its Trading Members. Further, in accordance with the Debt UPI Circular, the Designated Intermediaries shall be responsible for addressing any investor grievances arising from the Applications uploaded by them in respect of quantity, price or any other data entry or other errors made by them.

We estimate that the average time required by us or the Registrar to the Issue for the redressal of routine investor grievances will be three (3) Working Days from the date of receipt of the complaint.

In case of non-routine complaints and complaints where external agencies are involved, we will seek to redress these complaints as expeditiously as possible.

Registrar to the Issue

Link Intime India Private Limited
C-101, 1st Floor, 247 Park, L.B.S. Marg
Vikhroli West, Mumbai 400 083
Maharashtra, India
Telephone: +91 810 811 4949
Facsimile: +91 22 49186060
Email: indelmoney.ncd2024@linkintime.co.in
Website: www.linkintime.co.in
Contact Person: Shanti Gopalkrishnan
SEBI Registration Number: INR000004058

Compliance Officer of our Company

Hanna P Nazir has been appointed as the Compliance Officer of our Company for this Issue. The contact details of Compliance Officer of our Company are as follows:

Hanna P Nazir
Indel House, Changampuzha Nagar
South Kalamassery
Ernakulam 682033
Kerala, India
E-mail: cs@indelmoney.com
Telephone: +91 484 2933988

Details of Auditor to the Issuer:

Name of Auditor	Address	Auditor Since
M/s. Bhatter & Company, Chartered Accountants	307, Tulsiani Chambers, Nariman Point Mumbai, Maharashtra-400021	**01/04/2022**

Change in Auditors of our Company during the last three years:

Name of the Auditor	Address	Date of Appointment	Date of cessation, if applicable	Date of Resignation, if applicable
FRG & Company, Chartered Accountants	7th Floor, B Wing, Supreme Business Park, Behind Lake Castle Building, Hiranandani Gardens, Powai, Mumbai – 400 076.	01/04/2018	31/03/2022	NA
M/s. Bhatter & Company, Chartered Accountants	307, Tulsiani Chambers, Nariman Point Mumbai, Maharashtra-400021	01/04/2022	-	-

SECTION VII – ISSUE RELATED INFORMATION

ISSUE STRUCTURE

Public Issue of NCDs aggregating up to ₹7,500 lakhs, with an option to retain over-subscription up to ₹7,500 lakhs, aggregating up to ₹15,000 lakhs, on the terms and in the manner set forth herein.

At the meeting of the Board of Directors of our Company held on May 30, 2024, the Board of Directors approved the issue of secured, redeemable, non-convertible debentures to the public up to an amount not exceeding ₹30,000 lakhs. This Issue for an amount not exceeding ₹15,000 lakhs has been approved by the NCD Sub-Committee of the Board of our Company in its meeting dated August 28, 2204.

Principal Terms and Conditions of the Issue

TERMS AND CONDITIONS IN CONNECTION WITH THE NCDs

<table>
<tr><td>Security Name (Name of the non-convertible securities which includes (Coupon/dividend, Issuer Name and maturity year) e.g. 8.70% XXX 2015.</td><td>IML NCD V

For coupon and maturity year, please see “Issuer Structure” on page 207.</td></tr>
<tr><td>Issuer</td><td>Indel Money Limited</td></tr>
<tr><td>Type of instrument</td><td>Secured, Rated, Listed,Redeemable, Non-Convertible Debentures</td></tr>
<tr><td>Nature of the Instrument (Secured or Unsecured)</td><td>Secured, Rated, Listed,Redeemable, Non-Convertible Debentures</td></tr>
<tr><td>Seniority (Senior or Subordinated)</td><td>Senior (the claims of the Debenture Holders holding NCDs shall be superior to the claims of any unsecured creditors, subject to applicable statutory and/or regulatory requirements).

The principal amount of the NCDs to be issued in terms of this Draft Prospectus together with all interest due on the NCDs, as well as all costs, charges, all fees, remuneration of Debenture Trustee and expenses payable in respect thereof shall be secured by way of first ranking pari passu charge with Existing Secured Creditors, on current assets, including book debts, receivables, loans and advances and cash & bank balances (excluding reserves created in accordance with law and exclusive charge created in favour of secured charge holders in terms of their respective loan agreements/documents), both present and future of the Company.</td></tr>
<tr><td>Who can apply? /Eligible Investors</td><td>Please see “Issue Procedure –Who can apply?” on page 229.</td></tr>
<tr><td>Listing (name of stock Exchange(s) where it will be listed and timeline for listing)</td><td>BSE Limited and the NCDs shall be listed within 6 Working Days of Issue Closing Date.</td></tr>
<tr><td>Rating of the Instrument</td><td><table>
<tr><th>Rating agency</th><th>Instrument</th><th>Rating symbol</th><th>Date of credit rating letter</th><th>Amount rated (in ₹lakhs)</th><th>Rating Definition</th></tr>
<tr><td>Crisil Ratings Limited</td><td>NCDs</td><td>CRISIL BBB +/Stable (pronounced as CRISIL triple B plus rating with Stable outlook)</td><td>September 18, 2024</td><td>15,000</td><td>CRISIL triple B plus rating with Stable outlook</td></tr>
</table></td></tr>
<tr><td>Issue Size</td><td>Public issue of secured, redeemable, non-convertible debentures of our Company of face value of ₹1,000 each aggregating up to ₹7,500 lakhs, with an option to retain over-subscription up to ₹7,500 lakhs, aggregating up to ₹15,000 lakhs, on the terms and in the manner set forth herein.</td></tr>
<tr><td>Minimum Subscription</td><td>Minimum subscription is 75% of the Base Issue, i.e., ₹5,625 lakhs</td></tr>
<tr><td>Option to Retain Oversubscription (Amount)</td><td>₹7,500 lakhs</td></tr>
</table>

Objects of the Issue / Purpose for which there is requirement of funds	Please refer to the chapter titled "*Objects of the Issue*" on page 52.
In case the issuer is an NBFC and the objects of the issue entail loan to any entity who is a 'group company' then disclosures shall be made in the following format:	
Details of the utilisation of the proceeds of the Issue	Please refer to the chapter titled "*Objects of the Issue*" on page 52.
Coupon / Dividend Rate	As specified in the Prospectus
Step up/ Step Down Coupon rates	Not Applicable
Coupon payment frequency	As specified in the Prospectus
Coupon/ Dividend Payment Dates	As specified in the Prospectus
Cumulative / non-cumulative, in case of dividend	N/A
Coupon Type (Fixed, floating or other structure)	As specified in the Prospectus
Coupon Reset Process (including rates, spread, effective date, interest rate cap and floor etc).	As specified in the Prospectus
Day count basis (Actual/Actual)	Actual
Interest on application money	NA
Default Coupon rate	Our Company shall pay interest, over and above the agreed coupon rate, in connection with any delay in allotment, refunds, listing, dematerialized credit, execution of Debenture Trust Deed, payment of interest, redemption of principal amount beyond the time limits prescribed under applicable statutory and/or regulatory requirements, at such rates as stipulated/ prescribed under applicable laws. Our Company shall pay at least two percent per annum to the debenture holder, over and above the agreed coupon rate, till the execution of the trust deed if our Company fails to execute the trust deed within such period as prescribed under applicable law.
Tenor	As specified in the Prospectus
Redemption Date	As specified in the Prospectus
Redemption Amount	As specified in the Prospectus
Redemption Premium/ Discount	As specified in the Prospectus
Issue Price (₹/ NCD)	₹1,000
Discount at which security is issued and the effective yield as a result of such discount	As specified in the Prospectus
Premium/Discount at which security is redeemed and effective yield as a result of such premium/discount	As specified in the Prospectus
Put date	As specified in the Prospectus
Put price	As specified in the Prospectus

Call date	As specified in the Prospectus
Call price	As specified in the Prospectus
Put notification time (Timelines by which the investor need to intimate Issuer before exercising the put)	As specified in the Prospectus
Call notification time (Timelines by which the Issuer need to intimate investor before exercising the call)	As specified in the Prospectus
Face Value	₹1,000
Minimum Application size and in multiples of thereafter	₹10,000 (10 NCD) and in multiple of ₹1,000 (1 NCD) thereafter.
Issue Timing	As specified in the Prospectus
Issue Opening Date	As specified in the Prospectus
Issue Closing Date	As specified in the Prospectus
Date of earliest closing of the issue, if any	As specified in the Prospectus
Pay-in date	Application Date. The entire Application Amount is payable on Application
Deemed Date of Allotment	The date on which the Board or a duly authorised committee approves the Allotment of NCDs. All benefits relating to the NCDs including interest on the NCDs shall be available to the investors from the Deemed Date of Allotment. The actual Allotment of NCDs may take place on a date other than the Deemed Date of Allotment.
Settlement mode of instrument	Please refer to the chapter titled "*Terms of Issue - Payment on Redemption*" on page 224.
Depositories	NSDL and CDSL
Disclosure of interest/ Dividend/ redemption dates	As specified in the Prospectus
Record Date	The record date for payment of interest in connection with the NCDs or repayment of principal in connection therewith shall be 15 Days prior to the date on which interest is due and payable, and/or the date of redemption. Provided that trading in the NCDs shall remain suspended between the aforementioned Record Date in connection with redemption of NCDs and the date of redemption or as prescribed by the Stock Exchange, as the case may be. In case Record Date falls on a day when Stock Exchange is having a trading holiday, the immediate subsequent trading day will be deemed as the Record Date
All covenants of the Issue (including side letters, accelerated payment clause, etc.)	The Company shall comply with the representations and warranties, general covenants, negative covenants, reporting covenants and financial covenants as disclosed below under "*Issue Structure - Covenants of the Issue*". Any covenants later added shall be disclosed on the websites of the Stock Exchange, where the NCDs are proposed to be listed.
Description regarding security (where applicable) including type of security (movable/ immovable/ tangible etc.) type of charge (pledge/ hypothecation/ mortgage etc.), date of creation of security/likely date of creation of security, minimum security cover, revaluation, replacement of security, interest of the debenture holder over	The principal amount of the NCDs to be issued in terms of this Draft Prospectus together with all interest due on the NCDs, as well as all costs, charges, all fees, remuneration of Debenture Trustee and expenses payable in respect thereof shall be secured by way of first ranking pari passu charge with Existing Secured Creditors, on current assets, including book debts, receivables, loans and advances and cash & bank balances (excluding reserves created in accordance with law and exclusive charge created in favour of secured charge holders in terms of their respective loan agreements/documents), both present and future of the Company. The security for the NCDs will be created before the Issue proceeds are transferred into the designated public issue account in connection with the issue and before filing listing application for the NCDs. The tentative date of creation of the security for the NCDs shall be finalised upon execution

and above the coupon rate as specified in the Debenture Trust Deeds and disclosed in this Draft Prospectus	of the Debenture Trust Deed. Replacement of security – Our Company shall within such period as may be permitted by the Debenture Trustee, furnish to the Debenture Trustee as additional security, if the Debenture Trustee is of the opinion that during the subsistence of these presents, the security for the NCDs has become inadequate on account of the margin requirement as provided in the financial covenants and conditions and the Debenture Trustee has, accordingly, called upon our Company to furnish such additional security. In such case, our Company shall, at its own costs and expenses, furnish to the Debenture Trustee such additional security, in form and manner satisfactory to the Debenture Trustee, as security for the NCDs and upon creation of such additional security, the same shall vest in the Debenture Trustee subject to all the trusts, provisions and covenants contained in these presents. Minimum security cover: Please refer to *"- Security Cover"* below. Interest of the debenture holder over and above the coupon rate as disclosed in this Draft Prospectus: N.A.
Transaction documents	This Draft Prospectus and the Prospectus read with any notices, corrigenda, addenda thereto, the Debenture Trusteeship Agreement, the Debenture Trust Deed and other security documents, if applicable, and various other documents/agreements/undertakings, entered or to be entered by the Company with Lead Manager and/or other intermediaries for the purpose of this Issue including but not limited to the Public Issue Account and Sponsor Bank Agreement, the Agreement with the Registrar and the Agreement with the Lead Manager. Refer to section titled "*Material Contracts and Documents for Inspection*" on page 264.
Conditions Precedent to Disbursement	As specified in the Prospectus
Condition Subsequent to Disbursement	As specified in the Prospectus
Events of default (including manner of voting/ conditions of joining inter-creditor agreement)	Please refer to the chapter titled "*Terms of Issue – Events of Default*" on page 216.
Creation of recovery expense fund	The creation of recovery expense fund will be finalised upon the execution of the Debenture Trust Deed, as applicable in accordance with the applicable provisions of SEBI NCS Regulations, SEBI Debenture Trustee Master Circular and other applicable laws.
Conditions for breach of covenants (as specified in the Debenture Trust Deed)	The conditions for breach of covenants will be finalised upon execution of the Debenture Trust Deed which shall be executed within the period specified under Regulation 18 of SEBI NCS Regulations.
Provisions related to Cross Default Clause	Please refer to the chapter titled "*Terms of Issue – Events of Default*" on page 216.
Roles and responsibilities of the Debenture Trustee	Please refer to the chapter titled "*Terms of Issue – Debenture Trustees for the NCD Holders*" on page 215.
Risk Factors pertaining to the Issue	Please refer to the chapter titled "*Risk Factors*" on page 18.
Governing law and jurisdiction	The Issue shall be governed in accordance with the laws of the Republic of India and shall be subject to the exclusive jurisdiction of the courts of Mumbai

Note:

(a) The Issue shall remain open for subscription on Working Days from 10:00 a.m. to 5:00 p.m. (Indian Standard Time), during the period indicated in the Prospectus, except that the Issue may close on such earlier date or extended date (subject to a minimum period of 2 working days and a maximum period of 10 working days from the date of opening of the issue and subject to not exceeding thirty 30 days from filing the Prospectus with ROC) including any extensions), as may be decided by the Board of Directors of our Company ("Board") or the NCD Sub-Committee, subject to relevant approvals, in accordance with the SEBI NCS Regulations. In the event of such an early closure of or extension subscription list of the Issue, our Company shall ensure that notice of such early closure or extension is given to the prospective investors through an advertisement in a national daily newspaper and a regional daily newspaper in Maharashtra where the registered office is located, with wide circulation on or before such earlier date or extended date of closure. Applications Forms for the Issue will be accepted only from 10:00 a.m. to 5:00 p.m. (Indian Standard Time) or such extended time as may be permitted by the Stock Exchange, on Working Days during the Issue Period. On the Issue Closing Date, Application Forms will be accepted only between 10:00 a.m. to 3:00 p.m. and

uploaded until 5:00 p.m. (Indian Standard Time) or such extended time as may be permitted by the Stock Exchange

(b) In terms of Regulation 7 of the SEBI NCS Regulations, our Company will undertake this Issue of NCDs in dematerialized form. However, in terms of Section 8(1) of the Depositories Act, the Company, at the request of the Applicants who wish to hold the NCDs post allotment in physical form, will fulfil such request through the process of rematerialisation, if the NCDs were originally issued in dematerialized form.

**Participation by any of the above-mentioned Investor classes in this Issue will be subject to applicable statutory and/or regulatory requirements. Applicants are advised to ensure that Applications made by them do not exceed the investment limits or maximum number of NCDs that can be held by them under applicable statutory and/or regulatory provisions.*

In case of Application Form being submitted in joint names, the Applicants should ensure that the demat account is also held in the same joint names and the names are in the same sequence in which they appear in the Application Form.

Applicants are advised to ensure that they have obtained the necessary statutory and/or regulatory permissions/ consents/ approvals in connection with applying for, subscribing to, or seeking allotment of NCDs pursuant to the Issue.

For further details, please refer to "*Issue Procedure*" on page 228.

Terms of the NCDs

As specified in the Prospectus

SPECIFIC TERMS FOR NCDs

As specified in the Prospectus

Day count convention

Interest shall be computed on an actual/actual basis on the principal outstanding on the NCDs as per the SEBI Master Circular.

Please note that in case the NCDs are transferred and/or transmitted in accordance with the provisions of this Draft Prospectus read with the provisions of the Articles of Association of our Company, the transferee of such NCDs or the transferee of deceased holder of NCDs, as the case may be, shall be entitled to any interest which may have accrued on the NCDs subject to such Transferee holding the NCDs on the Record Date.

Effect of holidays on payments

If the date of payment of interest does not fall on a Working Day, then the interest payment will be made on succeeding Working Day, however the calculation for payment of interest will be only till the originally stipulated Interest Payment Date. The dates of the future interest payments would be as per the originally stipulated schedule. Payment of interest will be subject to the deduction of tax as per Income Tax Act or any statutory modification or re-enactment thereof for the time being in force. In case the Redemption Date (also being the last Interest Payment Date) does not fall on a Working Day, the payment will be made on the immediately preceding Working Day, along with coupon/interest accrued on the NCDs until but excluding the date of such payment or as may be specified for the relevant series of NCDs. The interest/redemption payments shall be made only on the Working Days.

Terms of payment

The entire face value per NCDs applied for will be blocked in the relevant ASBA Account maintained with the SCSB or under UPI mechanism (only for Retail Individual Investors), as the case may be, in the bank account of the Applicants that is specified in the ASBA Form at the time of the submission of the Application Form. In the event of Allotment of a lesser number of NCDs than applied for, our Company shall unblock the additional amount blocked upon application in the ASBA Account, in accordance with the terms specified in "*Terms of Issue – Manner of Payment of Interest/ Redemption amounts*" on page 222.

Participation by any of the above-mentioned Investor classes in the Issue will be subject to applicable statutory and/or regulatory requirements. Applicants are advised to ensure that applications made by them do not exceed the investment limits or maximum number of NCDs that can be held by them under applicable statutory and/or regulatory provisions.

The NCDs have not been and will not be registered, listed or otherwise qualified in any jurisdiction outside India and may not be offered or sold, and Applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction. In particular, the NCDs have not been and will not be registered under the U.S. Securities Act, 1933, as amended (the "**Securities Act**") or the securities laws of any state of the United States and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons (as defined in Regulation S under the Securities Act) except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable state securities laws. The Issuer has not registered and does not intend to register under the U.S. Investment Company Act, 1940 in reliance on section 3(c)(7) thereof. This Draft Prospectus may not be forwarded or distributed to any other person and may not be reproduced in any manner whatsoever, and in particular, may not be forwarded to any U.S. Person or to any U.S. address.

Applications may be made in single or joint names (not exceeding three). Applications should be made by Karta in case the Applicant is an HUF. If the Application is submitted in joint names, the Application Form should contain only the name of the first Applicant whose name should also appear as the first holder of the depository account held in joint names. If the depository account is held in joint names, the Application Form should contain the name and PAN of the person whose name appears first in the depository account and signature of only this person would be required in the Application Form. This Applicant would be deemed to have signed on behalf of joint holders and would be required to give confirmation to this effect in the Application Form. Please ensure that such Applications contain the PAN of the HUF and not of the Karta.

In the case of joint Applications, all payments will be made out in favour of the first Applicant. All communications will be addressed to the first named Applicant whose name appears in the Application Form and at the address mentioned therein.

Applicants are advised to ensure that they have obtained the necessary statutory and/or regulatory Permissions / consents/approvals in connection with applying for, subscribing to, or seeking Allotment of NCDs pursuant to the Issue.

For further details, see the section titled "*Issue Procedure*" on page 228.

Undertaking from the Company

The Company undertakes that the assets on which the charge or security has been created to meet the hundred percent security cover or higher security cover is free from any encumbrances and in case the assets are encumbered, the permissions or consent to create any further charge on the assets has been obtained from the existing creditors to whom the assets are charged, prior to creation of the charge.

Covenants of the Issue

As specified in the Prospectus.

TERMS OF THE ISSUE

Authority for the Issue

At the meeting of the Board of Directors of our Company held on May 30, 2024, the Directors approved the issue of NCDs to the public up to an amount not exceeding ₹30,000 lakhs. Further, the present borrowing is within the borrowing limits under Section 180(1)(c) of the Companies Act, 2013, duly approved by the shareholders' vide their resolution passed at their EGM held on April 20, 2023. This Issue for an amount not exceeding ₹15,000 lakhs has been approved by the NCD-Sub Committee of the Board of our Company in its meeting dated August 28, 2024.

Principal Terms & Conditions of this Issue

The NCDs being offered as part of the Issue are subject to the provisions of the SEBI NCS Regulations, the Companies Act, 2013, the Memorandum and Articles of Association of our Company, the terms of this Draft Prospectus, the Application Forms, the terms and conditions of the Debenture Trusteeship Agreement, the Debenture Trust Deed, other applicable statutory and/or regulatory requirements including those issued from time to time by SEBI, the Government of India, BSE, RBI, and/or other statutory/regulatory authorities relating to the offer, issue and listing of securities and any other documents that may be executed in connection with the NCDs.

Ranking of NCDs

The NCDs being offered through this Issue would constitute direct and secured obligations of the Company and shall rank *pari passu inter se*, and subject to any obligations under applicable statutory and/or regulatory requirements, shall also, with regard to the amount invested, be secured by way of first ranking *pari passu* charge on current assets, including book debts, receivables, loans and advances and cash & bank balances (excluding reserves created in accordance with law and exclusive charge created in favour of secured charge holders in terms of their respective loan agreements/documents), both present and future of the Company. The claims of the NCD Holders shall be superior to the claims of any unsecured creditors, subject to applicable statutory and/or regulatory requirements.

Security

The Issue comprises of public issue of secured, redeemable, non-convertible debentures of face value of ₹1,000 each.

The principal amount of the NCDs to be issued in terms of this Draft Prospectus together with all interest due on the NCDs, as well as all costs, charges, all fees, remuneration of Debenture Trustee and expenses payable in respect thereof shall be secured by way of first ranking pari passu charge with Existing Secured Creditors, on current assets, including book debts, receivables, receivables, loans and advances and cash & bank balances (excluding reserves created in accordance with law and exclusive charge created in favour of secured charge holders in terms of their respective loan agreements/documents), both present and future of the Company.

Our Company will create the security for the NCDs in favour of the Debenture Trustee for the Debenture Holders holding the NCDs on the assets to ensure 100.00% security cover or higher of the amount outstanding including interest in respect of the NCDs at any time. Our Company is also in the process of complying with SEBI Debenture Trustee Master Circular.

Our Company has entered into the Debenture Trusteeship Agreement and in furtherance thereof intends to enter into a deed of agreement with the Debenture Trustee, ("**Debenture Trust Deed**"), the terms of which shall govern the appointment of the Debenture Trustee and the issue of the NCDs.

Under the terms of the Debenture Trust Deed, our Company will covenant with the Debenture Trustee that it will pay the Debenture Holders holding the NCDs the principal amount on the NCDs on the relevant redemption date and also that it will pay the interest due on the NCDs at the rate specified in the Prospectus and in the Debenture Trust Deed.

The Debenture Trust Deed will also provide that our Company may withdraw any portion of the security subject to prior written consent of the Debenture Trustee and/or may replace with another asset of the same or a higher value.

Our Company confirms that the Issue Proceeds shall be kept in the Public Issue Account until the documents for creation of security i.e., the Debenture Trust Deed, is executed.

Further, in the event our Company fails to execute the Debenture Trust Deed within a period of one month from the Issue Closing Date, our Company shall pay interest of at least 2% p.a. to each NCD Holder, over and above the agreed coupon rate, till the execution of the Debenture Trust Deed.

Debenture Redemption Reserve

Pursuant to Regulation 16 of the SEBI NCS Regulations and Section 71(4) of the Companies Act, 2013 states that where debentures are issued by any company, the company shall create a debenture redemption reserve out of the profits of the company available for payment of dividend. Rule 18(7) of the Companies (Share Capital and Debentures) Rules, 2014, as amended by Companies (Share Capital and Debentures) Amendment Rules, 2019, listed NBFC/to be listed NBFC is not required to create a DRR in case of public issue of debentures. The rules further mandate that the company which is coming with a Public Issue shall deposit or invest, as the case may be, before the 30th day of April of each year a sum which shall not be less than 15% of the amount of its debentures maturing during the year ending on the 31st day of March of the next year in any one or more prescribed methods.

Accordingly, our Company is not required to create a DRR for the NCDs proposed to be issued through this Issue. Further, our Company shall deposit or invest, as the case may be, before the 30th day of April of each year a sum which shall not be less than 15% of the amount of its debentures maturing during the year ending on the 31st day of March of the next year in any one or more following methods: (a) in deposits with any scheduled bank, free from charge or lien; (b) in unencumbered securities of the Central Government or of any State Government; (c) in unencumbered securities mentioned in clauses (a) to (d) and (ee) of Section 20 of the Indian Trusts Act, 1882; (d) in unencumbered bonds issued by any other company which is notified under clause (f) of Section 20 of the Indian Trusts Act, 1882. The abovementioned amount deposited or invested, must not be utilized for any purpose other than for the repayment of debentures maturing during the year provided that the amount remaining deposited or invested must not at any time fall below 15% of the amount of debentures maturing during year ending on the 31st day of March of that year, in terms of the applicable laws.

Recovery Expense Fund

Our Company shall create a recovery expense fund in the manner as specified by SEBI in SEBI Debenture Trustee Master Circular as amended from time to time and Regulation 11 of SEBI NCS Regulations with the Designated Stock Exchange and will inform the Debenture Trustee regarding the creation of such fund. The recovery expense fund may be utilised by Debenture Trustee, in the event of default by our Company under the terms of the Debenture Trust Deed, for taking appropriate legal action to enforce the security.

Kindly note, any default committed by the Company in terms of the NCDs proposed to be issued shall be reckoned at each respective International Securities Identification Number level assigned to the respective Option(s)/Series of NCDs issued.

Face Value

The face value of each NCD to be issued under this Issue shall be ₹1,000.

Debenture Holder not a Shareholder

The Debenture Holders will not be entitled to any of the rights and privileges available to the equity and/or preference shareholders of our Company, except to the extent of the right to receive the annual reports of our Company and such other rights as may be prescribed under the Companies Act, 2013 and the rules prescribed thereunder and the SEBI Listing Regulations.

Rights of NCD Holders

A. Some of the significant rights available to the NCD Holders are as follows:

1. The NCDs shall not, except as provided under the Companies Act, 2013, our Memorandum of Association and Articles of Association and/or the Debenture Trust Deed, confer upon the NCD Holders thereof any rights or privileges available to our members including the right to receive notices or annual reports of, or to attend and/or vote, at our general meeting. However, if any resolution affecting the rights attached to the NCDs is to be placed before the members, the said resolution will first be placed before the concerned registered NCD Holders for their consideration. The opinion of the Debenture Trustee as to whether such resolution is affecting the right attached to the NCDs is final and binding on NCD Holders. In terms of Section 136 of the Companies Act, 2013, the NCD Holders shall be entitled to a copy of the balance sheet and copy of trust deed on a specific request made to us.

2. Subject to applicable statutory/regulatory requirements and terms of the Debenture Trust Deed, including requirements of the RBI, the rights, privileges and conditions attached to the NCDs may be varied, modified and/or abrogated with the consent in writing of the holders of at least three-fourths of the outstanding amount of the NCDs or with the sanction of a special resolution passed at a meeting of the concerned NCD Holders, provided that nothing in such consent or resolution shall be operative against us, where such consent or resolution modifies or varies the terms and conditions governing the NCDs, if the same are not acceptable to us.

3. Subject to applicable statutory/regulatory requirements and terms of the Debenture Trust Deed, the registered NCD Holder or in case of joint-holders, the one whose name stands first in the register of debenture holders shall be entitled to vote in respect of such NCDs, either in person or by proxy, at any meeting of the concerned NCD Holders and every such holder shall be entitled to one vote on a show of hands and on a poll, his/her voting rights on every resolution placed before such meeting of the NCD Holders shall be in proportion to the outstanding nominal value of NCDs held by them.

4. The NCDs are subject to the provisions of the SEBI NCS Regulations, the applicable provisions of Companies Act, 2013, the Memorandum and Articles of Association of our Company, the terms of the Prospectus, the Abridged Prospectus, the Application Form, the terms and conditions of the Debenture Trust Deed, requirements of the RBI, other applicable statutory and/or regulatory requirements relating to the issue and listing, of securities and any other documents that may be executed in connection with the NCDs.

5. Subject to SEBI RTA Master Circular, for NCDs in physical form on account of re-materialization, a register of debenture holders will be maintained in accordance with Section 88 and Section 94 of the Companies Act, 2013 and all interest and principal sums becoming due and payable in respect of the NCDs will be paid to the registered holder thereof for the time being or in the case of joint-holders, to the person whose name stands first in the register of debenture holders as on the Record Date. For the NCDs issued in dematerialized form, the Depositories shall also maintain the upto date record of holders of the NCDs in dematerialized Form. For NCDs in dematerialized form, all interest and principal sums becoming due and payable in respect of the NCDs will be paid to the person for the time being appearing in the register of beneficial owners of the Depository on the record date. In terms of Section 88(3) of the Companies Act, 2013, the register and index of beneficial of NCDs maintained by a Depository for any NCDs in dematerialized form under Section 11 of the Depositories Act shall be deemed to be a Register of NCD Holders for this purpose. The registers required to be kept by the Company under Section 88 of the Companies Act, 2013 shall be maintained at the registered office of our Company. Such Registers can be kept at a place other than registered office, in compliance with the provisions of Section 94 of the Companies Act, 2013.

6. Subject to compliance with appliable statutory requirements, the NCDs can be rolled over only with the consent of the holders of at least 75% of the outstanding amount of the NCDs after providing at least 15 days' prior notice for such roll over and in accordance with the SEBI NCS Regulations. Our Company shall redeem the NCDs of all the NCD Holders, who have not given their positive consent to the roll-over.

The aforementioned rights of the NCD Holders are merely indicative. The final rights of the NCD Holders will be as per the terms of the Prospectus, the Debenture Trust Deed.

Debenture Trustees for the NCD Holders

We have appointed Vistra ITCL (India) Limited to act as the Debenture Trustees for the NCD Holders in terms of Regulation 8 of the SEBI NCS Regulations and Section 71(5) of the Companies Act, 2013 and the rules prescribed thereunder. We and the Debenture Trustee will execute a Debenture Trust Deed, inter alia, specifying the powers, authorities and obligations of the Debenture Trustee and us with respect to the NCDs. The NCD Holder(s) shall, without further act or deed, be deemed to have irrevocably given their consent to the Debenture Trustee or any of its agents or authorised officials to do all such acts, deeds, matters and things in respect of or relating to the NCDs as the Debenture Trustee may in its absolute discretion deem necessary or require to be done in the interest of the NCD Holder(s). Any payment made by us to the Debenture Trustee on behalf of the NCD Holder(s) shall discharge us pro tanto to the Debenture Holder(s).

The Debenture Trustee will protect the interest of the NCD Holders in the event of default by us in regard to timely payment of interest and repayment of principal and they will take necessary action at our cost. It is it the duty of the debenture trustee to monitor the security cover is maintained, however, the recovery of 100% of the amount shall depend on the market scenario prevalent at the time of enforcement of the security.

Our Company shall not create any further encumbrances on the Security except with the prior approval of the Debenture Trustee. In the event of such request by our Company, the Debenture Trustee shall provide its approval for creation of further charges provided that our Company provides a certificate from a chartered accountant stating that after creation of such further charges, the required Security cover is maintained.

At any time before the Security constituted hereunder becomes enforceable, the Debenture Trustee, may, at the request of our Company and without any consent of the NCD Holders, do or concur our Company in doing all or any of the things which our Company might have done in respect of the Security as if no security had been created and particularly, but not by way of limitation, the following assent to any modification of any contracts or arrangements which may be subsisting in relation to the Security.

Events of Default

If the Debenture Trustee, at its discretion may, or if so requested in writing by the holders of at least three-fourths of the outstanding amount of the NCDs or with the sanction of a special resolution, passed at a meeting of the Debenture Holders, (subject to being indemnified and/or secured by the Debenture Holders to its satisfaction), give notice to our Company specifying that the NCDs and/or any particular options of NCDs, in whole but not in part are and have become due and repayable on such date as may be specified in such notice inter alia if any of the events listed below occurs. The description below is indicative and a complete list of events of default including cross defaults, if any:

(i) default is committed in payment of the principal amount of the NCDs on the due date(s); and

(ii) default is committed in payment of any interest on the NCDs on the due date(s).

Market Lot and Trading Lot

Since trading of the NCDs is in dematerialised form, the tradable lot is one NCD.

Allotment in the Issue will be in Demat form in multiples of one NCD. For details of allotment, see "*Issue Procedure*" on page 228.

Nomination facility to Debenture Holder

In accordance with Rule 19 of the Companies (Share Capital and Debentures) Rules, 2014 ("**Rule 19**") and Section 72 of the Companies Act, 2013, the sole Debenture Holder, or first Debenture Holder, along with other joint Debenture Holders' (being individual(s)), may nominate, in the **Form No. SH.13,** any one person in whom, in the event of the death of Applicant the NCDs Allotted, if any, will vest. Where the nomination is made in respect of the NCDs held by more than one person jointly, all joint holders shall together nominate in **Form No. SH.13** any person as nominee. A nominee entitled to the NCDs by reason of the death of the original holder(s), will, in accordance with Rule 19 and Section 56 of the Companies Act, 2013, be entitled to the same benefits to which he or she will be entitled if he or she were the registered holder of the NCDs. Where the nominee is a minor, the holder(s) may make a nomination to appoint, in **Form No. SH.14**, any person to become entitled to NCDs in the event of the holder's death during minority. A nomination will stand rescinded on a sale/transfer/alienation of NCDs by the person nominating. A buyer will be entitled to make a fresh nomination in the manner prescribed. Fresh nomination can be made only on the prescribed form available on request at our Registered Office, Corporate Office or with the Registrar to the Issue.

Debenture Holder(s) are advised to provide the specimen signature of the nominee to us to expedite the transmission of the NCD(s) to the nominee in the event of demise of the Debenture Holder(s). The signature can be provided in the Application Form or subsequently at the time of making fresh nominations. This facility of providing the specimen signature of the nominee is purely optional.

In accordance with Rule 19, any person who becomes a nominee by virtue of the Rule 19, will on the production of such evidence as may be required by the Board, elect either:

- to register himself or herself as the holder of the NCDs; or

- to make such transfer of the NCDs, as the deceased holder could have made.

Further, the Board may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the NCDs, and if the notice is not complied with, within a period of 90 days, the Board may thereafter withhold payment of all interests or redemption amounts or other monies payable in respect of the NCDs, until the requirements of the notice have been complied with.

For all NCDs held in the dematerialized form, nominations registered with the respective Depository Participant of the Applicant would prevail. If the investors require changing their nomination, they are requested to inform their respective Depository Participant in connection with NCDs held in the dematerialized form.

A nomination may be cancelled or varied by nominating any other person in place of the present nominee, by the Debenture Holder who has made the nomination, by giving a notice of such cancellation or variation in the prescribed manner as per applicable laws. The cancellation or variation shall take effect from the date on which the notice of such variation or cancellation is received.

Jurisdiction

Exclusive jurisdiction for the purpose of the Issue is with the competent courts of jurisdiction in Mumbai.

Application in the Issue

Applicants shall apply in this Issue in dematerialised form only, through a valid Application Form filled in by the Applicant along with attachment, as applicable. Further, Applications in this Issue shall be made through the ASBA facility only (including Applications made by UPI Investors under the UPI Mechanism).

In terms of Regulation 7 of the SEBI NCS Regulations, our Company will make public issue of the NCDs in the dematerialised form only.

However, in the terms of Section 8(1) of the Depositories Act, but subject to SEBI LODR Regulations and RTA Master Circular, our Company at the request of the Investors who wish to hold the NCDs in physical form will rematerialise the NCDs. However, trading of the NCDs shall be compulsorily in dematerialised form only.

Form of Allotment and Denomination of NCDs

As per the SEBI NCS Regulations, the trading of the NCDs on the Stock Exchange shall be in dematerialized form only in multiples of one (1) NCD ("**Market Lot**"). Allotment in this Issue to all Allottees, will be in electronic form i.e., in dematerialised form and in multiples of one NCD.

In respect of consolidated certificates, we will, only upon receipt of a request from the NCD Holder, split such consolidated certificates into smaller denominations subject to the minimum of Market Lot. No fees would be charged for splitting of NCD certificates in Market Lots, but stamp duty payable, if any, would be borne by the NCD Holder. The request for splitting should be accompanied by the original NCD certificate which would then be treated as cancelled by us.

For details of allotment please see "*Issue Procedure*" on page 228.

Transfer/Transmission of NCD(s)

The NCDs shall be transferred or transmitted freely in accordance with the applicable provisions of the Companies Act, 2013. The NCDs held in dematerialised form shall be transferred subject to and in accordance with the rules/procedures as prescribed by NSDL/CDSL and the relevant DPs of the transfer or transferee and any other applicable laws and rules notified in respect thereof. The transferee(s) should ensure that the transfer formalities are completed prior to the Record Date. The seller should give delivery instructions containing details of the buyer's DP account to his Depository Participant.

In the absence of the same, interest will be paid/redemption will be made to the person, whose name appears in the register of debenture holders maintained by the Depositories. In such cases, claims, if any, by the transferees would need to be settled with the transferor(s) and not with the Company or Registrar.

Pursuant to the SEBI (Listing Obligations and Disclosure Requirements) (Fourth Amendment) Regulations, 2018 read with SEBI Press release (no. 49/ 2018) dated December 3, 2018, NCDs held in physical form, pursuant to any rematerialisation, as above, cannot be transferred except by way of transmission or transposition, from April 1, 2019. However, any trading of the NCDs issued pursuant to this Issue shall be compulsorily in dematerialised form only.

Title

In case of:

- the NCDs held in the dematerialised form, the person for the time being appearing in the record of beneficial owners maintained by the Depository; and

- the NCDs held in physical form, pursuant to any rematerialisation, the person for the time being appearing in the Register of Debenture Holders as Debenture Holder, shall be treated for all purposes by our Company, the Debenture Trustee, the Depositories and all other persons dealing with such person as the holder thereof and its absolute owner for all purposes regardless of any notice of ownership, trust or any interest in it or any writing on, theft or loss of the Consolidated NCD Certificate issued in respect of the NCDs and no person will be liable for so treating the Debenture Holder.

No transfer of title of NCD will be valid unless and until entered on the Register of Debenture Holders or the register and index of Debenture Holders maintained by the Depository prior to the Record Date. In the absence of transfer being registered, interest and/or Maturity Amount, as the case may be, will be paid to the person, whose name appears first in the Register of Debenture Holders maintained by the Depositories and/or our Company and/or the Registrar, as the case may be. In such cases, claims, if any, by the purchasers of the NCDs will need to be settled with the seller of the NCDs and not with our Company or the Registrar. The provisions relating to transfer and transmission and other related matters in respect of our Company's shares contained in the Articles of Association of our Company and the Companies Act/ the relevant provisions of the Companies Act applicable as on the date of this Draft Prospectus shall apply, mutatis mutandis (to the extent applicable) to the NCD(s) as well.

Succession

Where NCDs are held in joint names and one of the joint holders dies, the survivor(s) will be recognized as the Debenture Holder(s). It will be sufficient for our Company to delete the name of the deceased Debenture Holder after obtaining satisfactory evidence of his death. Provided, a third person may call on our Company to register his name as successor of the deceased Debenture Holder after obtaining evidence such as probate of a will for the purpose of proving his title to the debentures. In the event of demise of the sole or first holder of the Debentures, the Company will recognise the executors or administrator of the deceased Debenture Holders, or the holder of the succession certificate or other legal representative as having title to the Debentures only if such executor or administrator obtains and produces probate or letter of administration or is the holder of the succession certificate or other legal representation, as the case may be, from an appropriate court in India. The directors of the Company in their absolute discretion may, in any case, dispense with production of probate or letter of administration or succession certificate or other legal representation. In case of death of Debenture Holders who are holding NCDs in dematerialised form, third person is not required to approach the Company to register his name as successor of the deceased Debenture Holder. He shall approach the respective Depository Participant of the Debenture Holder for this purpose and submit necessary documents as required by the Depository Participant.

Where a non-resident Indian becomes entitled to the NCDs by way of succession, the following steps have to be complied with:

1. Documentary evidence to be submitted to the Legacy Cell of the RBI to the effect that the NCDs were acquired by the non-resident Indian as part of the legacy left by the deceased Debenture Holder.

2. Proof that the non-resident Indian is an Indian national or is of Indian origin.

3. Such holding by a non-resident Indian will be on a non-repatriation basis.

Joint-holders

Where two or more persons are holders of any NCD(s), they shall be deemed to hold the same as joint holders with benefits of survivorship subject to other provisions contained in the Articles.

Procedure for Re-materialization of NCDs

Subject to RTA Master Circular, Debenture Holders who wish to hold the NCDs in physical form may do so by submitting a request to their DP at any time after Allotment in accordance with the applicable procedure stipulated by the DP, in accordance with the Depositories Act and/or rules as notified by the Depositories from time to time. Holders of NCDs who propose to rematerialise their NCDs, would have to mandatorily submit details of their bank mandate along with a copy of any document evidencing that the bank account is in the name of the holder of such NCDs and their Permanent Account Number to the Company and the DP. No proposal for rematerialisation of NCDs would be considered if the aforementioned documents and details are not submitted along with the request for such rematerialisation.

Restriction on transfer of NCDs

There are no restrictions on transfers and transmission of NCDs Allotted pursuant to this Issue. Pursuant to the SEBI Listing Regulations, NCDs held in physical form, pursuant to any rematerialisation, as above, cannot be transferred except by way of transmission or transposition, with effect from April 1, 2019.

Period of Subscription

The subscription list shall remain open for a period as indicated below, with an option for early closure or extension by such period, as may be decided by the Board or a duly authorised committee of Directors of our Company, subject to necessary approvals. In the event of such early closure of the Issue, our Company shall ensure that notice of such early closure is given one day prior to such early date of closure through advertisement/s in a leading national daily newspaper.

Issue Programme

ISSUE OPENING DATE	As specified in the Prospectus
ISSUE CLOSING DATE	As specified in the Prospectus #
PAY IN DATE	Application Date. The entire Application Amount is payable on Application
DEEMED DATE OF ALLOTMENT	The date on which the Board or a duly authorised committee approves the Allotment of NCDs. All benefits relating to the NCDs including interest on the NCDs shall be available to the investors from the Deemed Date of Allotment. The actual Allotment of NCDs may take place on a date other than the Deemed Date of Allotment.

 # The Issue shall remain open for subscription on Working Days from 10:00 a.m. to 5:00 p.m. (Indian Standard Time), during the period indicated in the Prospectus, except that the Issue may close on such earlier date or extended date (subject to a minimum period of 2 working days and a maximum period of 10 working days from the date of opening of the issue and subject to not exceeding thirty 30 days from filing the Prospectus with ROC) including any extensions), as may be decided by the Board of Directors of our Company ("Board") or the NCD Sub-Committee, subject to relevant approvals, in accordance with the SEBI NCS Regulations. In the event of such an early closure of or extension subscription list of the Issue, our Company shall ensure that notice of such early closure or extension is given to the prospective investors through an advertisement in a national daily newspaper and a regional daily newspaper in Maharashtra where the registered office is located, with wide circulation on or before such earlier date or extended date of closure. Applications Forms for the Issue will be accepted only from 10:00 a.m. to 5:00 p.m. (Indian Standard Time) or such extended time as may be permitted by the Stock Exchange, on Working Days during the Issue Period. On the Issue Closing Date, Application Forms will be accepted only between 10:00 a.m. to 3:00 p.m. and uploaded until 5:00 p.m. (Indian Standard Time) or such extended time as may be permitted by the Stock Exchange.

*Application (including Application under the UPI Mechanism) and any further changes to the Applications shall be accepted only between 10.00 a.m. and 5.00 p.m. (Indian Standard Time, "**IST**") during the Issue Period as mentioned above by the Designated Intermediaries at the bidding centre and by the SCSBs directly at the Designated Branches of SCSBs, except that on the Issue Closing Date when the Applications and any further changes in details in Applications, if any, shall be accepted only between 10.00 a.m. and 3.00 p.m. (IST) and shall be uploaded until 5.00 p.m. (IST) or such extended time as permitted by the Stock Exchange. Additionally, an Investor may also submit the Application Form through the app or web interface of the Stock Exchange. It is clarified that the Applications not uploaded in the Stock Exchange platform would be rejected.*

Due to limitation of time available for uploading the Applications on the Issue Closing Date, the Applicants are advised to submit their Applications one day prior to the Issue Closing Date and, in any case, no later than 3.00 p.m. (IST) on the Issue Closing Date. All times mentioned in this Draft Prospectus are Indian Standard Time. Applicants are cautioned that in the event a large number of Applications are received on the Issue Closing Date, as is typically experienced in public offerings, some Applications may not get uploaded due to lack of sufficient time.

Such Applications that cannot be uploaded will not be considered for Allocation under the Issue. Applications will be accepted only on Business Days, i.e., Monday to Friday (excluding any public holiday). Neither our Company, nor the Lead Manager, nor any Member of the Syndicate, Registered Brokers at the Broker Centres, CDPs at the Designated CDP Locations or the RTAs at the Designated RTA Locations or Designated Branches of SCSBs are liable for any failure in uploading the Applications due to faults in any software/hardware system or otherwise. Please note that, within each category of Investors, the Basis of Allotment under the Issue will be on date priority basis except on the day of oversubscription, if any, where the Allotment will be proportionate.

Basis of payment of Interest

NCDs once Allotted under any particular category of NCDs shall continue to bear the applicable tenor, coupon/yield and Redemption Amount as at the time of original Allotment irrespective of the category of Debenture Holder on any Record Date, and such Tenor, Coupon/Yield and Redemption Amount as at the time of original Allotment will not be impacted by trading of any series of NCDs between the categories of persons or entities in the secondary market.

Payment of Interest/Maturity Amount will be made to those Debenture Holders whose names appear in the Register of Debenture Holders (or to first holder in case of joint-holders) as on Record Date.

We may enter into an arrangement with one or more banks in one or more cities for direct credit of interest to the account of the Investors. In such cases, interest, on the Interest Payment Date, would be directly credited to the account of those Investors who have given their bank mandate.

We may offer the facility of NACH, NEFT, RTGS, Direct Credit and any other method permitted by RBI and SEBI from time to time to help Debenture Holders. The terms of this facility (including towns where this facility would be available) would be as prescribed by RBI. Please see, *"Terms of the Issue - Manner of Payment of Interest / Redemption Amounts"* on page 222.

Taxation

Income Tax is deductible at source at the rate of 10% on interest on debentures held by resident Indians as per the provisions of Section 193 of the IT Act (in case where interest is paid to Individual or HUF, no TDS will be deducted where interest paid is less than 5,000 and interest is paid by way of account payee cheque).

Further, Tax will be deducted at source at reduced rate, or no tax will be deducted at source in the following cases:

a. When the Assessing Officer issues a certificate on an application by a Debenture Holder on satisfaction that the total income of the Debenture holder justifies no/lower deduction of tax at source as per the provisions of Section 197(1) of the IT Act; and that a valid certificate is filed with the Company/ Registrar, at least 7 days before the relevant record date for payment of debenture interest;

b. When the resident Debenture Holder with Permanent Account Number ("PAN") (not being a company or a firm) submits a declaration as per the provisions of section 197A(1A) of the IT Act in the prescribed Form 15G verified in the prescribed manner to the effect that the tax on his estimated total income of the financial year in which such income is to be included in computing his total income will be Nil. However, under section 197A(1B) of the IT Act, Form 15G cannot be submitted nor considered for exemption from tax deduction at source if the dividend income referred to in section 194, interest on securities, interest, withdrawal from NSS and income from units of mutual fund or of 236 Unit Trust of India as the case may be or the aggregate of the amounts of such incomes credited or paid or likely to be credited or paid during the financial year in which such income is to be included exceeds the maximum amount which is not chargeable to income tax;

c. Senior citizens, who are 60 or more years of age at any time during the financial year, enjoy the special privilege to submit a self-declaration in the prescribed Form 15H for non-deduction of tax at source in accordance with the provisions of section 197A(1C) of the Act even if the aggregate income credited or paid or likely to be credited or paid exceeds the maximum amount not chargeable to tax, provided that the tax due on the estimated total income of the year concerned will be Nil.

In all other situations, tax would be deducted at source as per prevailing provisions of the IT Act. However in case of NCD Holders claiming non-deduction or lower deduction of tax at source, as the case may be, the NCD Holder should furnish either (a) a declaration (in duplicate) in the prescribed form i.e. (i) Form 15H which can be given by individuals who are of the age of 60 years or more (ii) Form 15G which can be given by all applicants (other than companies, and firms), or (b) a certificate, from the Assessing Officer which can be obtained by all applicants (including companies and firms) by making an application in the prescribed form i.e. Form No.13.

Further, eligible NCD Holders other than resident individuals or resident HUF investors, the following documents should be submitted with the Company/ Registrar, at least 7 days before the relevant record date for payment of debenture interest (i) copy of registration certificate issued by the regulatory authority under which the investor is registered, (ii) self-declaration for non-deduction of tax at source, and (iii) such other document a may be required under the Income Tax Act, for claiming non-deduction / lower deduction of tax at source and/or specified by the Company/ Registrar, from time to time.

The aforesaid documents, as may be applicable, should be submitted at least 7 days before the relevant Record Date for payment of interest on the NCDs quoting the name of the sole/ first NCD Holder, NCD folio number and the distinctive number(s) of the NCD held, to ensure non-deduction/lower deduction of tax at source from interest on the NCD. The aforesaid documents for claiming non-deduction or lower deduction of tax at source, as the case may be, shall be submitted to the Registrar as per below details or any other details as may be updated on the website of the Issuer at www.indelmoney.com or the Registrar at www.linkintime.co.in from time to time.

The investors need to submit Form 15H/ 15G/certificate in original from the Assessing Officer for each Fiscal during the currency of the NCD to claim non-deduction or lower deduction of tax at source from interest on the NCD. Tax exemption certificate/document, if any, must be lodged at the office of the Registrar to the Issue at least seven days prior to the Record Date or as specifically required, failing which tax applicable on interest will be deducted at source on accrual thereof in our Company's books and/or on payment thereof, in accordance with the provisions of the IT Act and/or any other statutory modification, enactment or notification as the case may be. A tax deduction certificate will be issued for the amount of tax so deducted.

Subject to the terms and conditions in connection with computation of applicable interest on the Record Date as stated in the section titled "Issue Procedure" on page 228, please note that in case the NCDs are transferred and/or transmitted in accordance with the provisions of this Draft Prospectus read with the provisions of the Articles of Association of our Company, the transferee of such NCDs or the deceased holder of NCDs, as the case may be, shall be entitled to any interest which may have accrued on the NCDs.

Details of the Registrar are as below:
Link Intime India Private Limited
C-101, 247 Park
L.B.S. Marg, Vikhroli West
Mumbai 400 083
Tel: +91 810 811 4949
F: +91 22 49186060
Email: indelmoney.ncd2024@linkintime.co.in
Investor Grievance Id: indelmoney.ncd2024@linkintime.co.in
Website: www.linkintime.co.in
Contact Person: Shanti Gopalkrishnan
Compliance Officer: B. N. Ramakrishnan
SEBI Registration Number: INR000004058

Details of the Company are as below:

Indel Money Limited
Office No.301, Floor No.3
Sai Arcade N.S Road
Mulund West, Mumbai 400 080
Maharashtra, India
Tel: +91 22 6798 9889
Email: cs@indelmoney.com
Website: www.indelmoney.com

Day Count Convention

Interest shall be computed on actual/actual basis i.e., on the principal outstanding on the NCDs as per the SEBI Master Circular.

Effect of holidays on payments

If the date of payment of interest does not fall on a Working Day, then the interest payment will be made on succeeding Working Day (the "**Effective Date**"), however the calculation for payment of interest will be only till the originally stipulated Interest Payment Date. The dates of the future interest payments would be as per the originally stipulated schedule. Payment of interest will be subject to the deduction of tax as per Income Tax Act or any statutory modification or re-enactment thereof for the time being in force. In case the Maturity Date (also being the last Interest Payment Date) does not fall on a Working

Day, the payment will be made on the immediately preceding Working Day, along with coupon/interest accrued on the NCDs until but excluding the date of such payment.

Illustration for guidance in respect of the day count convention and effect of holidays on payments

The illustration for guidance in respect of the day count convention and effect of holidays on payments, as required by SEBI Master Circular will be disclosed in the Prospectus.

Maturity and Redemption

As specified in the Prospectus

Application Size

As specified in the Prospectus

Applicants are advised to ensure that Application made by them do not exceed the investment limits or maximum number of NCDs that can be held by them under applicable statutory and or regulatory provisions.

Terms of Payment

The entire issue price of ₹1,000 per NCD is blocked in the ASBA Account on Application itself. In case of Allotment of lesser number of NCDs than the number of NCDs applied for, our Company shall instruct the SCSBs to unblock the excess amount blocked on Application in accordance with the terms of this Draft Prospectus.

Manner of Payment of Interest / Redemption Amounts

The manner of payment of interest / redemption in connection with the NCDs is set out below:

For NCDs held in dematerialised form:

The bank details will be obtained from the Depositories for payment of interest / redemption amount as the case may be. Holders of the NCDs, are advised to keep their bank account details as appearing on the records of the Depository Participant updated at all points of time. Please note that failure to do so could result in delays in credit of interest/redemption amounts at the Applicant's sole risk, and the Lead Manager, our Company or the Registrar shall have no responsibility and undertake no liability for the same.

For NCDs held in physical form on account of re-materialization:

In case of NCDs held in physical form, on account of rematerialisation, the bank details will be obtained from the documents submitted to the Company along with the rematerialisation request. For further details, please see "*Terms of the Issue - Procedure for Re-materialization of NCDs*" on page 218.

The mode of payment of interest/redemption amount shall be undertaken in the following order of preference:

1. **Direct Credit/ NACH/ RTGS:** Investors having their bank account details updated with the Depository shall be eligible to receive payment of interest / redemption amount, through:

   i. **Direct Credit**. interest / redemption amount would be credited directly to the bank accounts of the Investors, if held with the same bank as the Company.

   ii. **NACH:** National Automated Clearing House which is a consolidated system of ECS. Payment of interest / redemption amount would be done through NACH for Applicants having an account at one of the centres specified by the RBI, where such facility has been made available. This would be subject to availability of complete bank account details including Magnetic Ink Character Recognition (MICR) code wherever applicable from the depository. The payment of interest / redemption amount through NACH is mandatory for Applicants having a bank account at any of the centres where NACH facility has been made available by the RBI (subject to availability of all information for crediting the interest / redemption amount through NACH including the MICR code as appearing on a cheque leaf, from the depositories), except where Applicant is otherwise disclosed as eligible to get interest / redemption amount through NEFT or Direct Credit or RTGS.

iii. **RTGS:** Applicants having a bank account with a participating bank and whose interest / redemption amount exceeds ₹2 lakhs, or such amount as may be fixed by RBI from time to time, have the option to receive the interest / redemption amount through RTGS. Such eligible Applicants who indicate their preference to receive interest / redemption amount through RTGS are required to provide the IFSC code in the Application Form or intimate our Company and the Registrar to the Issue at least 7 (seven) days before the Record Date. Charges, if any, levied by the Applicant's bank receiving the credit would be borne by the Applicant. In the event the same is not provided, interest / redemption amount shall be made through NECS subject to availability of complete bank account details for the same as stated above.

iv. **NEFT:** Payment of interest / redemption amount shall be undertaken through NEFT wherever the Applicants' bank has been assigned the Indian Financial System Code ("**IFSC**"), which can be linked to a Magnetic Ink Character Recognition, if any, available to that particular bank branch. IFSC Code will be obtained from the website of RBI as on a date immediately prior to the date of payment of the interest / redemption amounts, duly mapped with MICR numbers. Wherever the Applicants have registered their nine-digit MICR number and their bank account number while opening and operating the de-mat account, the same will be duly mapped with the IFSC Code of that particular bank branch and the payment of interest / redemption amount will be made to the Applicants through this method.

2. **Registered Post/Speed Post:** For all other Debenture Holders, including those who have not updated their bank particulars with the MICR code, the interest payment / redemption amount shall be paid by way of interest/ redemption warrants dispatched through speed post/ registered post only to Applicants that have provided details of a registered address in India.

Printing of Bank Particulars on Interest/ Redemption Warrants

As a matter of precaution against possible fraudulent encashment of interest/ redemption warrants due to loss or misplacement, the particulars of the Applicant's bank account are mandatorily required to be given for printing on the orders/ warrants. In relation to NCDs held dematerialised form, these particulars would be taken directly from the depositories. In case of NCDs held in physical form on account of rematerialisation, the Investors are advised to submit their bank account details with our Company / Registrar at least seven working (7) days prior to the Record Date failing which the orders / warrants will be dispatched to the postal address of the holder of the NCD as available in the records of our Company. Bank account particulars will be printed on the warrants which can then be deposited only in the account specified.

Loan against NCDs

Pursuant to RBI Circular dated June 27, 2013, our Company, being an NBFC, is not permitted to extend any loans against the security of its NCDs.

Buy Back of NCDs

Our Company may, at its sole discretion, from time to time, consider, subject to applicable statutory and/or regulatory requirements, buyback of NCDs, upon such terms and conditions as may be decided by our Company.

Our Company may from time to time invite the Debenture Holders to offer the NCDs held by them through one or more buy-back schemes and/or letters of offer upon such terms and conditions as our Company may from time to time determine, subject to applicable statutory and/or regulatory requirements.

Such NCDs which are bought back may be extinguished, re-issued and/or resold in the open market with a view of strengthening the liquidity of the NCDs in the market, subject to applicable statutory and/or regulatory requirements.

Procedure for Redemption by Debenture Holders

The procedure for redemption is set out below:

NCDs held in physical form on account of re-materialization:

No action would ordinarily be required on the part of the Debenture Holder at the time of redemption and the redemption proceeds would be paid to those Debenture Holders whose names stand in the register of Debenture Holders maintained by us on the Record Date fixed for the purpose of redemption. However, our Company may require that the NCD certificate(s), duly discharged by the sole holder/all the joint-holders (signed on the reverse of the NCD certificate(s)) be surrendered for redemption on maturity and should be sent by the Debenture Holder(s) by Registered Post with acknowledgment due or by hand delivery to our office or to such persons at such addresses as may be notified by us from time to time. Debenture Holder(s) may be requested to surrender the NCD certificate(s) in the manner as stated above, not more than three months and not less than one month prior to the redemption date so as to facilitate timely payment.

We may at our discretion redeem the NCDs without the requirement of surrendering of the NCD certificates by the holder(s) thereof. In case we decide to do so, the holders of NCDs need not submit the NCD certificates to us and the redemption proceeds would be paid to those Debenture Holders whose names stand in the register of Debenture Holders maintained by us on the Record Date fixed for the purpose of redemption of NCDs. In such case, the NCD certificates would be deemed to have been cancelled. Also see "*Terms of the Issue - Payment on Redemption*" on page 224.

NCDs held in electronic form:

No action is required on the part of Debenture Holder(s) at the time of redemption of NCDs.

Payment on Redemption

The manner of payment of redemption is set out below:

NCDs held in physical form on account of re-materialisation

The payment on redemption of the NCDs will be made by way of cheque/pay order/ electronic modes. However, if our Company so requires, the aforementioned payment would only be made on the surrender of NCD certificate(s), duly discharged by the sole holder / all the joint-holders (signed on the reverse of the NCD certificate(s)). Dispatch of cheques/pay order, etc. in respect of such payment will be made on the redemption date or (if so requested by our Company in this regard) within a period of 30 days from the date of receipt of the duly discharged NCD certificate.

In case we decide to do so, the redemption proceeds in the manner stated above would be paid on the redemption date to those Debenture Holders whose names stand in the Register of Debenture Holders maintained by us/Registrar to the Issue on the Record Date fixed for the purpose of redemption. Hence the transferees, if any, should ensure lodgement of the transfer documents with us at least 7 working (seven) days prior to the Record Date. In case the transfer documents are not lodged with us at least 7 working (seven) days prior to the Record Date and we dispatch the redemption proceeds to the transferor, claims in respect of the redemption proceeds should be settled amongst the parties *inter se* and no claim or action shall lie against us or the Registrar.

Our liability to holder(s) towards their rights including for payment or otherwise shall stand extinguished from the date of redemption in all events and when we dispatch the redemption amounts to the Debenture Holder(s).

Further, we will not be liable to pay any interest, income or compensation of any kind from the date of redemption of the NCD(s).

NCDs held in electronic form

On the redemption date, redemption proceeds would be paid by cheque /pay order / electronic mode to those Debenture Holders whose names appear on the list of beneficial owners given by the Depositories to us. These names would be as per the Depositories' records on the Record Date fixed for the purpose of redemption. These NCDs will be simultaneously extinguished to the extent of the amount redeemed through appropriate debit corporate action upon redemption of the corresponding value of the NCDs. It may be noted that in the entire process mentioned above, no action is required on the part of Debenture Holders.

Our liability to Debenture Holder(s) towards his/their rights including for payment or otherwise shall stand extinguished from the date of redemption in all events and when we dispatch the redemption amounts to the Debenture Holder(s).

Further, we will not be liable to pay any interest, income or compensation of any kind from the date of redemption of the NCD(s).

Right to reissue NCD(s)

Subject to the provisions of the Companies Act, 2013, where we have fully redeemed or repurchased any NCD(s), we shall have and shall be deemed always to have had the right to keep such NCDs in effect without extinguishment thereof, for the purpose of resale or reissue and in exercising such right, we shall have and be deemed always to have had the power to resell or reissue such NCDs either by reselling or reissuing the same NCDs or by issuing other NCDs in their place. The aforementioned right includes the right to reissue original NCDs.

Sharing of information

We may, at our option, use on our own, as well as exchange, share or part with any financial or other information about the Debenture Holders available with us, and affiliates and other banks, financial institutions, credit bureaus, agencies, statutory bodies, as may be required and neither we or our affiliates nor their agents shall be liable for use of the aforesaid information.

Notices

All notices to the Debenture Holder(s) required to be given by us or the Debenture Trustee shall be published in one English language newspaper having wide circulation and one regional language daily newspaper in Maharashtra and/or will be sent by post/ courier or through email or other electronic media to the registered holders of the NCD(s) from time to time.

Issue of duplicate NCD Certificate(s)

If any NCD certificate(s), issued pursuant to rematerialisation, if any, is/are mutilated or defaced or the cages for recording transfers of NCDs are fully utilised, the same may be replaced by us against the surrender of such certificate(s). Provided, where the NCD certificate(s) are mutilated or defaced, the same will be replaced as aforesaid only if the certificate numbers and the distinctive numbers are legible.

If any NCD certificate is destroyed, stolen or lost then upon production of proof thereof to our satisfaction and upon furnishing such indemnity/security and/or documents as we may deem adequate, duplicate NCD certificate(s) shall be issued. Upon issuance of a duplicate NCD certificate, the original NCD certificate shall stand cancelled.

Future Borrowings

We will be entitled to borrow/raise loans or avail of financial assistance in whatever form as also to issue debentures/ NCDs/other securities in any manner having such ranking in priority, *pari passu* or otherwise, subject to applicable consents, approvals or permissions that may be required under any statutory/regulatory/contractual requirement, and change the capital structure including the issue of shares of any class, on such terms and conditions as we may think appropriate, provided stipulated security cover is maintained on the NCDs and after obtaining the consent of, or providing intimation to, the NCD Holders or the Debenture Trustee regarding the creation of a charge over such security.

Impersonation

As a matter of abundant caution, attention of the Investors is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013 which is reproduced below:

"Any person who:

(a) makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or

(b) makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or

(c) otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name, shall be liable for action under Section 447."

The liability prescribed under Section 447 of the Companies Act 2013 for fraud involving an amount of at least ₹10 lakhs or 1.00% of the turnover of the Company, whichever is lower, includes imprisonment for a term which shall not be less than six months extending up to 10 years (provided that where the fraud involves public interest, such term shall not be less than three years) and fine of an amount not less than the amount involved in the fraud, extending up to three times of such amount. In case the fraud involves (i) an amount which is less than ₹10 lakhs or 1.00% of the turnover of the Company, whichever is lower; and (ii) does not involve public interest, then such fraud is punishable with an imprisonment for a term extending up to five years or a fine of an amount extending up to ₹50 lakhs or with both.

Pre-closure

Our Company, in consultation with the Lead Manager reserves the right to close this Issue at any time prior to the Issue Closing Date, subject to receipt of minimum subscription (75% of the Base Issue, i.e., ₹5,625 lakhs). Our Company shall allot NCDs with respect to the Application Forms received at the time of such pre-closure in accordance with the Basis of Allotment as described herein and subject to applicable statutory and/or regulatory requirements. In the event of such early closure of this Issue, our Company shall ensure that public notice of such early closure is published on or before such early date of closure or the Issue Closing Date for this Issue, as applicable, through advertisement(s) in all those newspapers in which pre-issue advertisement and advertisement for opening or closure of the Issue have been given.

Issue of duplicate NCD certificate(s)

If NCD certificate(s), issued pursuant to rematerialisation, is/ are mutilated or defaced or the cages for recording transfers of NCDs are fully utilised, the same may be replaced by us against the surrender of such certificate(s). Provided, where the NCD certificate(s) are mutilated or defaced, the same will be replaced as aforesaid only if the certificate numbers and the distinctive numbers are legible.

If any NCD certificate is destroyed, stolen or lost then upon production of proof thereof to our satisfaction and upon furnishing such indemnity/ security and/or documents as we may deem adequate, duplicate NCD certificates shall be issued. Upon issuance of a duplicate NCD certificate, the original NCD certificate shall stand cancelled.

Minimum Subscription

If our Company does not receive the minimum subscription of 75% of Base Issue Size i.e. ₹5,625 lakhs, prior to the Issue Closing Date, the entire Application Amount shall be unblocked in the relevant ASBA Account(s) of the Applicants within eight Working Days from the Issue Closing Date provided wherein, the Application Amount has been transferred to the Public Issue Account from the respective ASBA Accounts, such Application Amount shall be refunded from the Refund Account to the relevant ASBA Accounts(s) of the Applicants within eight Working Days from the Issue Closing Date, failing which the Company will become liable to refund the Application Amount along with interest at the rate 15 (fifteen) percent per annum for the delayed period.

Pre-Issue Advertisement

Subject to Section 30 of the Companies Act, 2013, our Company will issue a statutory advertisement on or before the Issue Opening Date. This advertisement will contain the information as prescribed in Schedule V of SEBI NCS Regulations in compliance with the Regulation 30 of SEBI NCS Regulations. Material updates, if any, between the date of filing of the Prospectus with RoC and the date of release of the statutory advertisement, will be included in the statutory advertisement.

Listing

The NCDs offered through this Draft Prospectus are proposed to be listed on the BSE. Our Company has obtained an 'in-principle' approval for the Issue from *vide* their letter dated [●]. For the purposes of the Issue, BSE shall be the Designated Stock Exchange.

Our Company will use best efforts to ensure that all steps for the completion of the necessary formalities for listing at the Stock Exchange is taken within six Working Days of the Issue Closing Date. For the avoidance of doubt, it is hereby clarified that in the event of non-subscription to any one or more of the option, such option(s) of NCDs shall not be listed. If permissions to deal in and for an official quotation of our NCDs are not granted by the Stock Exchange, our Company will forthwith repay, without interest, all moneys received from the applicants in pursuance of this Draft Prospectus.

Guarantee/Letter of Comfort

This Issue is not backed by a guarantee or letter of comfort or any other document and/or letter with similar intent.

Arrangers

No arrangers have been appointed for this Issue.

Monitoring & Reporting of Utilisation of Issue Proceeds

There is no requirement for appointment of a monitoring agency in terms of the SEBI NCS Regulations. Our Board shall monitor the utilisation of the proceeds of the Issue. Our Company will disclose in the Company's financial statements for the relevant financial year commencing from Financial Year 2024-25, the utilisation of the proceeds of the Issue under a separate head along with details, if any, in relation to all such proceeds of the Issue that have not been utilised thereby also indicating investments, if any, of such unutilised proceeds of the Issue

Lien

Not Applicable

Lien on Pledge of NCDs

Subject to applicable laws, our Company, at its discretion, may note a lien on pledge of NCDs if such pledge of NCDs is accepted by any bank or institution for any loan provided to the Debenture Holder against pledge of such NCDs as part of the funding.

ISSUE PROCEDURE

This chapter applies to all Applicants. Pursuant to the SEBI Master Circular issued by SEBI, all Applicants are required to apply for in the Issue through the ASBA process and an amount equivalent to the full Application Amount as mentioned in the Application Form will be blocked by the Designated Branches of the SCSBs. Further, UPI Mechanism as a payment mechanism is applicable for the Issue, wherein a UPI Investor, may submit the Application Form with a SCSB or a Designated Intermediary or through the app/web based interface platform of the Stock Exchange and use their bank account linked UPI ID for the purpose of blocking of funds, if the Application being made is for a value of ₹5 lakhs or less. The UPI Mechanism is applicable for public issue of debt securities which open for subscription on or after January 1, 2021. Accordingly, payment through the UPI Mechanism shall be available for the Issue. SEBI, vide the SEBI Master Circular has an additional mode for application in public issues of debt securities through an online (app/web) interface to be provided by the stock exchanges. In this regard, SEBI has also stipulated that the stock exchanges formulate and disclose the operational procedure for applying through the app/ web based interface developed by them for making applications in public issues through the stock exchange's website. Since, BSE is the Designated Stock Exchange for the Issue, BSE's online platform BSE Direct, shall be available to UPI Investors to make an application under the UPI Mechanism, in accordance with the operational procedures notified by BSE vide notifications dated December 28, 2020.

Applicants should note that they may submit their Application Forms (including in cases where Applications are being made under the UPI mechanism) at (i) the Designated Branches of the SCSBs or (ii) at the Collection Centres, i.e., to the respective Members of the Consortium at the Specified Locations, the Trading Members at the Broker Centres, the CRTA at the Designated RTA Locations or CDP at the Designated CDP Locations or (iii) through BSE Direct, the app and/or web based interface/platform of the Stock Exchange, as applicable. For further information, please see "Issue Procedure- Submission of Completed Application Forms" on page 244.

Applicants are advised to make their independent investigations and ensure that their Application do not exceed the investment limits or maximum number of NCDs that can be held by them under applicable law or as specified in this Draft Prospectus.

Please note that this section has been prepared based on the requirements notified the SEBI Master Circular and the notifications issued by BSE, in relation to the UPI Mechanism.

ASBA Applicants must ensure that their respective ASBA Accounts can be blocked by the SCSBs, in the relevant ASBA accounts for the full Application Amount.

Specific attention is drawn to the SEBI Master Circular which provides for allotment in public issues of debt securities to be made on the basis of the date of upload of each application into the electronic book of the Stock Exchange, as opposed to the date and time of upload of each such application.

Our Company and the Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated in this section and are not liable for any amendment, modification or change in the applicable law which may occur after the date of this Draft Prospectus. Investors are advised to make their independent investigations and ensure that their Bids are submitted in accordance with applicable laws.

Further, our Company, the Lead Manager and the Members of the Syndicate do not accept any responsibility for any adverse occurrence consequent to the implementation of the UPI Mechanism for application in the Issue.

THE DESIGNATED INTERMEDIARIES (OTHER THAN TRADING MEMBERS), SCSBS AND OUR COMPANY SHALL NOT BE RESPONSIBLE OR LIABLE FOR ANY ERRORS OR OMISSIONS ON THE PART OF THE TRADING MEMBERS IN CONNECTION WITH THE RESPONSIBILITIES OF SUCH TRADING MEMBERS INCLUDING BUT NOT LIMITED TO COLLECTION AND UPLOAD OF APPLICATION FORMS IN THIS ISSUE ON THE ELECTRONIC APPLICATION PLATFORM PROVIDED BY THE STOCK EXCHANGE. FURTHER, THE STOCK EXCHANGE SHALL BE RESPONSIBLE FOR ADDRESSING INVESTOR GRIEVANCES ARISING FROM APPLICATION THROUGH TRADING MEMBERS REGISTERED WITH THE STOCK EXCHANGE.

For purposes of this Issue, the term "Working Day" shall mean all days excluding Sundays or a holiday of commercial banks in Mumbai, except with reference to Issue Period, where Working Days shall mean all days, excluding Saturdays, Sundays and public holiday in Mumbai. Furthermore, for the purpose of post issue period, i.e., period beginning from the Issue Closure to listing of the NCDs on the Stock Exchange, Working Day shall mean all trading days of the Stock Exchange, excluding Sundays and bank holidays in Mumbai, as per the SEBI NCS Regulations.

The information below is given for the benefit of the Investors. Our Company and the Members of Syndicate are not liable for any amendment or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Prospectus.

PROCEDURE FOR APPLICATION

Availability of the Abridged Prospectus and Application Forms

The Abridged Prospectus containing the salient features of the Prospectus together with Application Form may be obtained from:

a. Our Company's Registered Office and Corporate Office;

b. Offices of the Lead Manager/Syndicate Member;

c. the CRTA at the Designated RTA Locations;

d. the CDPs at the Designated CDP Locations;

e. Trading Members at the Broker Centres; and

f. Designated Branches of the SCSBs.

Electronic copies of this Draft Prospectus and the Prospectus along with the downloadable version of the Application Form will be available on the websites of the Lead Manager, the Stock Exchange, SEBI and the SCSBs.

Electronic Application Forms may be available for download on the website of the Stock Exchange and on the websites of the SCSBs that permit submission of Application Forms electronically. A unique application number ("**UAN**") will be generated for every Application Form downloaded from the website of the Stock Exchange. Our Company may also provide Application Forms for being downloaded and filled at such website as it may deem fit. In addition, brokers having online demat account portals may also provide a facility of submitting the Application Forms virtually online to their account holders.

Trading Members of the Stock Exchange can download Application Forms from the website of the Stock Exchange. Further, Application Forms will be provided to Trading Members of the Stock Exchange at their request.

UPI Investors making an Application up to ₹5 lakhs, using the UPI Mechanism, must provide the UPI ID in the relevant space provided in the Application Form. Application Forms that do not contain the UPI ID are liable to be rejected. UPI Investors applying using the UPI Mechanism may also apply through the SCSBs and mobile applications using the UPI handles as provided on the website of SEBI.

Who can apply?

The following categories of persons are eligible to apply in this Issue:

Category I

- Resident public financial institutions as defined in Section 2(72) of the Companies act 2013, statutory corporations including state industrial development corporations, scheduled commercial banks, co-operative banks and regional rural banks, and multilateral and bilateral development financial institutions which are authorised to invest in the NCDs;

- Provident funds of minimum corpus of ₹2,500 lakhs, pension funds of minimum corpus of ₹2,500 lakhs, superannuation funds and gratuity funds, which are authorised to invest in the NCDs;

- Alternative investment funds, subject to investment conditions applicable to them under the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012;

- Resident venture capital funds registered with SEBI;

- Insurance companies registered with the IRDAI;

- National Investment Fund (set up by resolution no. F. No. 2/3/2005-DDII dated November 23, 2005 of the Government of India and published in the Gazette of India);
- Insurance funds set up and managed by the Indian army, navy or the air force of the Union of India or by the Department of Posts, India;
- Mutual funds registered with SEBI; and
- NBFC-ML.

Category II

- Companies falling within the meaning of Section 2(20) of the Companies Act 2013; bodies corporate and societies registered under the applicable laws in India and authorised to invest in the NCDs;
- Educational institutions and associations of persons and/or bodies established pursuant to or registered under any central or state statutory enactment; which are authorised to invest in the NCDs;
- Trust including public/private charitable/religious trusts which are authorised to invest in the NCDs;
- Association of persons;
- Scientific and/or industrial research organisations, which are authorised to invest in the NCDs;
- Partnership firms in the name of the partners;
- Limited liability partnerships formed and registered under the provisions of the Limited Liability Partnership Act, 2008 (No. 6 of 2009); and
- Resident Indian individuals and Hindu undivided families through the Karta applying for an amount aggregating to a value exceeding ₹5 lakhs.

Category III*#

- Resident Indian individuals; and
- Hindu undivided families through the Karta.

** applications aggregating to a value not more than ₹5 lakhs.*
 # applications upto a value of ₹5 lakhs can be made under the UPI Mechanism.

For Applicants applying for NCDs, the Registrar shall verify the above on the basis of the records provided by the Depositories based on the DP ID, Client ID and where applicable the UPI ID provided by the Applicants in the Application Form and uploaded onto the electronic system of the Stock Exchange by the Members of the Syndicate or the Trading Members, as the case may be.

Participation of any of the aforementioned categories of persons or entities is subject to the applicable statutory and/or regulatory requirements in connection with the subscription to Indian securities by such categories of persons or entities. Applicants are advised to ensure that Application made by them do not exceed the investment limits or maximum number of NCDs that can be held by them under applicable statutory and or regulatory provisions. Applicants are advised to ensure that they have obtained the necessary statutory and/or regulatory permissions/consents/approvals in connection with applying for, subscribing to, or seeking Allotment of NCDs pursuant to this Issue.

The Lead Manager and its respective associates and affiliates are permitted to subscribe in the Issue.

Who are not eligible to apply for NCDs?

The following categories of persons, and entities, shall not be eligible to participate in this Issue and any Application from such persons and entities are liable to be rejected:

a. Minors without a guardian name* (A guardian may apply on behalf of a minor. However, Application by minors must be made through Application Forms that contain the names of both the minor Applicant and the guardian);

b. Foreign nationals, NRI *inter-alia* including any NRIs who are (i) based in the USA, and/or, (ii) domiciled in the USA, and/or, (iii) residents/citizens of the USA, and/or, (iv) subject to any taxation laws of the USA;

c. Persons resident outside India and other foreign entities;

d. Foreign Portfolio Investors;

e. Foreign Venture Capital Investors;

f. Qualified Foreign Investors;

g. Overseas Corporate Bodies; and

h. Persons ineligible to contract under applicable statutory/regulatory requirements.

**Applicant shall ensure that guardian is competent to contract under Indian Contract Act, 1872*

Based on the information provided by the Depositories, our Company shall have the right to accept Application Forms belonging to an account for the benefit of a minor (under guardianship). In case of such Application, the Registrar to the Issue shall verify the above on the basis of the records provided by the Depositories based on the DP ID and Client ID provided by the Applicants in the Application Form and uploaded onto the electronic system of the Stock Exchange.

The concept of Overseas Corporate Bodies (meaning any company, partnership firm, society and other corporate body or overseas trust irrevocably owned/held directly or indirectly to the extent of at least 60% by NRIs), which was in existence until 2003, was withdrawn by the Foreign Exchange Management (Withdrawal of General Permission to Overseas Corporate Bodies) Regulations, 2003. Accordingly, OCBs are not permitted to invest in this Issue.

Please see "*Issue Procedure – Rejection of Applications*" on page 246 for information on rejection of Applications.

Method of Application

Eligible investor desirous of applying in the Issue can make Applications through the ASBA mechanism only.

Further, the Application may also be submitted through the app or web interface developed by Stock Exchange wherein the Application is automatically uploaded onto the Stock Exchange bidding platform and the amount is blocked using the UPI mechanism, as applicable.

All Applicants shall mandatorily apply in the Issue through the ASBA process only. Applicants intending to subscribe in the Issue shall submit a duly filled Application form to any of the Designated Intermediaries. Designated Intermediaries (other than SCSBs) shall submit/deliver the Bid cum Application Form (except the Bid cum Application Form from a retail individual investor bidding using the UPI mechanism) to the respective SCSB with whom the relevant ASBA Accounts are maintained and shall not submit it to any non-SCSB bank or any Escrow Bank. The relevant Designated Intermediaries, upon receipt of physical Application Forms from Applicants, shall upload the details of these Application Forms to the online platform of the Stock Exchange and submit these Application Forms (except a Bid cum Application Form from retail individual investors using the UPI Mechanism) with the SCSB with whom the relevant ASBA Accounts are maintained.

Applicants should submit the Application Form only at the Bidding Centres, i.e., to the respective Syndicate Members at the Specified Locations, the SCSBs at the Designated Branches, the Registered Broker at the Broker Centres, the RTAs at the Designated RTA Locations or CDPs at the Designated CDP Locations. Kindly note that Application Forms submitted by Applicants at the Specified Locations will not be accepted if the SCSB with which the ASBA Account, as specified in the Application Form is maintained has not named at least one branch at that location for the Designated Intermediaries for deposit of the Application Forms. A list of such branches is available at http://www.sebi.gov.in.

Designated Intermediaries (other than SCSBs) shall not accept any ASBA Form from a retail individual investor who is not Bidding using the UPI Mechanism.

For retail individual investors using UPI Mechanism, the Stock Exchange shall share the bid details (including UPI ID) with the Sponsor Bank on a continuous basis to enable the Sponsor Bank to initiate UPI Mandate Request to retail individual investors for blocking of funds.

An Applicant shall submit the Application Form, which shall be stamped at the relevant Designated Branch of the SCSB.

Application Forms in physical mode, which shall be stamped, can also be submitted to be the Designated Intermediaries at the Specified Locations. The SCSB shall block an amount in the ASBA Account equal to the Application Amount specified in the Application Form.

The Sponsor Bank shall provide details of the UPI linked bank account of the Bidders to the Registrar to the Issue for purpose of reconciliation.

Retail individual investors using the UPI Mechanism must provide the UPI ID in the relevant space provided in the Bid cum Application Form and the Bid cum Application Form that does not contain the UPI ID are liable to be rejected.

Retail individual investors using UPI Mechanism, submitting a Bid-cum Application Form to any Designated Intermediary (other than SCSBs) should ensure that only the UPI ID is mentioned in the field for Payment Details in the Bid cum Application Form. Application Forms submitted by retail individual investors using UPI Mechanism to Designated Intermediary(other than SCSBs) with ASBA Account details, are liable to be rejected.

Further, such Bidders including retail individual investors using the UPI Mechanism, shall ensure that the Bids are submitted at the Bidding Centres only on Bid cum Application Forms bearing the stamp of the relevant Designated Intermediary (except in case of electronic Bid-cum-Application Forms) and Bid cum Application Forms (except electronic Bid-cum-Application Forms) not bearing such specified stamp may be liable for rejection. Bidders must ensure that the ASBA Account has sufficient credit balance such that an amount equivalent to the full Bid Amount can be blocked by the SCSB or the Sponsor Bank, as applicable, at the time of submitting the Bid. Designated Intermediaries (other than SCSBs) shall not accept any ASBA Form from a retail individual investor who is not Bidding using the UPI Mechanism.

Our Company, the Directors, affiliates, associates and their respective directors and officers, Lead Managers and the Registrar to the Issue shall not take any responsibility for acts, mistakes, errors, omissions and commissions etc. in relation to ASBA Applications accepted by the Designated Intermediaries, Applications uploaded by SCSBs, Applications accepted but not uploaded by SCSBs or Applications accepted and uploaded without blocking funds in the ASBA Accounts. It shall be presumed that for Applications uploaded by SCSBs, the Application Amount has been blocked in the relevant ASBA Account. Further, all grievances against Designated Intermediaries in relation to the Issue should be made by Applicants directly to the relevant Stock Exchange.

In terms of the Debt UPI Circular, an eligible investor desirous of applying in this Issue can make Applications through the following modes:

1. **Through Self-Certified Syndicate Bank (SCSB) or intermediaries** (viz. Syndicate members, Registered Stock Brokers, Registrar and Transfer agent and Depository Participants)

   a. An investor may submit the bid-cum-application form, with ASBA as the sole mechanism for making payment, physically at the branch of a SCSB, i.e., investor's bank. For such applications, the existing process of uploading of bid on the Stock Exchange bidding platform and blocking of funds in investors account by the SCSB would continue.

   b. An investor may submit the completed bid-cum-application form to intermediaries mentioned above along with details of his/her bank account for blocking of funds. The intermediary shall upload the bid on the Stock Exchange bidding platform and forward the application form to a branch of a SCSB for blocking of funds.

   c. An investor may submit the bid-cum-application form with a SCSB or the intermediaries mentioned above and use his / her bank account linked UPI ID for the purpose of blocking of funds, if the application value is ₹5 lakhs or less. The intermediary shall upload the bid on the Stock Exchange bidding platform. The application amount would be blocked through the UPI mechanism in this case.

2. **Through Stock Exchanges**

   a. An investor may submit the bid-cum-application form through the App or web interface developed by Stock Exchanges (or any other permitted methods) wherein the bid is automatically uploaded onto the Stock Exchanges bidding platform and the amount is blocked using the UPI Mechanism.

   b. BSE extended their web-based platforms i.e. 'BSEDirect' to facilitate investors to apply in public issues of debt securities through the web based platform and mobile app with a facility to block funds through Unified Payments Interface (UPI) mechanism for application value upto ₹5 lakhs to place bid through 'BSEDirect' platform/ mobile app the eligible investor is required to register himself/ herself with BSE Direct.

c. An investor may use the following links to access the web-based interface developed by the Stock Exchanges to bid using the UPI Mechanism: BSE: https://www.bsedirect.com.

d. The BSE Direct mobile application can be downloaded from play store in android phones. Kindly search for 'BSEdirect' on Google Playstore for downloading mobile applications.

e. For further details on the registration process and the submission of bids through the App or web interface, the Stock Exchanges have issued operational guidelines and circulars available at BSE: https://www.bseindia.com/markets/MarketInfo/DispNewNoticesCirculars.aspx?page=20201228-60, and https://www.bseindia.com/markets/MarketInfo/DispNewNoticesCirculars.aspx?page=20201228-61;

APPLICATIONS FOR ALLOTMENT OF NCDs

Details for Applications by certain categories of Applicants including documents to be submitted are summarized below.

Applications by Mutual Funds

Pursuant to the SEBI circular SEBI/HO/IMD/IMD-PoD-1/P/CIR/2023/74 dated May 19, 2023 ("**SEBI Mutual Funds Master Circular**"), mutual funds are required to ensure that the total exposure of debt schemes (excluding investments in Bank CDs, triparty repo on Government securities or treasury bills, G-Secs, TBills, short term deposits of Scheduled Commercial Banks and AAA rated securities issued by Public Financial Institutions and Public Sector Banks) shall not exceed 20% of the net assets of the scheme. Further, the additional exposure to financial services sector (over and above the limit of 20%) not exceeding 10% of the net assets of the scheme shall be allowed only by way of increase in exposure to Housing Finance Companies (HFCs), which are rated AA and above and are registered with the National Housing Bank. Further, an additional exposure of 5% of the net assets of the scheme has been allowed for investments in securitized debt instruments based on retail housing loan portfolio and/or affordable housing loan portfolio. However, the overall exposure in HFCs shall not exceed the sector exposure limit of 20% of the net assets of the scheme.

A separate Application can be made in respect of each scheme of an Indian mutual fund registered with SEBI and such Applications shall not be treated as multiple Applications. Applications made by the AMCs or custodians of a Mutual Fund shall clearly indicate the name of the concerned scheme for which the Application is being made. An Application Form by a mutual fund registered with SEBI for Allotment of the NCDs must be also accompanied by certified true copies of (i) its SEBI registration certificates (ii) the trust deed in respect of such mutual fund (ii) a resolution authorising investment and containing operating instructions and (iii) specimen signatures of authorized signatories. Failing this, our Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof.

Application by Middle Layer Non-Banking Financial Companies

Non- Banking Financial Company – non deposit – middle layer, a non-banking financial company registered with the Reserve Bank of India and having a net-worth of more than Thousand crore rupees as per the last audited financial statements can apply in this Issue based on their own investment limits and approvals. The Application Form must be accompanied by a certified copy of the certificate of registration issued by the RBI, a certified copy of its last audited financial statements on a standalone basis and a net worth certificate from its statutory auditor(s). Failing this, our Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof.

Application by commercial banks, co-operative banks and regional rural banks

Commercial banks, co-operative banks and regional rural banks can apply in this Issue based on their own investment limits and approvals. The Application Form must be accompanied by certified true copies of their (i) the certificate of registration issued by RBI, and (ii) the approval of such banking company's investment committee is required to be attached to the Application Form. Failing this, our Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof.

Pursuant to SEBI Master Circular, SCSBs making applications on their own account using ASBA facility, should have a separate account in their own name with any other SEBI registered SCSB. Further, such account shall be used solely for the purpose of making application in public issues and clear demarcated funds should be available in such account for ASBA applications.

Application by Insurance Companies

In case of Applications made by insurance companies registered with the Insurance Regulatory and Development Authority of India ("**IRDAI**"), a certified copy of certificate of registration issued by IRDAI must be lodged along with Application Form. Failing this, our Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason, therefore.

Insurance companies participating in this Issue shall comply with all applicable regulations, guidelines and circulars issued by the IRDAI from time to time to time including the IRDA (Investment) Regulations, 2000.

Application by Indian Alternative Investment Funds

Applications made by Alternative Investment Funds eligible to invest in accordance with the Securities and Exchange Board of India (Alternative Investment Fund) Regulations, 2012, as amended (the "**SEBI AIF Regulations**") for Allotment of the NCDs must be accompanied by certified true copies of SEBI registration certificate. The Alternative Investment Funds shall at all times comply with the requirements applicable to it under the SEBI AIF Regulations and the relevant notifications issued by SEBI. Failing this, our Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason, thereof.

Applications by associations of persons and/or bodies established pursuant to or registered under any central or state statutory enactment

In case of Applications made by 'Associations of Persons' and/or bodies established pursuant to or registered under any central or state statutory enactment, must submit a (i) certified copy of the certificate of registration or proof of constitution, as applicable, (ii) power of attorney, if any, in favour of one or more persons thereof, (iii) such other documents evidencing registration thereof under applicable statutory/regulatory requirements. Further, any trusts applying for NCDs pursuant to this Issue must ensure that (a) they are authorized under applicable statutory/regulatory requirements and their constitution instrument to hold and invest in debentures, (b) they have obtained all necessary approvals, consents or other authorisations, which may be required under applicable statutory and/or regulatory requirements to invest in debentures, and (c) Applications made by them do not exceed the investment limits or maximum number of NCDs that can be held by them under applicable statutory and or regulatory provisions. Failing this, our Company reserves the right to accept or reject any Applications in whole or in part, in either case, without assigning any reason thereof.

Applications by Trusts

In case of Applications made by trusts, settled under the Indian Trusts Act, 1882, as amended, or any other statutory and/or regulatory provision governing the settlement of trusts in India, must submit a (i) certified copy of the registered instrument for creation of such trust, (ii) power of attorney, if any, in favour of one or more trustees thereof, (iii) such other documents evidencing registration thereof under applicable statutory/regulatory requirements. Further, any trusts applying for NCDs pursuant to this Issue must ensure that (a) they are authorized under applicable statutory/regulatory requirements and their constitution instrument to hold and invest in debentures, (b) they have obtained all necessary approvals, consents or other authorisations, which may be required under applicable statutory and/or regulatory requirements to invest in debentures, and (c) Applications made by them do not exceed the investment limits or maximum number of NCDs that can be held by them under applicable statutory and or regulatory provisions. Failing this, our Company reserves the right to accept or reject any Applications in whole or in part, in either case, without assigning any reason thereof.

Applications by Public Financial Institutions or Statutory Corporations, which are authorised to invest in the NCDs

The Application must be accompanied by certified true copies of: (i) any act/ rules under which they are incorporated; (ii) board resolution authorising investments; and (iii) specimen signature of authorised person. Failing this, our Company reserves the right to accept or reject any Applications in whole or in part, in either case, without assigning any reason thereof.

Applications by Provident Funds, Pension Funds, Superannuation Funds and Gratuity Fund, which are authorized to invest in the NCDs

The Application must be accompanied by certified true copies of incorporation/ registration under any act/rules under which they are incorporated. Failing this, our Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof.

Applications by National Investment Fund

The Application must be accompanied by certified true copies of: (i) resolution authorising investment and containing operating instructions; and (ii) specimen signature of authorized person. Failing this, our Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof.

Companies, bodies corporate and societies registered under the applicable laws in India

The Application must be accompanied by certified true copies of the registration under the act/ rules under which they are incorporated. Failing this, our Company reserves the right to accept or reject any Applications in whole or in part, in either case, without assigning any reason thereof.

Applications by Indian Scientific and/or industrial research organizations, which are authorized to invest in the NCDs

The Application must be accompanied by certified true copies of the registration under the act/ rules under which they are incorporated. Failing this, our Company reserves the right to accept or reject any Applications in whole or in part, in either case, without assigning any reason thereof.

Applications by Partnership firms formed under applicable Indian laws in the name of the partners and Limited Liability Partnerships formed and registered under the provisions of the Limited Liability Partnership Act, 2008

The Application must be accompanied by certified true copies of certified copy of certificate of the partnership deed or registration issued under the Limited Liability Partnership Act, 2008, as applicable. Failing this, our Company reserves the right to accept or reject any Applications in whole or in part, in either case, without assigning any reason thereof.

Applications under Power of Attorney

In case of Applications made pursuant to a power of attorney by Applicants who are Institutional Investors or Non-Institutional Investors, a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, with a certified copy of the memorandum of association and articles of association and/or bye laws must be submitted with the Application Form. In case of Applications made pursuant to a power of attorney by Applicants, a certified copy of the power of attorney must be submitted with the Application Form. Failing this, our Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof. Our Company, in its absolute discretion, reserves the right to relax the above condition of attaching the power of attorney with the Application Forms subject to such terms and conditions that our Company and the Lead Manager may deem fit.

Brokers having online demat account portals may also provide a facility of submitting the Application Forms online to their account holders. Under this facility, a broker receives an online instruction through its portal from the Applicant for making an Application on his/ her behalf. Based on such instruction, and a power of attorney granted by the Applicant to authorise the broker, the broker makes an Application on behalf of the Applicant.

APPLICATIONS FOR ALLOTMENT OF NCDs

This section is for the information of the Applicants proposing to subscribe to the Issue. The Lead Manager and our Company are not liable for any amendments or modifications or changes in applicable laws or regulations, which may occur after the date of this Draft Prospectus. Investors are advised to make their independent investigations and to ensure that the Application Form is correctly filled up.

Our Company, our Directors, affiliates, associates and their respective directors and officers, the Lead Manager and the Registrar to the Issue shall not take any responsibility for acts, mistakes, errors, omissions and commissions etc. in relation to Applications (including Applications under the UPI Mechanism) accepted by and/or uploaded by and/or accepted but not uploaded by Trading Members, registered brokers, CDPs, RTAs and SCSBs who are authorised to collect Application Forms from the Applicants in the Issue, or Applications accepted and uploaded without blocking funds in the ASBA Accounts by SCSBs or failure to block the Application Amount under the UPI Mechanism. It shall be presumed that for Applications uploaded by SCSBs (other than UPI Applications), the Application Amount payable on Application has been blocked in the relevant ASBA Account and for Applications by UPI Investors under the UPI Mechanism, uploaded by Designated Intermediaries, the Application Amount payable on Application has been blocked under the UPI Mechanism.

The list of branches of the SCSBs at the Specified Locations named by the respective SCSBs to receive Application Forms from the Members of the Syndicate is available on the website of SEBI (https://www.sebi.gov.in) and updated from time to time or any such other website as may be prescribed by SEBI from time to time. For more information on such branches collecting Application Forms from the Syndicate at Specified Locations, see the website of the SEBI (https://www.sebi.gov.in) as updated from time to time or any such other website as may be prescribed by SEBI from time to time. The list of registered brokers at the Broker Centres, CDPs at the Designated CDP Locations or the RTAs at the Designated RTA Locations, respective lists of which, including details such as address and telephone number, are available at the website of the Stock Exchange at www.bseindia.com. The list of branches of the SCSBs at the Broker Centres, named by the respective SCSBs to receive deposits of the Application Forms from the registered brokers will be available on the website of the SEBI (www.sebi.gov.in) and updated from time to time.

Submission of Applications

Applications can be submitted through either of the following modes:

(a) Physically or electronically to the Designated Branches of the SCSB(s) with whom an Applicant's ASBA Account is maintained. In case of Application in physical mode, the Applicant shall submit the Application Form at the relevant Designated Branch of the SCSB(s). The Designated Branch shall verify if sufficient funds equal to the Application Amount are available in the ASBA Account and shall also verify that the signature on the Application Form matches with the Investor's bank records, as mentioned in the Application Form, prior to uploading such Application into the electronic system of the Stock Exchange. If sufficient funds are not available in the ASBA Account, the respective Designated Branch shall reject such Application and shall not upload such Application in the electronic system of the Stock Exchange. If sufficient funds are available in the ASBA Account, the Designated Branch shall block an amount equivalent to the Application Amount and upload details of the Application in the electronic system of the Stock Exchange. The Designated Branch of the SCSBs shall stamp the Application Form and issue an acknowledgement as proof of having accepted the Application.

    In case of Application being made in the electronic mode, the Applicant shall submit the Application either through the internet banking facility available with the SCSB, or such other electronically enabled mechanism for application and blocking funds in the ASBA Account held with SCSB, and accordingly registering such Application.

(b) Physically through the Designated Intermediaries at the respective Collection Centres. Kindly note that above Applications submitted to any of the Designated Intermediaries will not be accepted if the SCSB where the ASBA Account is maintained, as specified in the Application Form, has not named at least one branch at that Collection Center where the Application Form is submitted (a list of such branches is available at https://www.sebi.gov.in).

(c) A UPI Investor making an Application in the Issue under the UPI Mechanism, where the Application Amount is upto ₹5 lakhs, can submit his Application Form physically to a SCSB or a Designated Intermediary. The Designated Intermediary shall upload the application details along with the UPI ID on the Stock Exchange's bidding platform using appropriate protocols. Kindly note that in this case, the Application Amount will be blocked through the UPI Mechanism.

(d) A UPI Investor may also submit the Application Form for the Issue through BSE Direct, wherein the Application will be automatically uploaded onto the Stock Exchange's bidding platform and an amount equivalent to the Application Amount shall be blocked using the UPI Mechanism.

Upon receipt of the Application Form by the Designated Intermediaries, an acknowledgement shall be issued by the relevant Designated Intermediary, giving the counter foil of the Application Form to the Applicant as proof of having accepted the Application. Thereafter, the details of the Application shall be uploaded in the electronic system of the Stock Exchange. Post which:

(i) ***for Applications other than under the UPI Mechanism*** - the Application Form shall be forwarded to the relevant branch of the SCSB, in the relevant Collection Center, named by such SCSB to accept such Applications from the Designated Intermediaries (a list of such branches is available at https://www.sebi.gov.in). Upon receipt of the Application Form, the relevant branch of the SCSB shall perform verification procedures including verification of the Applicant's signature with his bank records and check if sufficient funds equal to the Application Amount are available in the ASBA Account, as mentioned in the Application Form. If sufficient funds are not available in the ASBA Account, the relevant Application Form is liable to be rejected. If sufficient funds are available in the ASBA Account, the relevant branch of the SCSB shall block an amount equivalent to the Application Amount mentioned in the Application Form.

(ii) ***for Applications under the UPI Mechanism*** – once the Application details have been entered in the bidding platform through Designated Intermediaries or BSE Direct, the Stock Exchange shall undertake validation of the PAN and Demat account combination details of the Applicant with the Depository. The Depository shall validate the PAN and Demat account details and send response to the Stock Exchange which would be shared by the Stock Exchange with the relevant

Designated Intermediary through its platform, for corrections, if any. Post uploading of the Application details on the Stock Exchange's platform, the Stock Exchange shall send an SMS to the Applicant regarding submission of the Application. Post undertaking validation with the Depository, the Stock Exchange shall, on a continuous basis, electronically share the bid details along with the Applicants UPI ID, with the Sponsor Bank appointed by our Company. The Sponsor Bank shall then initiate a UPI Mandate Request on the Applicant. The request raised by the Sponsor Bank, would be electronically received by the Applicant as an SMS or on the mobile app, associated with the UPI ID linked bank account. The Applicant shall then be required to authorise the UPI Mandate Request. Upon successful validation of block request by the Applicant, the information would be electronically received by the Applicants' bank, where the funds, equivalent to Application Amount, would get blocked in the Applicant's ASBA Account. The status of block request would also be shared with the Sponsor Bank, which in turn would be shared with the Stock Exchange. The block request status would also be displayed on the Stock Exchange platform for information of the Designated Intermediary.

The Application Amount shall remain blocked in the ASBA Account until approval of the Basis of Allotment and consequent transfer of the amount against the Allotted NCDs to the Public Issue Account(s), or until withdrawal/failure of this Issue or until withdrawal/ rejection of the Application Form, as the case may be.

Applicants must note that:

(a) Application Forms will be available with the Designated Branches of the SCSBs and with the Designated Intermediaries at the respective Collection Centres; and electronic Application Forms will be available on the websites of the SCSBs and the Stock Exchange at least one day prior to the Issue Opening Date. Physical Application Forms will also be provided to the Trading Members of the Stock Exchange at their request. The Application Forms would be serially numbered. Further, the SCSBs will ensure that this Draft Prospectus is made available on their websites. The physical Application Form submitted to the Designated Intermediaries shall bear the stamp of the relevant Designated Intermediary. In the event the Application Form does not bear any stamp, the same shall be liable to be rejected.

(b) The Designated Branches of the SCSBs shall accept Application Forms directly from Applicants only during the Issue Period. The SCSBs shall not accept any Application Forms directly from Applicants after the closing time of acceptance of Applications on the Issue Closing Date. However, the relevant branches of the SCSBs at Specified Locations can accept Application Forms from the Designated Intermediaries, after the closing time of acceptance of Applications on the Issue Closing Date, if the Applications have been uploaded. For further information on the Issue programme, please see "*General Information – Issue Programme*" on page 45. Physical Application Forms directly submitted to SCSBs should bear the stamp of SCSBs, if not, the same are liable to be rejected.

Please note that Applicants can make an Application for Allotment of NCDs in the dematerialised form only.

INSTRUCTIONS FOR FILLING-UP THE APPLICATION FORM

General Instructions

A. General instructions for completing the Application Form

- Applications must be made in prescribed Application Form only;

- All Applicants need to tick the Series of NCDs in the Application Form that they wish to apply for. Applications for all the Series of the NCDs may be made in a single Application Form only.

- Application Forms must be completed in **BLOCK LETTERS IN ENGLISH**, as per the instructions contained in this Draft Prospectus and the Application Form;

- If the Application is submitted in joint names, the Application Form should contain only the name of the first Applicant whose name should also appear as the first holder of the depository account held in joint names;

- It shall be mandatory for subscribers to the Issue to furnish their PAN and any Application Form, without the PAN is liable to be rejected, irrespective of the amount of transaction.

- Applications should be in single or joint names and not exceeding three names, and in the same order as their Depository Participant details (in case of Applicants applying for Allotment of the Bonds in dematerialised form) and Applications should be made by Karta in case the Applicant is an HUF. The Applicant is required to specify the name of an Applicant in the Application Form as 'XYZ Hindu Undivided Family applying through PQR', where

PQR is the name of the Karta. Please ensure that such Applications contain the PAN of the HUF and not of the Karta;

- Applicants must provide details of valid and active DP ID, Client ID and PAN, clearly and without error. On the basis of such Applicant's active DP ID, Client ID and PAN provided in the Application Form, and as entered into the electronic Application system of the Stock Exchange by SCSBs, the Designated Intermediaries, the Registrar will obtain from the Depository the Demographic Details. Invalid accounts, suspended accounts or where such account is classified as invalid or suspended may not be considered for Allotment of the NCDs;

- Applications must be for a minimum of [•] NCDs and in multiples of one NCD thereafter. For the purpose of fulfilling the requirement of minimum application size of [•] NCDs, an Applicant may choose to apply for [•] NCDs of the same option or across different option;

- If the ASBA Account holder is different from the Applicant, the Application Form should be signed by the ASBA Account holder also, in accordance with the instructions provided in the Application Form;

- If the depository account is held in joint names, the Application Form should contain the name and PAN of the person whose name appears first in the depository account and signature of only this person would be required in the Application Form. This Applicant would be deemed to have signed on behalf of joint holders and would be required to give confirmation to this effect in the Application Form;

- Thumb impressions and signatures other than in English/Hindi/Gujarati/Marathi or any other languages specified in the 8th Schedule of the Constitution needs to be attested by a Magistrate or Notary Public or a Special Executive Magistrate under his/her seal;

- All Applicants are required to ensure that the Application Forms are submitted at the Designated Branches of SCSBs or the Collection Centres provided in the Application Forms, bearing the stamp of the relevant Designated Intermediary/Designated Branch of the SCSB;

- The Designated Intermediaries or the Designated Branches of the SCSBs, as the case may be, will acknowledge the receipt of the Application Forms by stamping and returning to the Applicants the Acknowledgement Slip. This Acknowledgement Slip will serve as the duplicate of the Application Form for the records of the Applicant;

- Applicants must ensure that the requisite documents are attached to the Application Form prior to submission and receipt of acknowledgement from the relevant Designated Intermediaries or the Designated Branch of the SCSBs, as the case may be;

- All Applicants are required to check if they are eligible to apply as per the terms of this Draft Prospectus and applicable law, rules, regulations, guidelines and approvals;

- All Applicants are required to tick the relevant column of "Category of Investor" in the Application Form; and

- All Applicants should correctly mention the ASBA Account number (including bank account number/ bank name and branch) and ensure that funds equal to the Application Amount are available in the ASBA Account before submitting the Application Form to the Designated Branch and also ensure that the signature in the Application Form matches with the signature in Applicant's bank records, otherwise the Application is liable to be rejected;

- A system generated acknowledgement (TRS) will be given to the Applicant as a proof of the registration of each Application. It is the Applicant's responsibility to obtain the acknowledgement from the Designated Intermediaries and the Designated Branches of the SCSBs, as the case may be.

- In case of any revision of Application in connection with any of the fields which are not allowed to be modified on the electronic application platform of the Stock Exchanges as per the procedures and requirements prescribed by each relevant Stock Exchange, the Applicants should ensure that they have first withdrawn their original Application and submit a fresh Application;

The option, mode of allotment, PAN, demat account no. etc. should be captured by the relevant Designated Intermediaries in the data entries as such data entries will be considered for Allotment.

Applicants should note that neither the Designated Intermediaries nor the SCSBs, as the case may be, will be liable for error in data entry due to incomplete or illegible Application Forms.

B. Applicant's Beneficiary Account Details

Applicants must mention their DP ID, Client ID and UPI ID (wherever applicable) in the Application Form and ensure that the name provided in the Application Form is exactly the same as the name in which the Beneficiary Account is held. In case the Application Form is submitted in the first Applicant's name, it should be ensured that the Beneficiary Account is held in the same joint names and in the same sequence in which they appear in the Application Form. In case the DP ID, Client ID, PAN and UPI ID (wherever applicable) mentioned in the Application Form and entered into the electronic system of the Stock Exchange do not match with the DP ID, Client ID, PAN and UPI ID (wherever applicable) available in the Depository database or in case PAN is not available in the Depository database, the Application Form is liable to be rejected. Further, Application Forms submitted by Applicants whose beneficiary accounts are inactive, will be rejected.

On the basis of the Demographic Details as appearing on the records of the DP, the Registrar to the Issue will take steps towards demat credit of NCDs. Hence, Applicants are advised to immediately update their Demographic Details as appearing on the records of the DP and ensure that they are true and correct, and carefully fill in their Beneficiary Account details in the Application Form. Failure to do so could result in delays in demat credit and neither our Company, Designated Intermediaries, SCSBs, Registrar to the Issue nor the Stock Exchange will bear any responsibility or liability for the same.

In case of Applications made under power of attorney, our Company in its absolute discretion, reserves the right to permit the holder of power of attorney to request the Registrar that for the purpose of printing particulars on the Allotment Advice, the Demographic Details obtained from the Depository of the Applicant shall be used.

By signing the Application Form, the Applicant would have deemed to have authorized the Depositories to provide, upon request, to the Registrar to the Issue, the required Demographic Details as available on its records. The Demographic Details given by Applicant in the Application Form would not be used for any other purpose by the Registrar to the Issue except in relation to this Issue. Allotment Advice would be mailed by speed post or registered post at the address of the Applicants as per the Demographic Details received from the Depositories. Applicants may note that delivery of Allotment Advice may get delayed if the same once sent to the address obtained from the Depositories are returned undelivered. Further, please note that any such delay shall be at such Applicants' sole risk and neither our Company, Registrar to the Issue, Public Issue Account Bank, Sponsor Bank nor the Lead Manager shall be liable to compensate the Applicant for any losses caused to the Applicants due to any such delay or liable to pay any interest for such delay. In case of refunds through electronic modes as detailed in this Draft Prospectus, refunds may be delayed if bank particulars obtained from the Depository Participant are incorrect.

With effect from August 16, 2010, the beneficiary accounts of Applicants for whom PAN details have not been verified shall be suspended for credit and no credit of NCDs pursuant to this Issue will be made into the accounts of such Applicants. Application Forms submitted by Applicants whose beneficiary accounts are inactive shall be rejected. Furthermore, in case no corresponding record is available with the Depositories, which matches the parameters, namely, DP ID, Client ID, PAN and UPI ID (wherever applicable) then such Application are liable to be rejected.

C. Permanent Account Number

The Applicant should mention his or her Permanent Account Number allotted under the IT Act. For minor Applicants, applying through the guardian, it is mandatory to mention the PAN of the minor Applicant. However, Applications on behalf of the Central or State Government officials and the officials appointed by the courts in terms of a SEBI circular dated June 30, 2008 and Applicants residing in the state of Sikkim who in terms of a SEBI circular dated July 20, 2006 may be exempt from specifying their PAN for transacting in the securities market. In accordance with Circular No. MRD/DOP/Cir-05/2007 dated April 27, 2007 issued by SEBI, the PAN would be the sole identification number for the participants transacting in the securities market, irrespective of the amount of transaction. Any Application Form, without the PAN is liable to be rejected, irrespective of the amount of transaction. It is to be specifically noted that the Applicants should not submit the GIR number instead of the PAN as the Application is liable to be rejected on this ground.

However, the exemption for the Central or State Government and the officials appointed by the courts and for investors residing in the State of Sikkim is subject to the Depository Participants' verifying the veracity of such claims by collecting sufficient documentary evidence in support of their claims. At the time of ascertaining the validity of these Applications, the Registrar to the Issue will check under the Depository records for the appropriate description under the PAN Field i.e., either Sikkim category or exempt category.

D. Joint Applications

Applications may be made in single or joint names (not exceeding three). In the case of joint Applications all interest / redemption amount payments will be made out in favour of the first Applicant. All communications will be addressed to the first named Applicant whose name appears in the Application Form and at the address mentioned therein. If the depository account is held in joint names, the Application Form should contain the name and PAN of the person whose name appears first in the depository account and signature of only this person would be required in the Application Form. This Applicant would be deemed to have signed on behalf of joint holders and would be required to give confirmation to this effect in the Application Form.

E. Additional/Multiple Applications

An Applicant is allowed to make one or more Applications for the NCDs for the same or other option of NCDs, subject to a minimum Application size as specified in the Prospectus and in multiples of thereafter as specified in the Prospectus. Any Application for an amount below the aforesaid minimum Application size will be deemed as an invalid Application and shall be rejected. However, multiple Applications by the same individual Applicant aggregating to a value exceeding ₹5 lakhs shall be deemed such individual Applicant to be an HNI Applicant and all such Applications shall be grouped in the HNI Portion, for the purpose of determining the Basis of Allotment to such Applicant. However, any Application made by any person in his individual capacity and an Application made by such person in his capacity as a Karta of a Hindu Undivided family and/or as Applicant (second or third Applicant), shall not be deemed to be a multiple Application. For the purposes of allotment of NCDs under this Issue, Applications shall be grouped based on the PAN, i.e., Applications under the same PAN shall be grouped together and treated as one Application. Two or more Applications will be deemed to be multiple Applications if the sole or first Applicant is one and the same. For the sake of clarity, two or more applications shall be deemed to be a multiple Application for the aforesaid purpose if the PAN number of the sole or the first Applicant is one and the same.

Do’s and Don’ts

Applicants are advised to take note of the following while filling and submitting the Application Form:

Do’s

1. Check if you are eligible to apply as per the terms of the Prospectus and applicable law, rules, regulations, guidelines and approvals.

2. Read all the instructions carefully and complete the Application Form in the prescribed form.

3. Ensure that you have obtained all necessary approvals from the relevant statutory and/or regulatory authorities to apply for, subscribe to and/or seek Allotment of NCDs pursuant to this Issue.

4. Ensure that the DP ID, the Client ID and the PAN mentioned in the Application Form, which shall be entered into the electronic system of the Stock Exchange are correct and match with the DP ID, Client ID and PAN available in the Depository database. Ensure that the DP ID, Client ID, PAN and UPI ID (wherever applicable) are correct and the depository account is active as Allotment of the Equity Shares will be in dematerialized form only. The requirement for providing Depository Participant details is mandatory for all Applicants.

5. Ensure that you have mentioned the correct ASBA Account number (for all Applicants other than UPI Investors applying using the UPI Mechanism) in the Application Form. Further, UPI Investors using the UPI Mechanism must also mention their UPI ID.

6. UPI Investors applying using the UPI Mechanism shall ensure that the bank, with which they have their bank account, where the funds equivalent to the application amount are available for blocking, is certified by NPCI before submitting the ASBA Form to any of the Designated Intermediaries.

7. UPI Investors applying using the UPI Mechanism through the SCSBs and mobile applications shall ensure that the name of the bank appears in the list of SCSBs which are live on UPI, as displayed on the SEBI website. UPI Investors shall ensure that the name of the app and the UPI handle which is used for making the application appears on the list displayed on the SEBI website. An application made using incorrect UPI handle or using a bank account of an SCSB or bank which is not mentioned on the SEBI website is liable to be rejected.

8. Ensure that the Application Form is signed by the ASBA Account holder (or the UPI-linked bank account holder, as the case may be) in case the Applicant is not the ASBA account holder. Applicants (except UPI Investors making an Application using the UPI Mechanism) should ensure that they have an account with an SCSB and have mentioned the correct bank account number of that SCSB in the Application Form. UPI Investors applying using the UPI Mechanism should ensure that they have mentioned the correct UPI- linked bank account number and their correct UPI ID in the Application Form.

9. Ensure that you have funds equal to the Application Amount in the ASBA Account before submitting the Application Form to the respective Designated Branch of the SCSB, or to the Designated Intermediaries, as the case may be.

10. UPI Investors making an Application using the UPI Mechanism, should ensure that they approve the UPI Mandate Request generated by the Sponsor Bank to authorise blocking of funds equivalent to Application Amount and subsequent debit of funds in case of Allotment, in a timely manner.

11. UPI Investors making an Application using the UPI Mechanism shall ensure that details of the Application are reviewed and verified by opening the attachment in the UPI Mandate Request and then proceed to authorise the UPI Mandate Request using their UPI PIN. Upon the authorization of the mandate using their UPI PIN, the UPI Investor may be deemed to have verified the attachment containing the application details of the UPI Investor making and Application using the UPI Mechanism in the UPI Mandate Request and have agreed to block the entire Application Amount and authorized the Sponsor Bank to issue a request to block the Application Amount mentioned in the ASBA Form in their ASBA Account.

12. UPI Investors making an Application using the UPI Mechanism should mention valid UPI ID of only the Applicants (in case of single account) and of the first Applicant (in case of joint account) in the ASBA Form.

13. UPI Investors making an Application using the UPI Mechanism, who have revised their Application subsequent to making the initial Application, should also approve the revised UPI Mandate Request generated by the Sponsor Bank to authorise blocking of funds equivalent to the revised Application Amount in their account and in case of Allotment in a timely manner.

14. Ensure that the Application Forms are submitted at the Designated Branches of SCSBs or the Collection Centres provided in the Application Forms, bearing the stamp of the relevant Designated Intermediary/Designated Branch of the SCSB.

15. Before submitting the Application Form with the Designated Intermediaries ensure that the SCSB, whose name has been filled in the Application Form, has named a branch in that relevant Collection Centre.

16. Ensure that you have been given an acknowledgement as proof of having accepted the Application Form.

17. Ensure that signatures other than in the languages specified in the Eighth Schedule to the Constitution of India is attested by a Magistrate or a Notary Public or a Special Executive Magistrate under official seal.

18. In case of an HUF applying through its Karta, the Applicant is required to specify the name of an Applicant in the Application Form as ‘XYZ Hindu Undivided Family applying through PQR’, where PQR is the name of the Karta. However, the PAN number of the HUF should be mentioned in the Application Form and not that of the Karta.

19. Ensure that the Applications are submitted to the Designated Intermediaries or Designated Branches of the SCSBs, as the case may be, before the closure of application hours on the Issue Closing Date. For further information on the Issue programme, please see “*General Information – Issue Programme*” on page 45.

20. **Permanent Account Number:** Except for Application (i) on behalf of the Central or State Government and officials appointed by the courts, and (ii) (subject to SEBI circular dated April 3, 2008) from the residents of the state of Sikkim, each of the Applicants should provide their PAN. Application Forms in which the PAN is not provided will be rejected. The exemption for the Central or State Government and officials appointed by the courts and for investors residing in the State of Sikkim is subject to (a) the Demographic Details received from the respective depositories confirming the exemption granted to the beneficiary owner by a suitable description in the PAN field and the beneficiary account remaining in “active status”; and (b) in the case of residents of Sikkim, the address as per the Demographic Details evidencing the same.

21. Ensure that if the depository account is held in joint names, the Application Form should contain the name and PAN of

the person whose name appears first in the depository account and signature of only this person would be required in the Application Form. This Applicant would be deemed to have signed on behalf of joint holders and would be required to give confirmation to this effect in the Application Form.

22. All Applicants should choose the relevant option in the column "Category of Investor" in the Application Form.

23. Choose and mark the option of NCDs in the Application Form that you wish to apply for.

In terms of SEBI Circular no. CIR/CFD/DIL/1/2013 dated January 2, 2013, SCSBs making applications on their own account using ASBA facility, should have a separate account in their own name with any other SEBI registered SCSB. Further, such account shall be used solely for the purpose of making application in public issues and clear demarcated funds should be available in such account for Applications.

Don'ts:

1. Do not apply for lower than the minimum Application size.

2. Do not pay the Application Amount in cash, by cheque, by money order or by postal order or by stock invest.

3. Do not send Application Forms by post. Instead submit the same to the Designated Intermediaries or Designated Branches of the SCSBs, as the case may be.

4. Do not submit the Application Form to any non-SCSB bank or our Company.

5. Do not apply through an Application Form that does not have the stamp of the relevant Designated Intermediary or the Designated Branch of the SCSB, as the case may be.

6. Do not fill up the Application Form such that the NCDs applied for exceeds the Issue Size and/or investment limit or maximum number of NCDs that can be held under the applicable laws or regulations or maximum amount permissible under the applicable regulations.

7. Do not submit the GIR number instead of the PAN as the Application is liable to be rejected on this ground.

8. Do not submit incorrect details of the DP ID, Client ID, PAN and UPI ID (wherever applicable) or provide details for a beneficiary account which is suspended or for which details cannot be verified by the Registrar to the Issue.

9. Do not submit the Application Form without ensuring that funds equivalent to the entire Application Amount are available for blocking in the relevant ASBA Account or in the case of UPI Investors making and Application using the UPI Mechanism, in the UPI-linked bank account where funds for making the Application are available.

10. Do not submit Applications on plain paper or on incomplete or illegible Application Forms.

11. Do not apply if you are not competent to contract under the Indian Contract Act, 1872.

12. Do not submit an Application in case you are not eligible to acquire NCDs under applicable law or your relevant constitutional documents or otherwise.

13. Do not submit Applications to a Designated Intermediary at a location other than Collection Centres.

14. Do not submit an Application that does not comply with the securities law of your respective jurisdiction.

15. Do not apply if you are a person ineligible to apply for NCDs under this Issue including Applications by Persons Resident Outside India, NRI (inter-alia including NRIs who are (i) based in the USA, and/or, (ii) domiciled in the USA, and/or, (iii) residents/citizens of the USA, and/or, (iv) subject to any taxation laws of the USA).

16. Do not make an Application of the NCD on multiple copies taken of a single form.

17. Payment of Application Amount in any mode other than through blocking of Application Amount in the ASBA Accounts shall not be accepted in the Issue.

18. Do not link the UPI ID with a bank account maintained with a bank that is not UPI 2.0 certified by the NPCI in case of Bids submitted by UPI Investors using the UPI Mechanism.

19. Do not submit more than five Application Forms per ASBA Account.

Please also see "*Key Regulations and Policies - Operational Instructions*" on page 185.

Kindly note that Applications submitted to the Designated Intermediaries will not be accepted if the SCSB where the ASBA Account, as specified in the Application Form, is maintained has not named at least one branch at that location for the Designated Intermediaries, to deposit such Application Forms (A list of such branches is available at https://www.sebi.gov.in).

Please see "*Issue Procedure - Rejection of Applications*" on page 246 for information on rejection of Applications.

TERMS OF PAYMENT

The Application Forms will be uploaded onto the electronic system of the Stock Exchange and deposited with the relevant branch of the SCSB at the Collection Centres, named by such SCSB to accept such Applications from the Designated Intermediaries, as the case may be (a list of such branches is available at https://www.sebi.gov.in).

For Applications other than those under the UPI Mechanism, the relevant branch of the SCSB shall perform verification procedures and block an amount in the ASBA Account equal to the Application Amount specified in the Application. For Applications under the UPI Mechanism, i.e., upto ₹5 lakhs, the Stock Exchange shall undertake validation of the PAN and Demat account combination details of the Applicant with the Depository. The Depository shall validate the PAN and Demat account details and send response to the Stock Exchange which would be shared by the Stock Exchange with the relevant Designated Intermediary through its platform, for corrections, if any. The blocking of funds in such case (not exceeding ₹5 lakhs) shall happen under the UPI Mechanism.

The entire Application Amount for the NCDs is payable on Application only. The relevant SCSB shall block an amount equivalent to the entire Application Amount in the ASBA Account at the time of upload of the Application Form. In case of Allotment of lesser number of NCDs than the number applied, the Registrar to the Issue shall instruct the SCSBs or the Sponsor Bank (as the case maybe) to unblock the excess amount in the ASBA Account.

For Applications submitted directly to the SCSBs, the relevant SCSB shall block an amount in the ASBA Account equal to the Application Amount specified in the Application, before entering the Application into the electronic system of the Stock Exchange. SCSBs may provide the electronic mode of application either through an internet enabled application and banking facility or such other secured, electronically enabled mechanism for application and blocking of funds in the ASBA Account.

For Applications submitted under the UPI Mechanism, post the successful validation of the UPI Mandate Request by the Applicant, the information would be electronically received by the Applicants' bank, where the funds, equivalent to Application Amount, would get blocked in the Applicant's ASBA Account.

Applicants should ensure that they have funds equal to the Application Amount in the ASBA Account before submitting the Application. An Application where the corresponding ASBA Account does not have sufficient funds equal to the Application Amount at the time of blocking the ASBA Account is liable to be rejected.

A UPI Investor applying through the UPI Mechanism should ensure that, they check the relevant SMS generated for the UPI Mandate Request and all other steps required for successful blocking of funds in the UPI linked bank account, which includes accepting the UPI Mandate Request by 5:00 pm on the third Working Day from the day of bidding on the Stock Exchange (except on the last day of the Issue Period, where the UPI Mandate Request not having been accepted by 5:00 pm of the next Working Day), have been completed.

The Application Amount shall remain blocked in the ASBA Account until approval of the Basis of Allotment and consequent transfer of the amount against the Allotted NCDs to the Public Issue Account(s), or until withdrawal/ failure of this Issue or until withdrawal/ rejection of the Application Form, as the case may be. Once the Basis of Allotment is approved, and upon receipt of intimation from the Registrar, the controlling branch of the SCSB shall, on the Designated Date, transfer such blocked amount from the ASBA Account to the Public Issue Account. The balance amount remaining after the finalisation of the Basis of Allotment shall be unblocked by the SCSBs or the Sponsor Bank (in case of Applications under the UPI Mechanism) on the basis of the instructions issued in this regard by the Registrar to the respective SCSB or the Sponsor Bank, within six Working Days of the Issue Closing Date. The Application Amount shall remain blocked in the ASBA

Account until transfer of the Application Amount to the Public Issue Account, or until withdrawal/ failure of this Issue or until rejection of the Application, as the case may be.

SUBMISSION OF COMPLETED APPLICATION FORMS

Mode of Submission of Application Forms	To whom the Application Form has to be submitted
ASBA Applications	(i) If using physical Application Form, (a) to the Designated Intermediaries at relevant Collection Centres, or (b) to the Designated Branches of the SCSBs where the ASBA Account is maintained; or (ii) If using electronic Application Form, to the SCSBs, electronically through internet banking facility, if available.
Applications under the UPI Mechanism	(i) Through the Designated Intermediary, physically or electronically, as applicable; or (ii) Through BSE Direct

No separate receipts will be issued for the Application Amount payable on submission of Application Form. However, the Designated Intermediaries will acknowledge the receipt of the Application Forms by stamping the date and returning to the Applicants an Acknowledgement Slips which will serve as a duplicate Application Form for the records of the Applicant.

Electronic Registration of Applications

a. The Designated Intermediaries and Designated Branches of the SCSBs, as the case may be, will register the Applications (including those under the UPI Mechanism) using the on-line facilities of the Stock Exchange. **The Members of Syndicate, our Company and the Registrar to the Issue or the Lead Manager is not responsible for any acts, mistakes or errors or omission and commissions in relation to, (i) the Applications accepted by the SCSBs, (ii) the Applications uploaded by the SCSBs, (iii) the Applications accepted but not uploaded by the SCSBs, (iv) with respect to Applications accepted and uploaded by the SCSBs without blocking funds in the ASBA Accounts, (v) any Applications accepted and uploaded and/or not uploaded by the Trading Members of the Stock Exchange or (vi) any Application made under the UPI Mechanism, accepted or uploaded or failed to be uploaded by a Designated Intermediary or through the app/web based interface of the Stock Exchange and the corresponding failure for blocking of funds under the UPI Mechanism.**

   In case of apparent data entry error by the Designated Intermediaries or Designated Branches of the SCSBs, as the case may be, in entering the Application Form number in their respective schedules other things remaining unchanged, the Application Form may be considered as valid and such exceptions may be recorded in minutes of the meeting submitted to the Designated Stock Exchange. However, the option, mode of allotment, PAN, demat account no. etc. should be captured by the relevant Designated Intermediaries or Designated Branches of the SCSBs in the data entries as such data entries will be considered for Allotment/rejection of Application.

b. The Stock Exchange will offer an electronic facility for registering Applications for this Issue. This facility will be available on the terminals of Designated Intermediaries and the SCSBs during the Issue Period. The Designated Intermediaries can also set up facilities for off-line electronic registration of Applications subject to the condition that they will subsequently upload the off-line data file into the on-line facilities for Applications on a regular basis, and before the expiry of the allocated time on this Issue Closing Date. On the Issue Closing Date, the Designated Intermediaries and the Designated Branches of the SCSBs shall upload the Applications till such time as may be permitted by the Stock Exchange. This information will be available with the Designated Intermediaries and the Designated Branches of the SCSBs on a regular basis. Applicants are cautioned that a high inflow of high volumes on the last day of the Issue Period may lead to some Applications received on the last day not being uploaded and such Applications will not be considered for allocation. For further information on the Issue programme, please see "*General Information – Issue Programme*" on page 45.

c. With respect to Applications submitted directly to the SCSBs at the time of registering each Application, the Designated Branches of the SCSBs shall enter the requisite details of the Applicants in the on-line system including:

   - Application Form number

   - PAN (of the first Applicant, in case of more than one Applicant)

- Investor category and sub-category
- DP ID
- Client ID
- UPI ID (if applicable)
- Option of NCDs applied for
- Number of NCDs Applied for in each option of NCD
- Price per NCD
- Bank code for the SCSB where the ASBA Account is maintained
- Bank account number
- Location
- Application amount

d. With respect to Applications submitted to the Designated Intermediaries, at the time of registering each Application, the requisite details of the Applicants shall be entered in the on-line system including:

- Application Form number
- PAN (of the first Applicant, in case of more than one Applicant)
- Investor category and sub-category
- DP ID
- Client ID
- UPI ID (if applicable)
- Option of NCDs applied for
- Number of NCDs Applied for in each option of NCD
- Price per NCD
- Bank code for the SCSB where the ASBA Account is maintained
- Bank account number
- Location
- Application amount

e. A system generated acknowledgement (TRS) will be given to the Applicant as a proof of the registration of each Application. It is the Applicant's responsibility to obtain the acknowledgement from the Designated Intermediaries and the Designated Branches of the SCSBs, as the case may be. The registration of the Application by the Designated Intermediaries and the Designated Branches of the SCSBs, as the case may be, does not guarantee that the NCDs shall be allocated/ Allotted by our Company. The acknowledgement will be non-negotiable and by itself will not create any obligation of any kind.

f. Applications can be rejected on the technical grounds listed below or if all required information is not provided or the

Application Form is incomplete in any respect.

g. The permission given by the Stock Exchange to use its network and software of the online system should not in any way be deemed or construed to mean that the compliance with various statutory and other requirements by our Company, the Lead Manager are cleared or approved by the Stock Exchange; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the compliance with the statutory and other requirements nor does it take any responsibility for the financial or other soundness of our Company, the management or any scheme or project of our Company; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of the Prospectus; nor does it warrant that the NCDs will be listed or will continue to be listed on the Stock Exchange

h. **Only Applications that are uploaded on the online system of the Stock Exchange shall be considered for allocation/ Allotment**. The Designated Intermediaries and the Designated Branches of the SCSBs shall capture all data relevant for the purposes of finalizing the Basis of Allotment while uploading Application data in the electronic systems of the Stock Exchange. In order that the data so captured is accurate the Designated Intermediaries and the Designated Branches of the SCSBs will be given up to one Working Day after the Issue Closing Date to modify/ verify certain selected fields uploaded in the online system during the Issue Period after which the data will be sent to the Registrar for reconciliation with the data available with the NSDL and CDSL.

REJECTION OF APPLICATIONS

Applications would be liable to be rejected on the technical grounds listed below or if all required information is not provided or the Application Form is incomplete in any respect. The Board of Directors and/or the NCD Sub Committee thereof, reserves its full, unqualified and absolute right to accept or reject any Application in whole or in part and in either case without assigning any reason thereof.

Application may be rejected on one or more technical grounds, including but not restricted to:

a. Application by persons not competent to contract under the Indian Contract Act, 1872, as amended, (other than minors having valid Depository Account as per Demographic Details provided by Depositories);

b. Applications by persons prohibited from buying, selling or dealing in securities, directly or indirectly, by SEBI or any other regulatory authority;

c. Applications accompanied by cash, draft, cheques, money order or any other mode of payment other than amounts blocked in the Applicants' ASBA Account maintained with an SCSB;

d. Applications not being signed by the sole/joint Applicant(s);

e. Investor Category in the Application Form not being ticked;

f. Application Amount blocked being higher or lower than the value of NCDs Applied for. However, our Company may Allot NCDs up to the number of NCDs Applied for, if the value of such NCDs Applied for exceeds the minimum Application size;

g. Applications where a registered address in India is not provided for the non-Individual Applicants;

h. In case of partnership firms (except LLPs), NCDs applied for in the name of the partnership and not the names of the individual partner(s);

i. Minor Applicants (applying through the guardian) without mentioning the PAN of the minor Applicant;

j. PAN not mentioned in the Application Form, except for Applications by or on behalf of the Central or State Government and the officials appointed by the courts and by investors residing in the State of Sikkim, provided such claims have been verified by the Depository Participants. In case of minor Applicants applying through guardian when PAN of the Applicant is not mentioned;

k. DP ID, Client ID or UPI ID (wherever applicable) not mentioned in the Application Form;

l. GIR number furnished instead of PAN;

m. Applications by OCBs;

n. Applications for an amount below the minimum Application size;

o. Submission of more than five ASBA Forms per ASBA Account;

p. Applications by persons who are not eligible to acquire NCDs of our Company in terms of applicable laws, rules, regulations, guidelines and approvals;

q. Applications under power of attorney or by limited companies, corporate, trust etc. submitted without relevant documents;

r. Applications accompanied by stockinvest/ cheque/ money order/ postal order/ cash;

s. Signature of sole Applicant missing, or in case of joint Applicants, the Application Forms not being signed by the first Applicant (as per the order appearing in the records of the Depository);

t. Applications by persons debarred from accessing capital markets, by SEBI or any other appropriate regulatory authority;

u. Application Forms not being signed by the ASBA Account holder, if the account holder is different from the Applicant;

v. Signature of the ASBA Account holder on the Application Form does not match with the signature available on the SCSB bank's records where the ASBA Account mentioned in the Application Form is maintained;

w. Application Forms submitted to the Designated Intermediaries or to the Designated Branches of the SCSBs does not bear the stamp of the SCSB and/or the Designated Intermediary, as the case may be;

x. ASBA Applications not having details of the ASBA Account or the UPI-linked Account to be blocked;

y. In case no corresponding record is available with the Depositories that matches the parameters namely, DP ID, Client ID, UPI ID and PAN;

z. Inadequate funds in the ASBA Account to enable the SCSB to block the Application Amount specified in the Application Form at the time of blocking such Application Amount in the ASBA Account or no confirmation is received from the SCSB for blocking of funds;

aa. SCSB making an Application (a) through an ASBA account maintained with its own self or (b) through an ASBA Account maintained through a different SCSB not in its own name or (c) through an ASBA Account maintained through a different SCSB in its own name, where clear demarcated funds are not present or (d) through an ASBA Account maintained through a different SCSB in its own name which ASBA Account is not utilised solely for the purpose of applying in public issues;

bb. Applications for amounts greater than the maximum permissible amount prescribed by the regulations and applicable law;

cc. Authorization to the SCSB for blocking funds in the ASBA Account not provided;

dd. Applications by any person outside India;

ee. Applications not uploaded on the online platform of the Stock Exchange;

ff. Applications uploaded after the expiry of the allocated time on the Issue Closing Date, unless extended by the Stock Exchange, as applicable;

gg. Application Forms not delivered by the Applicant within the time prescribed as per the Application Form, the Prospectus and as per the instructions in the Application Form and the Prospectus;

hh. Applications by Applicants whose demat accounts have been 'suspended for credit' pursuant to the circular issued by SEBI on July 29, 2010 bearing number CIR/MRD/DP/22/2010;

ii. Applications providing an inoperative demat account number;

jj. Applications submitted to the Designated Intermediaries other than the Collection Centres or at a Branch of a SCSB which is not a Designated Branch;

kk. Applications submitted directly to the Public Issue Bank (except in case the ASBA Account is maintained with the said bank as a SCSB);

ll. Investor category not ticked;

mm. In case of cancellation of one or more orders (series) within an Application, leading to total order quantity falling under the minimum quantity required for a single Application;

nn. A UPI Investor applying through the UPI Mechanism, not having accepted the UPI Mandate Request by 5:00 pm on the third Working Day from the day of bidding on the stock exchange except on the last day of the Issue Period, where the UPI Mandate Request not having been accepted by 5:00 pm of the next Working Day; and

oo. A non-UPI Investor making an Application under the UPI Mechanism, i.e., an Application for an amount more than ₹5 lakhs.

For information on certain procedures to be carried out by the Registrar to the Issue for finalization of the Basis of Allotment, please see "*Information for Applicants*" below.

Information for Applicants

Upon the closure of the Issue, the Registrar to the Issue will reconcile the compiled data received from the Stock Exchange and all SCSBs and match the same with the Depository database for correctness of DP ID, Client ID, UPI ID (where applicable) and PAN. The Registrar to the Issue will undertake technical rejections based on the electronic details and the Depository database and prepare list of technical rejection cases. In case of any discrepancy between the electronic data and the Depository records, our Company, in consultation with the Designated Stock Exchange, the Lead Manager and the Registrar to the Issue, reserves the right to proceed as per the Depository records for such Applications or treat such Applications as rejected.

Based on the information provided by the Depositories, our Company shall have the right to accept Applications belonging to an account for the benefit of a minor (under guardianship).

In case of Applications for a higher number of NCDs than specified for that category of Applicant, only the maximum amount permissible for such category of Applicant will be considered for Allotment.

BASIS OF ALLOTMENT

As specified in the Prospectus

Retention of oversubscription

Our Company shall have an option to retain over-subscription up to the base issue size.

UNBLOCKING OF FUNDS FOR WITHDRAWN, REJECTED OR UNSUCCESSFUL OR PARTIALLY SUCCESSFUL APPLICATIONS

The Registrar shall, pursuant to preparation of Basis of Allotment, instruct the relevant SCSB or the Sponsor Bank (for Applications under the UPI Mechanism), as applicable, to unblock the funds in the relevant ASBA Account/UPI linked bank account, for withdrawn, rejected or unsuccessful or partially successful Applications within six Working Days of the Issue Closing Date.

ISSUANCE OF ALLOTMENT ADVICE

Our Company shall ensure dispatch of Allotment Advice and/ or give instructions for credit of NCDs to the beneficiary account with Depository Participants upon approval of Basis of Allotment. The Allotment Advice for successful Applicants will be mailed by speed post/registered post to their addresses as per the Demographic Details received from the Depositories.

Our Company shall use best efforts to ensure that all steps for completion of the necessary formalities for commencement of trading at the Stock Exchange where the NCDs are proposed to be listed are taken within six Working Days from the Issue Closing Date.

Application Amount shall be unblocked within six Working Days from the Issue Closing Date or such lesser time as may be specified by SEBI or else the Application Amount shall be unblocked in the ASBA Accounts or the UPI linked bank accounts (for Applications under the UPI Mechanism) of the Applicants forthwith, failing which interest shall be due to be paid to the Applicants in accordance with applicable law.

Our Company will provide adequate funds required for dispatch of Allotment Advice to the Registrar to the Issue.

OTHER INFORMATION

Withdrawal of Applications during the Issue Period

Applicants can withdraw their Applications until the Issue Closing Date. In case an Applicant wishes to withdraw the Application during the Issue Period, the same can be done by submitting a request for the same to the concerned Designated Intermediary who shall do the requisite.

In case of Applications (other than under the UPI Mechanism) were submitted to the Designated Intermediaries, upon receipt of the request for withdrawal from the Applicant, the relevant Designated Intermediary, as the case may be, shall do the requisite, including deletion of details of the withdrawn Application Form from the electronic system of the Stock Exchange and intimating the Designated Branch of the SCSB unblock of the funds blocked in the ASBA Account at the time of making the Application. In case of Applications (other than under the UPI Mechanism) submitted directly to the Designated Branch of the SCSB, upon receipt of the request for withdraw from the Applicant, the relevant Designated Branch shall do the requisite, including deletion of details of the withdrawn Application Form from the electronic system of the Stock Exchange and unblocking of the funds in the ASBA Account, directly.

Withdrawal of Applications after the Issue Period

In case an Applicant wishes to withdraw the Application after the Issue Closing Date or early closure date, the same can be done by submitting a withdrawal request to the Registrar to the Issue prior to the finalisation of the Basis of Allotment.

Revision of Applications

Cancellation of one or more orders (series) within an Application is permitted during the Issue Period as long as the total order quantity does not fall under the minimum quantity required for a single Application. Please note that in case of cancellation of one or more orders (series) within an Application, leading to total order quantity falling under the minimum quantity required for a single Application will be liable for rejection by the Registrar.

Applicants may revise/ modify their Application details during the Issue Period, as allowed/permitted by the Stock Exchange, by submitting a written request to the Designated Intermediary and the Designated Branch of the SCSBs, as the case may be. For Applications made under the UPI Mechanism, an Applicant shall not be allowed to add or modify the details of the Application except for modification of either DP ID/Client ID, or PAN ID but not both. However, the Applicant may withdraw the Application and reapply.

However, for the purpose of Allotment, the date of original upload of the Application will be considered in case of such revision/ modification. In case of any revision of Application in connection with any of the fields which are not allowed to be modified on the electronic Application platform of the Stock Exchange as per the procedures and requirements prescribed by the Stock Exchange, Applicants should ensure that they first withdraw their original Application and submit a fresh Application. In such a case the date of the new Application will be considered for date priority for Allotment purposes.

Revision of Applications is not permitted after the expiry of the time for acceptance of Application Forms on the Issue Closing Date. However, in order that the data so captured is accurate, the Designated Intermediaries and/ or the Designated Branches of the SCSBs will be given up to one Working Day after the Issue Closing Date to modify/ verify certain selected fields uploaded in the online system during the Issue Period, after which the data will be sent to the Registrar for reconciliation with the data available with the NSDL and CDSL. Please also see, "*Key regulations and Policies- Operational Instructions*" on page 185.

Depository Arrangements

We have made depository arrangements with NSDL and CDSL. Please note that Tripartite Agreements have been executed between our Company, the Registrar and both the depositories.

As per the provisions of the Depositories Act, 1996, the NCDs issued by us can be held in a dematerialised form. In this context:

i. Tripartite agreement dated September 9, 2021 among our Company, the Registrar and CDSL and tripartite agreement dated September 8, 2021 among our Company, the Registrar and NSDL, respectively for offering depository option to the investors.

ii. An Applicant must have at least one beneficiary account with any of the Depository Participants (DPs) of NSDL or CDSL prior to making the Application.

iii. The Applicant must necessarily provide the DP ID and Client ID details in the Application Form.

iv. NCDs Allotted to an Applicant in the electronic form will be credited directly to the Applicant's respective beneficiary account(s) with the DP.

v. Non-transferable Allotment Advice will be directly sent to the Applicant by the Registrar to this Issue.

vi. It may be noted that NCDs in electronic form can be traded only on the Stock Exchange having electronic connectivity with NSDL or CDSL. The Stock Exchange has connectivity with NSDL and CDSL.

vii. Interest or other benefits with respect to the NCDs held in dematerialised form would be paid to those Debenture Holders whose names appear on the list of beneficial owners given by the Depositories to us as on Record Date. In case of those NCDs for which the beneficial owner is not identified by the Depository as on the Record Date/ book closure date, we would keep in abeyance the payment of interest or other benefits, till such time that the beneficial owner is identified by the Depository and conveyed to us, whereupon the interest or benefits will be paid to the beneficiaries, as identified, within a period of 30 days.

Please note that the NCDs shall cease to trade from the Record Date (for payment of the principal amount and the applicable premium and interest for such NCDs) prior to redemption of the NCDs.

PLEASE NOTE THAT TRADING OF NCDs ON THE FLOOR OF THE STOCK EXCHANGE SHALL BE IN DEMATERIALISED FORM ONLY IN MULTIPLE OF ONE NCD.

Allottees will have the option to re-materialize the NCDs Allotted under the Issue as per the provisions of the Companies Act, 2013 and the Depositories Act.

Communications

All future communications in connection with Applications made in this Issue (except the Applications made through the Trading Members of the Stock Exchange) should be addressed to the Registrar to the Issue, quoting the full name of the sole or first Applicant, Application Form number, Applicant's DP ID and Client ID, Applicant's PAN, number of NCDs applied for, ASBA Account number in which the amount equivalent to the Application Amount was blocked or the UPI ID (for UPI Investors who make the payment of Application Amount through the UPI Mechanism), date of the Application Form, name and address of the Designated Intermediary or Designated Branch of the SCSBs, as the case may be, where the Application was submitted.

Applicants may contact our Compliance Officer and Company Secretary or the Registrar to the Issue in case of any pre-Issue or post-Issue related problems such as non-receipt of Allotment Advice or credit of NCDs in the respective beneficiary accounts, as the case may be.

Interest in case of delay

Our Company undertakes to pay interest, in connection with any delay in Allotment and demat credit, beyond the time limit as may be prescribed under applicable statutory and/or regulatory requirements, at such rates as stipulated under such applicable statutory and/or regulatory requirements.

Undertaking by the Issuer

Our Company undertakes that:

i. All monies received pursuant to this Issue shall be transferred to a separate bank account as referred to in sub-section (3) of section 40 of the Companies Act, 2013;

ii. Details of all monies utilised out of this Issue referred to in sub-item (a) shall be disclosed under an appropriate separate head in our balance sheet indicating the purpose for which such monies had been utilised;

iii. Details of all unutilised monies out of issue of NCDs, if any, referred to in sub-item (a) shall be disclosed under an appropriate separate head in our balance sheet indicating the form in which such unutilised monies have been invested;

iv. Details of all utilized and unutilised monies out of the monies collected in the previous issue made by way of public offer shall be disclosed and continued to be disclosed in the balance sheet till the time any part of the proceeds of such previous issue remains unutilized indicating the purpose for which such monies have been utilized, and the securities or other forms of financial assets in which such unutilized monies have been invested;

v. Undertaking by our Company for execution of the Debenture Trust Deeds. Further, as per Regulation 18 of SEBI NCS Regulations, in the event our Company fails to execute the Debenture Trust Deeds prior to making an application for final listing approval, our Company shall pay interest of at least 2% p.a. over and above the agreed coupon rate, to each NCD Holder, till the execution of the Debenture Trust Deed;

vi. We shall utilize the Issue proceeds only upon execution of the Debenture Trust Deed as stated in this Draft Prospectus and the Draft Prospectus, on receipt of the minimum subscription of 75% of the Base Issue i.e., ₹5,625 lakhs and receipt of listing and trading approval from the Stock Exchange;

vii. The Issue proceeds shall not be utilized towards full or part consideration for the purchase or any other acquisition, *inter alia* by way of a lease, of any immovable property business, dealing in equity of listed companies or lending/investment in group companies; and

viii. Application money shall be unblocked within six Working Days from the closure of this Issue or such lesser time as may be specified by SEBI, or else the Application money shall be refunded to the Applicants in accordance with applicable law, failing which interest shall be due to be paid to the Applicants for the delayed period, if applicable in accordance with applicable law.

Investors are advised to read the Risk Factors carefully before taking an investment decision in this Issue. For taking an investment decision, investors must rely on their own examination of our Company and the Issue including the risks involved.

This Draft Prospectus has not been recommended or approved by any regulatory authority in India, including any registrar of companies, stock exchange or SEBI nor does SEBI guarantee the accuracy or adequacy of this Draft Prospectus. Specific attention of investors is invited to the section '*Risk factors*' on page 18.

Our Company has no side letter with any NCD holder. Any covenants later added shall be disclosed on the stock exchanges' website where the NCDs are listed.

Other undertakings by our Company

Our Company undertakes that:

i. Complaints received in respect of this Issue (except for complaints in relation to Applications submitted to Trading Members) will be attended to by our Company expeditiously and satisfactorily;

ii. Necessary cooperation to the relevant credit rating agency(ies) will be extended in providing true and adequate information until the obligations in respect of the NCDs are outstanding;

iii. Our Company will take necessary steps for the purpose of getting the NCDs listed within the specified time, i.e., within six Working Days of this Issue Closing Date;

iv. Funds required for dispatch of Allotment Advice/NCD Certificates (only upon rematerialisation of NCDs at the specific request of the Allottee/ Holder of NCDs) will be made available by our Company to the Registrar to the Issue;

v. Our Company will forward details of utilisation of the proceeds of this Issue, duly certified by the Statutory Auditor, to the Debenture Trustee on a half-yearly basis;

vi. Our Company will provide a compliance certificate to the Debenture Trustee on an annual basis in respect of compliance with the terms and conditions of this Issue as contained in this Draft Prospectus;

vii. Our Company will disclose the complete name and address of the Debenture Trustee in its annual report; and

viii. Our Company shall make necessary disclosures/ reporting under any other legal or regulatory requirement as may be required by our Company from time to time.

SECTION VIII - SUMMARY OF MAIN PROVISIONS OF THE ARTICLES OF ASSOCIATION

Capitalised terms used in this section have the meaning that has been given to such terms in the Articles of Association of our Company. In case of any inconsistency between the Articles of Association of our Company and the Companies Act, 1956 and Companies Act, 2013, the provisions of the Companies Act, 1956 and the Companies Act, 2013, as applicable, shall prevail over the Articles of Association of our Company. The main provisions of the Articles of Association of our Company are detailed below:

SHARE CAPITAL AND VARIATION OF RIGHTS

1. The Authorised Share Capital of the Company shall be such sum as may be prescribed under Clause V of Memorandum of Association divided into such number of shares of prescribed face value as amended from time to time, which may be increased or reduced in accordance with the provisions of the Companies Act, 2013.

Subject to the provisions of the Act and these Articles, the shares in the capital of the company shall be under the control of the Directors who may issue, allot or otherwise dispose of the same or any of them to such persons, in such proportion and on such terms and conditions and either at a premium or at par and at such time as they may from time to time think fit.

2. (i) Every person whose name is entered as a member in the register of members shall be entitled to receive within two months after incorporation, in case of subscribers to the memorandum or after allotment or within one month after the application for the registration of transfer or transmission or within such other period as the conditions of issue shall be provided –

(a) one certificate for all his shares without payment of any charges; or
(b) several certificates, each for one or more of his shares, upon payment of twenty rupees for each certificate after the first.

(ii) Every certificate shall be under the seal and shall specify the shares to which it relates and the amount paid-up thereon.
(iii) In respect of any share or shares held jointly by several persons, the company shall not be bound to issue more than one certificate, and delivery of a certificate for a share to one of several joint holders shall be sufficient delivery to all such holders.

3. (i) If any share certificate be worn out, defaced, mutilated or torn or if there be no further space on the back for endorsement of transfer, then upon production and surrender thereof to the company, a new certificate may be issued in lieu thereof, and if any certificate is lost or destroyed then upon proof thereof to the satisfaction of the company and on execution of such indemnity as the company deem adequate, a new certificate in lieu thereof shall be given. Every certificate under this Article shall be issued on payment of twenty rupees for each certificate.

(ii) The provisions of Articles (2) and (3) shall mutatis mutandis apply to debentures of the company

4. Except as required by law, no person shall be recognised by the company as holding any share upon any trust, and the company shall not be bound by, or be compelled in any way to recognise (even when having notice thereof) any equitable, contingent, future or partial interest in any share, or any interest in any fractional part of a share, or (except only as by these regulations or by law otherwise provided) any other rights in respect of any share except an absolute right to the entirety thereof in the registered holder.

5. (i) The company may exercise the powers of paying commissions conferred by sub-section (6) of section 40, provided that the rate per cent or the amount of the commission paid or agreed to be paid shall be disclosed in the manner required by that section and rules made there under.

(ii) The rate or amount of the commission shall not exceed the rate or amount prescribed in rules made under sub-section (6) of section 40.

(iii) The commission may be satisfied by the payment of cash or the allotment of fully or partly paid shares or partly in the one way and partly in the other.

6. (i) If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may, subject to the provisions of section 48, and whether or not the company is being wound up, be varied with the consent in writing of the holders of three-fourths of the issued shares of that class, or with the sanction of a special resolution passed at a separate meeting of the holders of the shares of that class.

(ii) To every such separate meeting, the provisions of these regulations relating general meetings shall mutatis mutandis apply, but so that the necessary quorum shall be at least two persons holding at least one-third of the issued shares of the class in question.

7. The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the shares of that class, be deemed to be varied by the creation or issue of further share ranking pari passu therewith.

8. Subject to the provisions of section 55, any preference shares may, with the sanction of an ordinary resolution, be issued on the terms that they are to be redeemed on such terms and in such manner as the company before the issue of the shares may, by special resolution, determine.

LIEN

9. (i) The company shall have a first and paramount lien-

(a) on every share (not being a fully paid share), for all monies (whether presently payable or not) called, or payable at a fixed time, in respect of that share; and

(b) on all shares (not being fully paid shares) standing registered in the name of a single person, for all monies presently payable by him or his estate to the company:

Provided that the Board of directors may at any time declare any share to be wholly or in part exempt from the provisions of this clause.

(ii) The company's lien, if any, on a share shall extend to all dividend bonuses declared from time to time in respect of such shares

10. The company may sell, in such manner as the Board thinks fit, any shares on which the company has a lien:

Provided that no sale shall be made—

(a) unless a sum in respect of which the lien exists is presently payable; or

(b) until the expiration of fourteen days after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable, has been given to the registered holder for the time being of the share or the person entitled thereto by reason of his death or insolvency.

11. (i) To give effect to any such sale, the Board may authorise some person to transfer the shares sold to the purchaser thereof.

(ii) The purchaser shall be registered as the holder of the shares comprised in any such transfer.

(iii) The purchaser shall not be bound to see to the application of the purchase money nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale.

12. (i) The proceeds of the sale shall be received by the company and applied in payment of such part of the amount in respect of which the lien exists as is presently payable.

(ii) The residue, if any, shall, subject to a like lien for sums not presently payable as existed upon the shares before the sale, be paid to the person entitled to the shares at the date of the sale.

CALLS ON SHARES

13. (i) The Board may, from time to time, make calls upon the members in respect of any monies unpaid on their shares (whether on account of the nominal value of the shares or by way of premium) and not by the conditions of allotment thereof made payable at fixed times:

Provided that no call shall exceed one-fourth of the nominal value of the share or be payable at less than one month from the date fixed for the payment of the last preceding call

(ii) Each member shall, subject to receiving at least fourteen days' notice specifying the time or times and place of payment, pay to the company, at the time or times and place so specified, the amount called on his shares.

(iii) A call may be revoked or postponed at the discretion of the Board

14. A call shall be deemed to have been made at the time when the resolution of the Board authorising the call was passed and may be required to be paid by instalments.

15. The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.

16. (i) If a sum called in respect of a share is not paid before or on the day appointed for payment thereof, the person from whom the sum is due shall pay interest thereon from the day appointed for payment thereof to the time of actual payment at ten per cent per annum or at such lower rate, if any, as the Board may determine.

(ii) The Board shall be at liberty to waive payment of any such interest wholly or in part

17. (i) Any sum which by the terms of issue of a share becomes payable on allotment or at any fixed date, whether on account of the nominal value of the share or by way of premium, shall, for the purposes of these regulations, be deemed to be a call duly made and payable on the date on which by the terms of issue such sum becomes payable.

(ii) In case of non-payment of such sum, all the relevant provisions of these regulations as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.

18. The Board—

(a) may, if it thinks fit, receive from any member willing to advance the same, all or any part of the monies uncalled and unpaid upon any shares held by him; and

(b) upon all or any of the monies so advanced, may (until the same would, but for such advance, become presently payable) pay interest at such rate not exceeding, unless the company in general meeting shall otherwise direct, twelve per cent. per annum, as may be agreed upon between the Board and the member paying the sum in advance.

TRANSFER OF SHARES

19. (i) The instrument of transfer of any share in the company shall be executed by or on behalf of both the transferor and transferee.

(ii) The transferor shall be deemed to remain a holder of the share until the name of the transferee is entered in the register of members in respect thereof.

20. The Board may, subject to the right of appeal conferred by section 58 decline to register—

(a) the transfer of a share, not being a fully paid share, to a person of whom they do not approve; or

(b) any transfer of shares on which the company has a lien.

21. The Board may decline to recognise any instrument of transfer unless—

(a) the instrument of transfer is in the form as prescribed in rules made under sub-section (1) of section 56;

(b) the instrument of transfer is accompanied by the certificate of the shares to which it relates, and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer; and

(c) the instrument of transfer is in respect of only one class of shares.

22. On giving not less than seven days' previous notice in accordance with section 91 and rules made thereunder, the registration of transfers may be suspended at such times and for such periods as the Board may from time to time determine

Provided that such registration shall not be suspended for more than thirty days at any one time or for more than forty-five days in the aggregate in any year.

TRANSMISSION OF SHARES

23. (i) On the death of a member, the survivor or survivors where the member was a joint holder, and his nominee or nominees or legal representatives where he was a shareholder, shall be the only persons recognized by the company as having any title to his interest in the shares.

(ii) Nothing in clause (i) shall release the estate of a deceased joint holder from any liability in respect of any share which had been jointly held by him with other persons.

24. (i) Any person becoming entitled to a share in consequence of the death or insolvency of a member may, upon such evidence being produced as may from time to time properly be required by the Board and subject as hereinafter provided, elect, either

(a) to be registered himself as holder of the share; or

(b) to make such transfer of the share as the deceased or insolvent member could have made.

(ii) The Board shall, in either case, have the same right to decline or suspend registration as it would have had, if the deceased or insolvent member had transferred the share before his death or insolvency.

25. (i) If the person so becoming entitled shall elect to be registered as holder of the share himself, he shall deliver or send to the company a notice in writing signed by him stating that he so elects.

(ii) If the person aforesaid shall elect to transfer the share, he shall testify his election by executing a transfer of the share.

(iii) All the limitations, restrictions and provisions of these regulations relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as aforesaid as if the death or insolvency of the member had not occurred and the notice or transfer were a transfer signed by that member.

26. A person becoming entitled to a share by reason of the death or insolvency of the holder shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the share, except that he shall not, before being registered as a member in respect of the share, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the company:

Provided that the Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the share, and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other monies payable in respect of the share, until the requirements of the notice have complied with.

FORFEITURE OF SHARES

27. If a member fails to pay any call, or instalment of a call, on the day appointed for payment thereof, the Board may, at any time thereafter during such time as any part of the call or instalment remains unpaid, serve a notice on him requiring payment of so much of the call or instalment as is unpaid, together with any interest which may have accrued.

28. The notice aforesaid shall

(a) name a further day (not being earlier than the expiry of fourteen days from the date of service of the notice) on or before which the payment required by the notice is to be made; and

(b) state that, in the event of non-payment on or before the day so named, the shares in respect of which the call was made shall be liable to be forfeited.

29. If the requirements of any such notice as aforesaid are not complied with, any share in respect of which the notice has been given may, at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the Board to that effect

30. (i) A forfeited share may be sold or otherwise disposed of on such terms and in such manner as the Board thinks fit.

(ii) At any time before a sale or disposal as aforesaid, the Board may cancel the forfeiture on such terms as it thinks fit.

31. (i) A person whose shares have been forfeited shall cease to be a member in respect of the forfeited shares, but shall, notwithstanding the forfeiture, remain liable to pay to the company all monies which, at the date of forfeiture, were presently payable by him to the company in respect of the shares.

(ii) The liability of such person shall cease if and when the company shall have received payment in full of all such monies in respect of the shares.

32. (i) A duly verified declaration in writing that the declarant is a director, the manager or the secretary, of the company, and that a share in the company has been duly forfeited on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share;

(ii) The company may receive the consideration, if any, given for the share on any sale or disposal thereof and may execute a transfer of the share in favour of the person to whom the share is sold or disposed of;

(iii) The transferee shall thereupon be registered as the holder of the share; and

(iv) The transferee shall not be bound to see to the application of the purchase money, if any, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale or disposal of the share.

33. The provisions of these regulations as to forfeiture shall apply in the case of non payment of any sum which, by the terms of issue of a share, becomes payable at a fixed time, whether on account of the nominal value of the share or by way of premium, as if the same had been payable by virtue of a call duly made and notified.

ALTERATION OF CAPITAL

34. The company may, from time to time, by ordinary resolution increase the share capital by such sum, to be divided into shares of such amount, as may be specified in the resolution.

35. Subject to the provisions of section 61, the company may, by ordinary resolution,

(a) consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;
(b) convert all or any of its fully paid-up shares into stock, and reconvert that stock into fully paid-up shares of any denomination;
(c) sub-divide its existing shares or any of them into shares of smaller amount than is fixed by the memorandum;
(d) cancel any shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person.

36. Where shares are converted into stock,

(a) the holders of stock may transfer the same or any part thereof in the same manner as, and subject to the same regulations under which, the shares from which the stock arose might before the conversion have been transferred, or as near thereto as circumstances admit:
(b) Provided that the Board may, from time to time, fix the minimum amount of stock transferable, so, however, that such minimum shall not exceed the nominal amount of the shares from which the stock arose.
(c) the holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, voting at meetings of the company, and other matters, as if they held the shares from which the stock arose; but no such privilege or advantage (except participation in the dividends and profits

of the company and in the assets on winding up) shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage.

(d) such of the regulations of the company as are applicable to paid-up shares shall apply to stock and the words “share” and “shareholder” in those regulations shall include “stock” and “stock-holder” respectively.

37. The company may, by special resolution, reduce in any manner and with, and subject to, any incident authorised and consent required by law:

(a) its share capital;

(b) any capital redemption reserve account; or

(c) any share premium account.

CAPITALISATION OF PROFITS

38. (i) The company in general meeting may, upon the recommendation of the Board, resolve

(a) that it is desirable to capitalise any part of the amount for the time being standing to the credit of any of the company’s reserve accounts, or to the credit of the profit and loss account, or otherwise available for distribution; and

(b) that such sum be accordingly set free for distribution in the manner specified in clause (ii) amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.

(ii) The sum aforesaid shall not be paid in cash but shall be applied, subject to the provision contained in clause (iii) either in or towards

A. paying up any amounts for the time being unpaid on any shares held by such members respectively;

B. paying up in full, unissued shares of the company to be allotted and distributed, credited as fully paid-up, to and amongst such members in the proportions aforesaid;

C. partly in the way specified in sub-clause (A) and partly in that specified in sub-clause (B);

D. A securities premium account and a capital redemption reserve account may, for the purposes of this regulation, be applied in the paying up of unissued shares to be issued to members of the company as fully paid bonus shares;

E. The Board shall give effect to the resolution passed by the company in pursuance of this regulation.

39. (i) Whenever such a resolution as aforesaid shall have been passed, the Board shall

(a) make all appropriations and applications of the undivided profits resolved to be capitalised thereby, and all allotments and issues of fully paid shares if any; and

(b) generally do all acts and things required to give effect thereto.

(ii) The Board shall have power

(a) to make such provisions, by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit, for the case of shares becoming distributable in fractions; and

(b) to authorise any person to enter, on behalf of all the members entitled thereto, into an agreement with the company providing for the allotment to them respectively, credited as fully paid-up, of any further shares to which they may be entitled upon such capitalisation, or as the case may require, for the payment by the company on their behalf, by the application thereto of their respective proportions of profits resolved to be capitalised, of the amount or any part of the amounts remaining unpaid on their existing shares;

(iii) Any agreement made under such authority shall be effective and binding on such members.

BUY-BACK OF SHARES

40. Notwithstanding anything contained in these articles but subject to the provisions of sections 68 to 70 and any other applicable provision of the Act or any other law for the time being in force, the company may purchase its own shares or other specified securities.

GENERAL MEETINGS

41. All general meetings other than annual general meeting shall be called extraordinary general meeting.

42. (i) The Board may, whenever it thinks fit, call an extraordinary general meeting.

(ii) If at any time directors capable of acting who are sufficient in number to form a quorum are not within India, any director or any two members of the company may call an extraordinary general meeting in the same manner, as nearly as possible, as that in which such a meeting may be called by the Board.

PROCEEDINGS AT GENERAL MEETINGS

43. (i) No business shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceeds to business.

(ii) Save as otherwise provided herein, the quorum for the general meetings shall be as provided in section 103.

44. The chairperson, if any, of the Board shall preside as Chairperson at every general meeting of the company.

45. If there is no such Chairperson, or if he is not present within fifteen minutes after the time appointed for holding the meeting, or is unwilling to act as chairperson of the meeting, the directors present shall elect one of their members to be Chairperson of the meeting.

46. If at any meeting no director is willing to act as Chairperson or if no director is present within fifteen minutes after the time appointed for holding the meeting, the members present shall choose one of their members to be Chairperson of the meeting.

ADJOURNMENT OF MEETING

47. (i) The Chairperson may, with the consent of any meeting at which a quorum is present, and shall, if so directed by the meeting, adjourn the meeting from time to time and from place to place.

(ii) No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.

(iii) When a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting

(iv) Save as aforesaid, and as provided in section 103 of the Act, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

VOTING RIGHTS

48. Subject to any rights or restrictions for the time being attached to any class or classes of shares,—

(a) on a show of hands, every member present in person shall have one vote; and

(b) on a poll, the voting rights of members shall be in proportion to his share in the paid-up equity share capital of the company.

49. A member may exercise his vote at a meeting by electronic means in accordance with section 108 and shall vote only once.

50. (i) In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders.

(ii) For this purpose, seniority shall be determined by the order in which the names stand in the register of members.

51. A member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll, by his committee or other legal guardian, and any such committee or guardian may, on a poll, vote by proxy.

52. Any business other than that upon which a poll has been demanded may be proceeded with, pending the taking of the poll.

53. No member shall be entitled to vote at any general meeting unless all calls or other sums presently payable by him in respect of shares in the company have been paid.

54. (i) No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes.

(ii) Any such objection made in due time shall be referred to the Chairperson of the meeting, whose decision shall be final and conclusive.

PROXY

55. The instrument appointing a proxy and the power-of-attorney or other authority, if any, under which it is signed or a notarised copy of that power or authority, shall be deposited at the registered office of the company not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or, in the case of a poll, not less than 24 hours before the time appointed for the taking of the poll; and in default the instrument of proxy shall not be treated as valid.

56. An instrument appointing a proxy shall be in the form as prescribed in the rules made under section 105.

57. A vote given in accordance with the terms of an instrument of proxy shall be valid, notwithstanding the previous death or insanity of the principal or the revocation of the proxy or of the authority under which the proxy was executed, or the transfer of the shares in respect of which the proxy is given:

Provided that no intimation in writing of such death, insanity, revocation or transfer shall have been received by the company at its office before the commencement of the meeting or adjourned meeting at which the proxy is used.

BOARD OF DIRECTORS

58. The first directors of the company as on the date of the Incorporation were:

    1. SHRI RAJKUMAR MALPANI

    2. SMT. SHAKUNTALA MALPANI

59. The number of the directors and the names of the first directors shall be determined in writing by the subscribers of the memorandum or a majority of them.

60. (i) The remuneration of the directors shall, in so far as it consists of a monthly payment, be deemed to accrue from day-to-day.

(ii) In addition to the remuneration payable to them in pursuance of the Act, the directors may be paid all travelling, hotel and other expenses properly incurred by them—

(a) in attending and returning from meetings of the Board of Directors or any committee thereof or general meetings of the company; or

(b) in connection with the business of the company.

61. The Board may pay all expenses incurred in getting up and registering the company.

62. The company may exercise the powers conferred on it by section 88 with regard to the keeping of a foreign register; and the Board may (subject to the provisions of that section) make and vary such regulations as it may thinks fit respecting the keeping of any such register.

63. All cheques, promissory notes, drafts, hundis, bills of exchange and other negotiable instruments, and all receipts for monies paid to the company, shall be signed, drawn, accepted, endorsed, or otherwise executed, as the case may be, by such person and in such manner as the Board shall from time to time by resolution determine.

64. Every director present at any meeting of the Board or of a committee thereof shall sign his name in a book to be kept for that purpose.

65. (i) Subject to the provisions of section 149, the Board shall have power at any time, and from time to time, to appoint a person as an additional director, provided the number of the directors and additional directors together shall not at any time exceed the maximum strength fixed for the Board by the articles.

(ii) Such person shall hold office only up to the date of the next annual general meeting of the company but shall be eligible for appointment by the company as a director at that meeting subject to the provisions of the Act.

65A*. Subject to the provisions of Securities and Exchange Board of India (Debenture Trustees) Regulations, 1993 read with Securities and Exchange Board of India (Issue and Listing of Non- Convertible Securities) Regulations, 2021 (including any amendments or re-enactment thereof, for the time being in force), the Board is required to appoint a person nominated by the debenture trustee(s) as a director on the Board of Directors of the Company within such period from the date of receipt of nomination from the debenture trustee(s) as applicable from time to time.

PROCEEDINGS OF THE BOARD

66. (i) The Board of Directors may meet for the conduct of business, adjourn and otherwise regulate its meetings, as it thinks fit.

(ii) A director may, and the manager or secretary on the requisition of a director shall, at any time, summon a meeting of the Board.

67. (i) Save as otherwise expressly provided in the Act, questions arising at any meeting of the Board shall be decided by a majority of votes.

68. (ii) In case of an equality of votes, the Chairperson of the Board, if any, shall have a second or casting vote.

**Clause 65A added via Alteration of Articles passed through special resolution on EGM held on 20th April 2023*

69. The continuing directors may act notwithstanding any vacancy in the Board; but, if and so long as their number is reduced below the quorum fixed by the Act for a meeting of the Board, the continuing directors or director may act for the purpose of increasing the number of directors to that fixed for the quorum, or of summoning a general meeting of the company, but for no other purpose.

70. (i) The Board may elect a Chairperson of its meetings and determine the period for which he is to hold office.

(ii) If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the directors present may choose one of their number to be Chairperson of the meeting.

71. (i) The Board may, subject to the provisions of the Act, delegate any of its powers to committees consisting of such member or members of its body as it thinks fit.

72. (ii) Any committee so formed shall, in the exercise of the powers so delegated, conform to any regulations that may be imposed on it by the Board.

73. (i) A committee may elect a Chairperson of its meetings.

(ii) If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the members present may choose one of their members to be Chairperson of the meeting.

74. (i) A committee may meet and adjourn as it thinks fit.

(ii) Questions arising at any meeting of a committee shall be determined by a majority of votes of the members present, and in case of an equality of votes, the Chairperson shall have a second or casting vote.

75. All acts done in any meeting of the Board or of a committee thereof or by any person acting as a director, shall, notwithstanding that it may be afterwards discovered that there was some defect in the appointment of any one or more of such directors or of any person acting as aforesaid, or that they or any of them were disqualified, be as valid as if every such director or such person had been duly appointed and was qualified to be a director.

76. Save as otherwise expressly provided in the Act, a resolution in writing, signed by all the members of the Board or of a committee thereof, for the time being entitled to receive notice of a meeting of the Board or committee, shall be valid and effective as if it had been passed at a meeting of the Board or committee, duly convened and held.

CHIEF EXECUTIVE OFFICER, MANAGER, COMPANY SECRETARY OR CHIEF FINANCIAL OFFICER

77. Subject to the provisions of the Act,—

(i) A chief executive officer, manager, company secretary or chief financial officer may be appointed by the Board for such term, at such remuneration and upon such conditions as it may thinks fit; and any chief executive officer, manager, company secretary or chief financial officer so appointed may be removed by means of a resolution of the Board;
(ii) A director may be appointed as chief executive officer, manager, company secretary or chief financial officer.

78. A provision of the Act or these regulations requiring or authorising a thing to be done by or to a director and chief executive officer, manager, company secretary or chief financial officer shall not be satisfied by its being done by or to the same person acting both as director and as, or in place of, chief executive officer, manager, company secretary or chief financial officer.

THE SEAL

79. (i) The Board shall provide for the safe custody of the seal.

(ii) The seal of the company shall not be affixed to any instrument except by the authority of a resolution of the Board or of a committee of the Board authorised by it in that behalf, and except in the presence of at least two directors and of the secretary or such other person as the Board may appoint for the purpose; and those two directors and the secretary or other person aforesaid shall sign every instrument to which the seal of the company is so affixed in their presence.

DIVIDENDS AND RESERVE

80. The company in general meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board.

81. Subject to the provisions of section 123, the Board may from time to time pay to the members such interim dividends as appear to it to be justified by the profits of the company.

82. (i) The Board may, before recommending any dividend, set aside out of the profits of the company such sums as it thinks fit as a reserve or reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the company may be properly applied, including provision for meeting contingencies or for equalizing dividends; and pending such application, may, at the like discretion, either be employed in the business of the company or be invested in such investments (other than shares of the company) as the Board may, from time to time, thinks fit.

(ii) The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve.

83. (i) Subject to the rights of persons, if any, entitled to shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect whereof the dividend is paid, but if and so long as nothing is paid upon any of the shares in the company, dividends may be declared and paid according

to the amounts of the shares.

(ii) No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this regulation as paid on the share.

(iii) All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid; but if any share is issued on terms providing that it shall rank for dividend as from a particular date such share shall rank for dividend accordingly.

84. The Board may deduct from any dividend payable to any member all sums of money, if any, presently payable by him to the company on account of calls or otherwise in relation to the shares of the company.

85. (i) Any dividend, interest or other monies payable in cash in respect of shares may be paid by cheque or warrant sent through the post directed to the registered address of the holder or, in the case of joint holders, to the registered address of that one of the joint holders who is first named on the register of members, or to such person and to such address as the holder or joint holders may in writing direct.

(ii) Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.

86. Any one of two or more joint holders of a share may give effective receipts for any dividends, bonuses or other monies payable in respect of such share.

87. Notice of any dividend that may have been declared shall be given to the persons entitled to share therein in the manner mentioned in the Act.

88. No dividend shall bear interest against the company.

ACCOUNTS

89. i) The Board shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations, the accounts and books of the company, or any of them, shall be open to the inspection of members not being directors.

(ii) No member (not being a director) shall have any right of inspecting any account or book or document of the company except as conferred by law or authorised by the Board or by the company in general meeting.

WINDING UP

90. Subject to the provisions of Chapter XX of the Act and rules made thereunder—

(i) If the company shall be wound up, the liquidator may, with the sanction of a special resolution of the company and any other sanction required by the Act, divide amongst the members, in specie or kind, the whole or any part of the assets of the company, whether they shall consist of property of the same kind or not.

(ii) For the purpose aforesaid, the liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the members or different classes of members.

(iii) The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories if he considers necessary, but so that no member shall be compelled to accept any shares or other securities whereon there is any liability.

INDEMNITY

Every officer of the company shall be indemnified out of the assets of the company against any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgment is given in his favour or in which he is acquitted or in which relief is granted to him by the court or the Tribunal.

SECTION IX - OTHER INFORMATION

MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The following contracts and documents (not being contracts entered into in the ordinary course of business carried on by our Company or entered into more than two years before the date of this Draft Prospectus) which are or may be deemed material have been entered or/are to be entered into by our Company. These contracts which are or may be deemed material shall be attached to the copy of the Prospectus to be delivered to the RoC for registration and also the documents for inspection referred to hereunder, may be inspected at the Registered Office of our Company from 10.00 am to 4.00 pm on Working Days from the date of the filing of the Prospectus with the RoC until the Issue Closing Date.

Material Contracts

1. Agreement dated September 27, 2024 between the Company and the Lead Manager;
2. Agreement dated September 25, 2024 between the Company and the Registrar to the Issue;
3. Agreement dated September 24, 2024 between the Company and Vistra ITCL (India) Limited, the Debenture Trustee;
4. Tripartite Agreement dated September 9, 2021 between CDSL, the Company and the Registrar to the Issue; and
5. Tripartite Agreement dated September 8, 2021 between NSDL, the Company and the Registrar to the Issue.

Material Documents

1. Certificate of Incorporation of Company dated September 11, 1986, issued by RoC;
2. Fresh Certificate of Incorporation of the Company dated January 9, 2013, issued by RoC pursuant to change of the name of our Company from 'Payal Holdings Private Limited' to 'Indel Money Private Limited;
3. Fresh Certificate of Incorporation of the Company dated August 26, 2021, issued by RoC pursuant to the conversion of our Company from private limited company to a public limited company;
4. Memorandum and Articles of Association of the Company, as amended to date;
5. Research Report on NBFC Industry issued by CARE Analytics and Advisory Private Limited, forming part of the section titled "*Industry Overview*".
6. Certificate of registration (dated February 13, 2002 bearing registration number B-13.01564 issued by RBI under Section 45IA of the Reserve Bank of India Act, 1934 and certificate of registration dated September 27, 2021 bearing registration number B-13.01564 issued by RBI under Section 45IA of the Reserve Bank of India Act, 1934 pursuant to the change in name from '*Indel Money Private Limited*' to '*Indel Money Limited*' consequent upon its conversion as a public limited company;
7. The report on statement of possible tax benefits dated September 27, 2024 issued by Bhatter & Company, Chartered Accountants.
8. Credit rating letter dated September 18, 2024, from CRISIL Ratings Limited (A subsidiary of CRISIL Limited), granting credit ratings to the NCDs.
9. Copy of the Board Resolution dated May 30, 2024 approving the issue of NCDs to the public up to an amount not exceeding ₹30,000 lakhs;
10. Copy of the NCD-Sub Committee dated August 28, 2024 approving the issue of NCDs to the public up to an amount not exceeding ₹ 15,000 lakhs;
11. Copy of the resolution passed by the Shareholders of the Company at the Extra-ordinary General Meeting held on April 20, 2023, approving the overall borrowing limit of Company;
12. Copy of the resolution of the NCD Sub-Committee dated September 27, 2024 approving this Draft Prospectus;

13. Consents in writing of Directors of our Company, Company Secretary and Compliance Officer, Chief Financial Officer, Statutory Auditors, legal advisor to the Issue, Lead Manager, the Registrar to the Issue, Credit Rating Agency, the Debenture Trustee, CARE Analytics and Advisory Private Limited and the lenders to our Company, to act in their respective capacities, have been obtained and will be filed along with a copy of the Prospectus with the RoC as required under Section 26 of the Companies Act 2013;

14. The written consent from the Statutory Auditor, namely M/s. Bhatter & Company, Chartered Accountants, to include their name as required under section 26 (1) of the Companies Act, 2013 read with SEBI NCS Regulations, in this Draft Prospectus, and as an "expert" as defined under section 2(38) of the Companies Act, 2013 to the extent and in their capacity as our Statutory Auditor, and in respect of (i) their report dated May 30,2024 on the Audited Financial Statements for Fiscal 2024, included in this Draft Prospectus (ii) their report dated May 28, 2023 on the Audited Financial Statements for Fiscal 2023, included in this Draft Prospectus (iii) their Limited Review Report dated August 9,2024 on the Unaudited Financial Results included in this Draft Prospectus.

15. Consent letter from the previous statutory auditor, FRG & Company, Chartered Accountants dated September 27, 2024 for inclusion of their reports dated May 30, 2022 on the Audited Consolidated Financial Statements for Fiscal 2022 and Audited Standalone Financial Statements for Fiscal 2022 in this Draft Prospectus.

16. Copy of statutory auditor's certificate on statement of possible tax benefits dated September 27, 2024;

17. Annual Reports of the Company for Fiscal 2024, Fiscal 2023 and 2022;

18. Due diligence certificate dated [•], 2024 filed with SEBI by the Lead Manager;

19. Due diligence certificate dated September 25, 2024 filed with BSE Limited by the Debenture Trustee; and

20. In-principle listing approval letter dated [•] issued by BSE, for the Issue.

Any of the contracts or documents mentioned in this Draft Prospectus may be amended or modified at any time if so required in the interest of our Company or if required by the other parties, without reference to the Applicants subject to compliance of the provisions contained in the Companies Act and other relevant statutes.

DECLARATION

We, the Directors of the Company, hereby certify and declare that all relevant provisions of the Companies Act, 2013, and the guidelines issued by the Government of India and/or the regulations/guidelines/circulars issued by the Reserve Bank of India and the Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as applicable, including the Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021, as amended, have been complied with and no statement made in this Draft Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities and Exchange Board of India Act, 1992 or rules made there under, regulations or guidelines or circulars issued, as the case may be. We confirm that the compliance with the Securities and Exchange Board of India Act, 1992 or rules made there under does not imply that payment of dividend or interest or repayment of debt securities, is guaranteed by the Central Government.

We certify that all the disclosures and statements in this Draft Prospectus are true, accurate and correct in all material respects and do not omit disclosure of any material fact which may make the statements made therein, in light of circumstances under which they were made, misleading and that this Draft Prospectus does not contain any misstatements. No information material to the subject matter of this form has been suppressed or concealed and whatever is stated in this Draft Prospectus is as per the original records maintained by the Promoter(s) subscribing to the Memorandum of Association and Articles of Association. Furthermore, all the monies received under the offer shall be used only for the purposes and objects indicated in this Draft Prospectus.

We certify that the contents of this Draft Prospectus have been perused by the Board of Directors, and the final and ultimate responsibility of the contents mentioned herein shall also lie with the Board of Directors.

We further certify that we are duly authorised to provide this declaration by the Board of Directors, by a resolution, a copy of which is also disclosed in this Draft Prospectus.

Signed by the Directors of our Company

Mohanan Gopalakrishnan
Designation: Managing Director
DIN: 02456142

Date: September 27, 2024

Place: Ernakulam

DECLARATION

We, the Directors of the Company, hereby certify and declare that all relevant provisions of the Companies Act, 2013, and the guidelines issued by the Government of India and/or the regulations/guidelines/circulars issued by the Reserve Bank of India and the Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as applicable, including the Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021, as amended, have been complied with and no statement made in this Draft Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities and Exchange Board of India Act, 1992 or rules made there under, regulations or guidelines or circulars issued, as the case may be. We confirm that the compliance with the Securities and Exchange Board of India Act, 1992 or rules made there under does not imply that payment of dividend or interest or repayment of debt securities, is guaranteed by the Central Government.

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Signed by the Directors of our Company

____

Umesh Mohanan
Designation: Executive Whole Time Director
DIN: 02455902

Date: September 27, 2024

Place: Ernakulam

DECLARATION

We, the Directors of the Company, hereby certify and declare that all relevant provisions of the Companies Act, 2013, and the guidelines issued by the Government of India and/or the regulations/guidelines/circulars issued by the Reserve Bank of India and the Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as applicable, including the Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021, as amended, have been complied with and no statement made in this Draft Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities and Exchange Board of India Act, 1992 or rules made there under, regulations or guidelines or circulars issued, as the case may be. We confirm that the compliance with the Securities and Exchange Board of India Act, 1992 or rules made there under does not imply that payment of dividend or interest or repayment of debt securities, is guaranteed by the Central Government.

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We further certify that we are duly authorised to provide this declaration by the Board of Directors, by a resolution, a copy of which is also disclosed in this Draft Prospectus.

Signed by the Directors of our Company

Anantharaman Trikkur Ramachandran
Designation: Non-Executive Director
DIN: 05262157

Date: September 27, 2024

Place: Ernakulam

DECLARATION

We, the Directors of the Company, hereby certify and declare that all relevant provisions of the Companies Act, 2013, and the guidelines issued by the Government of India and/or the regulations/guidelines/circulars issued by the Reserve Bank of India and the Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as applicable, including the Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021, as amended, have been complied with and no statement made in this Draft Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities and Exchange Board of India Act, 1992 or rules made there under, regulations or guidelines or circulars issued, as the case may be. We confirm that the compliance with the Securities and Exchange Board of India Act, 1992 or rules made there under does not imply that payment of dividend or interest or repayment of debt securities, is guaranteed by the Central Government.

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We certify that the contents of this Draft Prospectus have been perused by the Board of Directors, and the final and ultimate responsibility of the contents mentioned herein shall also lie with the Board of Directors.

We further certify that we are duly authorised to provide this declaration by the Board of Directors, by a resolution, a copy of which is also disclosed in this Draft Prospectus.

Signed by the Directors of our Company

Salil Venu
Designation: Non-Executive Director
DIN: 06531662

Date: September 27, 2024

Place: Ernakulam

DECLARATION

We, the Directors of the Company, hereby certify and declare that all relevant provisions of the Companies Act, 2013, and the guidelines issued by the Government of India and/or the regulations/guidelines/circulars issued by the Reserve Bank of India and the Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as applicable, including the Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021, as amended, have been complied with and no statement made in this Draft Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities and Exchange Board of India Act, 1992 or rules made there under, regulations or guidelines or circulars issued, as the case may be. We confirm that the compliance with the Securities and Exchange Board of India Act, 1992 or rules made there under does not imply that payment of dividend or interest or repayment of debt securities, is guaranteed by the Central Government.

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We further certify that we are duly authorised to provide this declaration by the Board of Directors, by a resolution, a copy of which is also disclosed in this Draft Prospectus.

Signed by the Directors of our Company

Kavitha Menon
Designation: Non-Executive Director
DIN: 08074657

Date: September 27, 2024

Place: Ernakulam

DECLARATION

We, the Directors of the Company, hereby certify and declare that all relevant provisions of the Companies Act, 2013, and the guidelines issued by the Government of India and/or the regulations/guidelines/circulars issued by the Reserve Bank of India and the Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as applicable, including the Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021, as amended, have been complied with and no statement made in this Draft Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities and Exchange Board of India Act, 1992 or rules made there under, regulations or guidelines or circulars issued, as the case may be. We confirm that the compliance with the Securities and Exchange Board of India Act, 1992 or rules made there under does not imply that payment of dividend or interest or repayment of debt securities, is guaranteed by the Central Government.

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We further certify that we are duly authorised to provide this declaration by the Board of Directors, by a resolution, a copy of which is also disclosed in this Draft Prospectus.

Signed by the Directors of our Company

Narasinganallore Venkatesh Srinivasan
Designation: Independent Director
DIN: 01893686

Date: September 27, 2024

Place: Mumbai

DECLARATION

We, the Directors of the Company, hereby certify and declare that all relevant provisions of the Companies Act, 2013, and the guidelines issued by the Government of India and/or the regulations/guidelines/circulars issued by the Reserve Bank of India and the Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as applicable, including the Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021, as amended, have been complied with and no statement made in this Draft Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities and Exchange Board of India Act, 1992 or rules made there under, regulations or guidelines or circulars issued, as the case may be. We confirm that the compliance with the Securities and Exchange Board of India Act, 1992 or rules made there under does not imply that payment of dividend or interest or repayment of debt securities, is guaranteed by the Central Government.

We certify that all the disclosures and statements in this Draft Prospectus are true, accurate and correct in all material respects and do not omit disclosure of any material fact which may make the statements made therein, in light of circumstances under which they were made, misleading and that this Draft Prospectus does not contain any misstatements. No information material to the subject matter of this form has been suppressed or concealed and whatever is stated in this Draft Prospectus is as per the original records maintained by the Promoter(s) subscribing to the Memorandum of Association and Articles of Association. Furthermore, all the monies received under the offer shall be used only for the purposes and objects indicated in this Draft Prospectus.

We certify that the contents of this Draft Prospectus have been perused by the Board of Directors, and the final and ultimate responsibility of the contents mentioned herein shall also lie with the Board of Directors.

We further certify that we are duly authorised to provide this declaration by the Board of Directors, by a resolution, a copy of which is also disclosed in this Draft Prospectus.

Signed by the Directors of our Company

Chitethu Ramakrishna Sasikumar
Designation: Independent Director
DIN: 05202465

Date: September 27, 2024

Place: Thrissur

DECLARATION

We, the Directors of the Company, hereby certify and declare that all relevant provisions of the Companies Act, 2013, and the guidelines issued by the Government of India and/or the regulations/guidelines/circulars issued by the Reserve Bank of India and the Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as applicable, including the Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021, as amended, have been complied with and no statement made in this Draft Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities and Exchange Board of India Act, 1992 or rules made there under, regulations or guidelines or circulars issued, as the case may be. We confirm that the compliance with the Securities and Exchange Board of India Act, 1992 or rules made there under does not imply that payment of dividend or interest or repayment of debt securities, is guaranteed by the Central Government.

We certify that all the disclosures and statements in this Draft Prospectus are true, accurate and correct in all material respects and do not omit disclosure of any material fact which may make the statements made therein, in light of circumstances under which they were made, misleading and that this Draft Prospectus does not contain any misstatements. No information material to the subject matter of this form has been suppressed or concealed and whatever is stated in this Draft Prospectus is as per the original records maintained by the Promoter(s) subscribing to the Memorandum of Association and Articles of Association. Furthermore, all the monies received under the offer shall be used only for the purposes and objects indicated in this Draft Prospectus.

We certify that the contents of this Draft Prospectus have been perused by the Board of Directors, and the final and ultimate responsibility of the contents mentioned herein shall also lie with the Board of Directors.

We further certify that we are duly authorised to provide this declaration by the Board of Directors, by a resolution, a copy of which is also disclosed in this Draft Prospectus.

Signed by the Directors of our Company

Sethuraman Ganesh
Designation: Independent Director
DIN: 07152185

Date: September 27, 2024

Place: Bangalore

ANNEXURE A - CREDIT RATING LETTER, RATIONALE AND PRESS RELEASE

APPENDED OVERLEAF

CRISIL Ratings

CONFIDENTIAL

RL/IDLMPL/352875/NCD/0924/98489/168551756
September 18, 2024

Mr. Umesh Mohanan
Whole Time Director
Indel Money Limited
3rd Floor, Indel House
Changampuzha Nagar
South Kalamassery (PO)
Ernakulam - 682033
8589984010

Dear Mr. Umesh Mohanan,

Re: CRISIL Rating on the Rs.150 Crore Non Convertible Debentures of Indel Money Limited

We refer to your request for a rating for the captioned Debt instrument.

CRISIL Ratings has, after due consideration, assigned a CRISIL BBB+/Stable (pronounced as CRISIL triple B plus rating with Stable outlook) rating on the captioned debt instrument. Securities with this rating are considered to have moderate degree of safety regarding timely servicing of financial obligations. Such securities carry moderate credit risk.

Further, in view of your decision to accept the CRISIL Ratings, we request you to apprise us of the instrument details (in the enclosed format) as soon as it has been placed. In the event of your company not making the issue within a period of 180 days from the above date, or in the event of any change in the size or structure of your proposed issue, a fresh letter of revalidation from CRISIL Ratings will be necessary.

As per our Rating Agreement, CRISIL Ratings would disseminate the rating along with outlook through its publications and other media, and keep the rating along with outlook under surveillance for the life of the instrument. CRISIL Ratings reserves the right to withdraw, or revise the rating / outlook assigned to the captioned instrument at any time, on the basis of new information, or unavailability of information, or other circumstances which CRISIL Ratings believes may have an impact on the rating. Please visit www.crisilratings.com and search with the name of the rated entity to access the latest rating/s.

As per SEBI circular (reference number: CIR/IMD/DF/17/2013; dated October 22, 2013) on centralized database for corporate bonds/debentures, you are required to provide international securities identification number (ISIN; along with the reference number and the date of the rating letter) of all bond/debenture issuances made against this rating letter to us. The circular also requires you to share this information with us within 2 days after the allotment of the ISIN. We request you to mail us all the necessary and relevant information at debtissue@crisil.com. This will enable CRISIL Ratings to verify and confirm to the depositories, including NSDL and CDSL, the ISIN details of debt rated by us, as required by SEBI. Feel free to contact us at debtissue@crisil.com for any clarification you may need.

Should you require any clarification, please feel free to get in touch with us.

With warm regards,

Yours sincerely,

Prashant Pratap Mane
Associate Director - CRISIL Ratings

Nivedita Shibu
Director - CRISIL Ratings

Disclaimer: A rating by CRISIL Ratings reflects CRISIL Ratings' current opinion on the likelihood of timely payment of the obligations under the rated instrument, and does not constitute an audit of the rated entity by CRISIL Ratings. Our ratings are based on information provided by the issuer or obtained by CRISIL Ratings from sources it considers reliable. CRISIL Ratings does not guarantee the completeness or accuracy of the information on which the rating is based. A rating by CRISIL Ratings is not a recommendation to buy / sell or hold the rated instrument; it does not comment on the market price or suitability for a particular investor. CRISIL Ratings has a practice of keeping all its ratings under surveillance and ratings are revised as and when circumstances so warrant. CRISIL Ratings is not responsible for any errors and especially states that it has no financial liability whatsoever to the subscribers / users / transmitters / distributors of its ratings. CRISIL Ratings' criteria are available without charge to the public on the web site, www.crisilratings.com. CRISIL Ratings or its associates may have other commercial transactions with the company/entity. For the latest rating information on any instrument of any company rated by CRISIL Ratings, please visit www.crisilratings.com or contact Customer Service Helpdesk at CRISILratingdesk@crisil.com or at 1800-267-1301

CRISIL Ratings

Details of the Rs.150 Crore Non Convertible Debentures of Indel Money Limited

	1st tranche		*2nd tranche*		*3rd tranche*	
Instrument Series:						
Amount Placed:						
Maturity Period:						
Put or Call Options (if any):						
Coupon Rate:						
Interest Payment Dates:						
Principal Repayment Details:	Date	Amount	Date	Amount	Date	Amount
Investors:						
Trustees:						

In case there is an offer document for the captioned Debt issue, please send us a copy of it.

CRISIL
Ratings

Rating Rationale

September 18, 2024 | Mumbai

Indel Money Limited

'CRISIL BBB+/Stable' assigned to Non Convertible Debentures; Rated amount enhanced for Bank Debt

Rating Action

Total Bank Loan Facilities Rated	**Rs.348.93 Crore (Enhanced from Rs.256.69 Crore)**
Long Term Rating	**CRISIL BBB+/Stable (Reaffirmed)**

Rs.150 Crore Non Convertible Debentures	**CRISIL BBB+/Stable (Assigned)**
Rs.25 Crore Non Convertible Debentures	**CRISIL BBB+/Stable (Reaffirmed)**
Rs.20 Crore Non Convertible Debentures	**Withdrawn (CRISIL BBB+/Stable)**
Rs.79.19 Crore (Reduced from Rs.100 Crore) Non Convertible Debentures	**CRISIL BBB+/Stable (Reaffirmed)**
Rs.103.13 Crore (Reduced from Rs.200 Crore) Non Convertible Debentures	**CRISIL BBB+/Stable (Reaffirmed)**
Rs.25 Crore Non Convertible Debentures	**Withdrawn (CRISIL BBB+/Stable)**
Rs.55.94 Crore (Reduced from Rs.111.92 Crore) Non Convertible Debentures	**CRISIL BBB+/Stable (Reaffirmed)**
Rs.25 Crore Commercial Paper	**Withdrawn (CRISIL A2+)**

Note: None of the Directors on CRISIL Ratings Limited's Board are members of rating committee and thus do not participate in discussion or assignment of any ratings. The Board of Directors also does not discuss any ratings at its meetings.
1 crore = 10 million
Refer to Annexure for Details of Instruments & Bank Facilities

Detailed Rationale

CRISIL Ratings has assigned its **'CRISIL BBB+/Stable'** rating to the Rs.150 crore non-convertible debentures (NCDs) of Indel Money Ltd (Indel Money). The ratings on the other debt instruments and bank loan facilities have been reaffirmed at 'CRISIL BBB+/Stable'.

CRISIL Ratings has also **withdrawn** its rating on the Rs 218.66 crore Non-Convertible Debentures and Rs 25 crore Commercial Paper (see the 'Annexure - Details of Rating Withdrawn for details) on receipt of independent confirmation that these instruments are fully redeemed, in line with its withdrawal policy.

The ratings continue to factor-in the extensive experience of the promoters and top management in gold financing business, adequate capitalisation supported by regular infusions, and sound asset quality. These strengths are partially offset by average, though improving, earnings and geographical concentration in operations.

Steady growth in portfolio resulted in an 16% (YTD) growth in assets under management (AUM) to Rs 1,788 crore as of June 2024 from Rs 1,534 crore as of March 2024. The scale-up in portfolio is also visible in AUM per branch increasing to Rs 5.84 crore as on June 30, 2024, from Rs 5.36 crore as on March 31, 2024, and Rs 4.6 crore as on March 31, 2023. Moreover, strong portfolio quality is reflected in 90+dpd (days past due) of 1.5% as on June 30, 2024, as against 0.5% as on March 31, 2024, and 1.6% as of March 31, 2023. The company benefits from having over 92% of its portfolio in the gold loan segment wherein the asset quality is manageable due to the liquid nature of the underlying asset. Nevertheless, with expansion of the portfolio into newer geographies, the ability to replicate strong checks on systems and processes will remain monitorable.

Despite being operational for over 12 years, the substantial improvement in profitability is only visible during the last 4-6 quarters. During the first quarter of fiscal 2025, return on managed assets (RoMA) rose to 2.9% (annualised), one of the highest levels since the company's inception. However, average RoMA has been 1.9-2.4% during the last 2 fiscals. Expansion into new states in the last few years led to high operating costs of 5.5-6.0% till Q1 of fiscal 2025. However, operational efficiency in portfolio (growth from both new and old branches) has been improving since the last 3-4 quarters, resulting in better profitability in the first quarter of fiscal 2025. Nevertheless, with further ramp-up in operations, the ability to maintain profitability will remain monitorable.

Analytical Approach

CRISIL Ratings has considered the standalone business and financial risk profiles of Indel Money.

Key Rating Drivers & Detailed Description

Strengths:

Experienced promoters and management team

The extensive experience of the promoters and senior management team, with the addition of independent directors, should continue to support the business. Mr Mohanan Gopalakrishnan (chairman and managing director) is a banking professional with more than 38 years of experience in the Gulf Cooperation Council. He was also the head of trade finance operations of United Arab Bank for 11 years commencing from 2001. Mr Umesh Mohanan (executive director and CEO) managed a Middle Eastern conglomerate, spearheading its global operations for 12 years till 2016. Apart from the promoter directors, the board members of the company consist of prominent independent directors such as Mr N S Venkatesh (CEO of Association of Mutual Funds in India), Mr C R Sasikumar (former deputy managing director State Bank of India) and Mr S Ganesh (former principal chief general manager of the Reserve Bank of India [RBI]).

Adequate capitalisation supported by regular capital infusion
Capitalisation has remained adequate for the current and expected scale of operations. Networth increased to Rs 236 crore as on June 30, 2024, from Rs 211 crore as on March 31, 2024, and Rs 163 crore as on March 31, 2023, while gearing improved to 3.8 times as on June 30, 2024, from 4.3 times as on March 31, 2024, and 4.9 times as on March 31, 2022. This was driven by healthy cash accrual as well as capital infusion of Rs 10 crore by the promoters in fiscal 2024. The promoters have infused Rs 90 crore till date in fiscal 2025. Capital position is also expected to benefit from steady accretion to reserves and sustained improvement in profitability. Nevertheless, with ramp-up in operations, gearing may remain weak at around 6 times on steady-state basis over the medium term. Any deterioration in gearing beyond the committed threshold will be a key rating sensitivity factor.

Sound asset quality in the gold loan segment
The company monitors the portfolio monthly on a mark-to-market basis and focuses on interest collection and reduction of the risk portfolio. Asset quality for gold loans, as better measured by credit costs, has been sound with the ultimate credit costs remaining low at only 0.4% (annualised) during Q1 of fiscal 2025 against 1.9% in fiscal 2024. 90+dpd (days past due) was around 1.5% as on June 30, 2024 (0.5% as on March 31, 2024), against 1.6% previous fiscal. However, the company underwent revision in NPA recognition policy from Q4 fiscal 2024 (post regulatory observation). The company, earlier, was recognising NPAs on account wise basis and this was revised to customer/borrower-wise from Q4 fiscal 2024. Owing to this revision, the overall gross NPAs of the company went up to 5% as of March 31, 2024, and 6.6% as of June 30, 2024. Further, given the company has majority portfolio towards gold loans, gross NPAs in this segment stood at 3.7% as of March 31, 2024, and 1.4% as of June 30, 2024. However, its non-gold loan portfolio (SME portfolio (8% of AUM)) saw larger impact with gross NPAs in this segment elevating to 39.8% as of June 30, 2024 (14.9% as of March 31, 2024). The increase has also been partially due to de-growth in this non-gold loan portfolio. The company, however, has made provisioning of Rs 10 crore (45%) during fiscal 2024 and Rs 15 crore during Q1 fiscal 2025 (total provisioning of around 31% as of June 2024), to cover on these NPAs.

Nevertheless, as far as gold loans are concerned, the ultimate credit costs are expected to remain low on account of low asset-side risk (security of gold, which is liquid and is in the lender's possession) in the gold finance business. However, the ability of the company to improve on its asset quality within non-gold loan (SME) segment will remain key monitorable.

Weaknesses:
Average, though improving, earnings profile
Indel Money started reporting profits only from fiscal 2017 and had modest return on assets (RoA) of 0.3-0.8% over the four fiscals through 2020. While the company scaled up operations substantially, earnings (in terms of both absolute profits and RoA) are lower than those of large gold loan financiers. Profitability was affected by high operating expenses as expansion in the gold finance segment in the past three fiscals led to high expenses (mainly for setting up branches).

Nevertheless, with improvement in scale, profitability also increased steadily. leading to ROMA of The company reported a profit after tax (PAT) of Rs 39.9 crore and RoMA of 2.4% in fiscal 2024, against Rs 23 crore and 1.9%, respectively, during fiscal 2023. Profitability continues to grow in fiscal 2025 as well, with a PAT of Rs 14.2 crore translating into ROMA of 2.9% (annualised) for the first quarter.

Operating expenses have remained in the range of 5.3% to 6% during the last 2 fiscals. With improvement in scale (primarily in newer branches), operating expenses are expected to come down over the medium term. As the portfolio scales up, the ability to raise resources at competitive costs will be key for further improvement in earnings profile. Additionally, management of timely auctions, and therefore, credit costs will be a key determinant of profitability over the medium term.

Geographical concentration in operations
The company had 320 branches as on August 31, 2024 (286 branches as on March 31, 2024), with operations concentrated in Karnataka (26%), followed by Tamil Nadu (23%), Andhra and Telangana (18%), Odisha (17%), and Maharashtra (8%). Indel Money plans to diversify operations in Andaman and Nicobar, West Bengal, Rajasthan and Gujarat during fiscal 2025.

<u>Liquidity: Adequate</u>
As per the asset liability maturity profile, there are no negative cumulative mismatches up to one year as on September 30, 2023. The company has a policy of maintaining a liquidity cover of 1 time for debt obligation arising over the upcoming month, in addition to the sanctions under pipeline. Overall free liquidity stood at Rs 88 crore as on August 31, 2024, in the form of cash and equivalents and CC/WCDL limit of Rs 23 crore. Indel Money has maintained several investments through a holding company, Indel Corporation Ltd. The promoters have articulated that some of these investments can be liquidated (if needed) or funds can be generated via dividends. Additionally, in their personal capacity, the promoters hold overseas investments that can be liquidated in case Indel Money requires any fund. Average monthly collection stood at around Rs 328 crore (including prepayments) between April and August 2024. The company also has the option to lower disbursements to manage repayments. As a policy, the promoters review liquidity and debt repayment on a weekly basis and accordingly decide on incremental disbursements.

<u>Outlook: Stable</u>
Indel Money will continue to benefit from the extensive experience of its management and its adequate capitalisation and sound asset quality.

<u>Rating Sensitivity Factors</u>
Upward Factors

- Ramp-up in operations with decline in regional concentration
- Significant increase in absolute earnings with RoMA improving to over 3% on steady-state basis
- Ability to enhance funding mix with higher proportion of bank funding along with reduction in cost of borrowing
- Improvement in capital position with gearing remaining below 5 times

Downward Factors
- Deterioration in profitability, with RoMA remaining below 1.5%
- Weakening of asset quality metrics or increase in credit costs

About the Company
Indel Money, a non-deposit-taking NBFC, was incorporated in 1986 as Payal Holdings Pvt Ltd. It was acquired by the current promoters in July 2012 and got its current name in January 2013. Indel Money primarily extends loans against gold jewellery. It also operates in the traders' loans, business loans, loans against property, vehicle loans, and money transfer segments. Indel Corporation Ltd, the holding company, is promoted by Mr Mohanan Gopalakrishnan and Mr Umesh Mohanan. It operates in the hospitality, and media and communication segments through various companies.

Key Financial Indicators

Particulars March 31	Unit	Q1 Fiscal 25*	2024	2023	2022	2021
Total assets	Rs crore	1264.6	1244.9	1013.9	736.8	502.2
Total income	Rs crore	78.8	291.1	187.3	123.0	94.7
PAT	Rs crore	14.2	39.9	20.5	2.1	8.7
90+ dpd	%	1.52	0.47	1.56	1.03	0.20
Gearing	Times	3.8	4.3	4.9	5.5	4.1
RoMA	%	2.9**	2.4	1.9	0.3	1.7

**as per provisional financial*
***on an annualized basis*

Any other information: Not Applicable

Note on complexity levels of the rated instrument:
CRISIL Ratings` complexity levels are assigned to various types of financial instruments and are included (where applicable) in the 'Annexure - Details of Instrument' in this Rating Rationale.

CRISIL Ratings will disclose complexity level for all securities - including those that are yet to be placed - based on available information. The complexity level for instruments may be updated, where required, in the rating rationale published subsequent to the issuance of the instrument when details on such features are available.

For more details on the CRISIL Ratings` complexity levels please visit www.crisilratings.com. Users may also call the Customer Service Helpdesk with queries on specific instruments.

Annexure - Details of Instrument(s)

ISIN	Name of instrument	Date of allotment	Coupon rate (%)	Maturity date	Issue size (Rs.Crore)	Complexity level	Rating Outstanding with Outlook
NA	Non-convertible debentures#	NA	NA	NA	150	Simple	CRISIL BBB+/Stable
INE0BUS07AJ6	Non-convertible debentures	19-Oct-23	8.17% XIRR	19-Jan-25	25	Simple	CRISIL BBB+/Stable
INE0BUS07064	Non-convertible debentures	25-Oct-21	10.75%	24-Oct-24	5.73	Simple	CRISIL BBB+/Stable
INE0BUS07072	Non-convertible debentures	25-Oct-21	10.75%	24-Oct-24	0.91	Simple	CRISIL BBB+/Stable
INE0BUS07080	Non-convertible debentures	25-Oct-21	Zero Coupon	24-Oct-24	2.39	Simple	CRISIL BBB+/Stable
INE0BUS07098	Non-convertible debentures	25-Oct-21	11.00%	24-Apr-26	6.32	Simple	CRISIL BBB+/Stable
INE0BUS08013	Non-convertible debentures	25-Oct-21	12.00%	24-Nov-26	27.01	Simple	CRISIL BBB+/Stable
INE0BUS08021	Non-convertible debentures	25-Oct-21	12.00%	24-Nov-26	0.84	Simple	CRISIL BBB+/Stable
INE0BUS08039	Non-convertible debentures	25-Oct-21	Zero Coupon	24-Sep-27	12.74	Simple	CRISIL BBB+/Stable
INE0BUS07940	Non-convertible debentures	23-Jun-23	11.5	23-Jul-28	28.06	Simple	CRISIL BBB+/Stable
INE0BUS07957	Non-convertible debentures	23-Jun-23	Zero Interest	23-Jul-28	0.47	Simple	CRISIL BBB+/Stable
INE0BUS07965	Non-convertible debentures	23-Jun-23	Zero Interest	23-Jun-29	14.79	Simple	CRISIL BBB+/Stable
INE0BUS07973	Non-convertible debentures	23-Jun-23	Zero Interest	23-Jun-25	9.4	Simple	CRISIL BBB+/Stable
INE0BUS07981	Non-convertible debentures	23-Jun-23	10.5	23-Jun-25	26.48	Simple	CRISIL BBB+/Stable
INE0BUS07AS7	Non-convertible debentures	16-Feb-24	10.75%	15-Feb-27	16.53	Simple	CRISIL BBB+/Stable
INE0BUS07AT5	Non-convertible debentures	16-Feb-24	11.50%	15-Feb-29	32.32	Simple	CRISIL BBB+/Stable
INE0BUS07AU3	Non-convertible debentures	16-Feb-24	Zero Interest	15-Feb-27	2.67	Simple	CRISIL BBB+/Stable
INE0BUS07AV1	Non-convertible debentures	16-Feb-24	Zero Interest	15-Feb-30	13.4	Simple	CRISIL BBB+/Stable
INE0BUS07AW9	Non-convertible debentures	16-Feb-24	Zero Interest	13-Feb-26	1.71	Simple	CRISIL BBB+/Stable
INE0BUS07AX7	Non-convertible debentures	16-Feb-24	9.75%	13-Feb-26	3.05	Simple	CRISIL BBB+/Stable
INE0BUS07AY5	Non-convertible debentures	16-Feb-24	9.00%	16-Feb-25	4.42	Simple	CRISIL BBB+/Stable

INE0BUS07AZ2	Non-convertible debentures	16-Feb-24	Zero Interest	16-Feb-25	4.02	Simple	CRISIL BBB+/Stable
INE0BUS07BA3	Non-convertible debentures	19-Jun-24	11.00%	19-Sep-25	25	Simple	CRISIL BBB+/Stable
NA	Cash credit	NA	10.50%	NA	16	NA	CRISIL BBB+/Stable
NA	Cash credit	NA	10.30%	NA	7.5	NA	CRISIL BBB+/Stable
NA	Overdraft facility	NA	10.00%	NA	10	NA	CRISIL BBB+/Stable
NA	Working Capital Term Loan	NA	10.9	15-Jul-26	29.32	NA	CRISIL BBB+/Stable
NA	Term Loan	NA	10.00%	15-Jan-25	6.82	NA	CRISIL BBB+/Stable
NA	Working Capital Term Loan	NA	10.90%	15-Jul-26	18.47	NA	CRISIL BBB+/Stable
NA	Working Capital Term Loan	NA	10.50%	27-Sep-26	12	NA	CRISIL BBB+/Stable
NA	Term Loan	NA	14.50%	1-Mar-28	30	NA	CRISIL BBB+/Stable
NA	Working Capital Term Loan	NA	10.65%	21-Jul-26	67.58	NA	CRISIL BBB+/Stable
NA	Working Capital Demand Loan	NA	NA	NA	34	NA	CRISIL BBB+/Stable
NA	Term Loan	NA	NA	17-Aug-26	25	NA	CRISIL BBB+/Stable
NA	Proposed Long Term Bank Loan Facility	NA	NA	NA	92.24	NA	CRISIL BBB+/Stable

#Yet to be issued

Annexure - Details of Rating Withdrawn

ISIN	Name of instrument	Date of allotment	Coupon rate (%)	Maturity date	Issue size (Rs.Crore)	Complexity level	Rating Outstanding with Outlook
NA	Non-convertible debentures#	NA	NA	NA	55.98	Simple	Withdrawn
NA	Non-convertible debentures#	NA	NA	NA	12.68	Simple	Withdrawn
NA	Non-convertible debentures#	NA	NA	NA	96.87	Simple	Withdrawn
INE0BUS07015	Non-convertible debentures	28-Jun-21	Variable Rate (14.93% XIRR)	15-Jun-24	20	Complex	Withdrawn
INE0BUS07924	Non-convertible debentures	23-Jun-23	Zero Interest	27-Jul-24	4.46	Simple	Withdrawn
INE0BUS07932	Non-convertible debentures	23-Jun-23	9	27-Jul-24	3.67	Simple	Withdrawn
INE0BUS07AA5	Non-convertible debentures	5-Jun-23	8.17%	5-Sep-24	10	Simple	Withdrawn
INE0BUS07AB3	Non-convertible debentures	5-Jun-23	1% XIRR	5-Sep-24	15	Simple	Withdrawn
NA	Commercial Paper	NA	NA	7 to 365 Days	25	Simple	Withdrawn

#Yet to be issued

Annexure - Rating History for last 3 Years

	Current			2024 (History)		2023		2022		2021		Start of 2021
Instrument	Type	Outstanding Amount	Rating	Date	Rating	Date	Rating	Date	Rating	Date	Rating	Rating
Fund Based Facilities	LT	348.93	CRISIL BBB+/Stable	21-05-24	CRISIL BBB+/Stable	14-12-23	CRISIL BBB+/Stable	26-08-22	CRISIL BBB/Stable	02-09-21	CRISIL BBB/Stable	CRISIL BBB-/Stable
			--		--	28-09-23	CRISIL BBB+/Stable		--	27-08-21	CRISIL BBB/Stable	--
			--		--	19-06-23	CRISIL BBB+/Stable		--	18-06-21	CRISIL BBB/Stable	--
			--		--	02-06-23	CRISIL BBB+/Stable		--	16-04-21	CRISIL BBB/Stable	--
			--		--	10-05-23	CRISIL BBB+/Stable		--		--	--
			--		--	02-05-23	CRISIL BBB+/Stable		--		--	--
Commercial Paper	ST	25.0	Withdrawn	21-05-24	CRISIL A2+	14-12-23	CRISIL A2+		--		--	--
			--		--	28-09-23	CRISIL A2+		--		--	--
			--		--	19-06-23	CRISIL A2+		--		--	--
Non Convertible Debentures	LT	413.26	CRISIL BBB+/Stable	21-05-24	CRISIL BBB+/Stable	14-12-23	CRISIL BBB+/Stable	26-08-22	CRISIL BBB/Stable	02-09-21	CRISIL BBB/Stable	--
			--		--	28-09-23	CRISIL BBB+/Stable		--	27-08-21	CRISIL BBB/Stable	--
			--		--	19-06-23	CRISIL BBB+/Stable		--	18-06-21	CRISIL BBB/Stable	--
			--		--	02-06-23	CRISIL BBB+/Stable		--		--	--

			--		--	10-05-23	CRISIL BBB+/Stable		--		--	--
			--		--	02-05-23	CRISIL BBB+/Stable		--		--	--

All amounts are in Rs.Cr.

Annexure - Details of Bank Lenders & Facilities

Facility	Amount (Rs.Crore)	Name of Lender	Rating
Cash Credit	16	Dhanlaxmi Bank Limited	CRISIL BBB+/Stable
Cash Credit	7.5	The South Indian Bank Limited	CRISIL BBB+/Stable
Overdraft Facility	10	Indian Bank	CRISIL BBB+/Stable
Proposed Long Term Bank Loan Facility	92.24	Not Applicable	CRISIL BBB+/Stable
Term Loan	25	The Karur Vysya Bank Limited	CRISIL BBB+/Stable
Term Loan	6.82	Indian Bank	CRISIL BBB+/Stable
Term Loan	30	IDFC FIRST Bank Limited	CRISIL BBB+/Stable
Working Capital Demand Loan	20.81	Dhanlaxmi Bank Limited	CRISIL BBB+/Stable
Working Capital Demand Loan	3.19	Dhanlaxmi Bank Limited	CRISIL BBB+/Stable
Working Capital Demand Loan	10	DCB Bank Limited	CRISIL BBB+/Stable
Working Capital Term Loan	18.47	State Bank of India	CRISIL BBB+/Stable
Working Capital Term Loan	12	Dhanlaxmi Bank Limited	CRISIL BBB+/Stable
Working Capital Term Loan	67.58	State Bank of India	CRISIL BBB+/Stable
Working Capital Term Loan	29.32	State Bank of India	CRISIL BBB+/Stable

Criteria Details

Links to related criteria
CRISILs Bank Loan Ratings - process, scale and default recognition
Rating Criteria for Finance Companies
CRISILs Criteria for rating short term debt

Media Relations	Analytical Contacts	Customer Service Helpdesk
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CRISIL Ratings pioneered the concept of credit rating in India in 1987. With a tradition of independence, analytical rigour and innovation, we set the standards in the credit rating business. We rate the entire range of debt instruments, such as bank loans, certificates of deposit, commercial paper, non-convertible/convertible/partially convertible bonds and debentures, perpetual bonds, bank hybrid capital instruments, asset-backed and mortgage-backed securities, partial guarantees and other structured debt instruments. We have rated over 33,000 large and mid-scale corporates and financial institutions. We have also instituted several innovations in India in the rating business, including ratings for municipal bonds, partially guaranteed instruments and infrastructure investment trusts (InvITs).

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ANNEXURE B – CONSENT OF THE DEBENTURE TRUSTEE

APPENDED OVERLEAF

CL No.: CL/MUM/2024/DEB/73 **Date: 24th September 2024**

Indel Money Limited ("Company")
301, Floor No. 3, Sai Arcade Road,
N. S. Road, Mulund West, Mumbai – 400080

Dear Ma'am/Sir

Sub: Proposed Public Offering of Secured Redeemable Non-Convertible Debenture ("NCDs") INR 7,500 lakhs ("Base Issue"), with an option to retain over-subscription up to ₹ 7,500 lakhs, aggregating up to ₹ 15,000 lakhs ("Issue") of Indel Money Limited ("Company" or "Issuer").

We, the undersigned, hereby consent to be named as the Debenture Trustee to the Issue and to our name being inserted as the Debenture Trustee to the Issue in the Draft Prospectus to be filed with the BSE Limited ("Stock Exchange") and to be forwarded to Securities and Exchange Board of India ("SEBI") and the Prospectus to be filed with the Registrar of Companies, Mumbai at Maharashtra ("RoC"), Stock Exchange and to be forwarded to SEBI in respect of the Issue and also in all related advertisements and communications sent pursuant to the Issue. The following details with respect to us may be disclosed:

Logo	
Name	Vistra ITCL (India) Limited
Address	The Capital Building, Unit no. 505-A2, Bandra Kurla Complex, Bandra East, Mumbai, Maharashtra, India, 400051
Tel	022 – 2659 3333
Fax	022 – 2653 3297
E-mail	itclcomplianceofficer@vistra.com
Investor Grievance e-mail	itclcomplianceofficer@vistra.com
Website	www.vistraitcl.com
Contact Person	Mr. Jatin Chonani - Compliance Officer
SEBI Registration Number	IND000000578
CIN	U66020MH1995PLC095507

We confirm that we are registered with the SEBI and that such registration is valid as on the date of this letter. We enclose a copy of our registration certificate enclosed herein as **Annexure A** and declaration regarding our registration with SEBI as **Annexure B**.

We also confirm that we have not been prohibited by SEBI to act as an intermediary in capital market issues. We confirm that we have not been prohibited to act as a debenture trustee by the SEBI.

We hereby authorise you to deliver this letter of consent to the RoC, pursuant to the provisions of Section 26 of the Companies Act, 2013 and other applicable laws or any other regulatory/statutory authorities as required by law.

We also agree to keep strictly confidential, until such time as the proposed transaction is publicly announced by the Company in the form of a press release, (i) the nature and scope of this transaction; and (ii) our knowledge of the proposed transaction of the Company.

We confirm that we will immediately inform the Company and the Lead Manager of any change to the above information until the date when the proposed Public Issue of NCDs commence trading on the Stock Exchange. In the absence of any such communication from us, the above information should be taken as updated information until the NCDs commence trading.

This letter may be relied upon by you, the Lead Manager and the legal advisor to the Issue in respect of the Issue.

Sincerely

For **Vistra ITCL (India) Limited**

Name: **Nazer Kondkari**
Designation: **Manager**

Registered office:
Vistra ITCL (India) Limited
Office No. 505 A2/ 5th floor,
B wing, The Capital building,
BKC, Bandra E, Mumbai -400051

Corporate office :
The Qube, 6th floor, 602
A wing Hasan pada road ,
Mittal industrial estate Marol ,
Andheri (East) Mumbai 400059

Tel : +91 22 2850 0028
Fax : +9122 2850 0029
Email: mumbai@vistra.com
www.vistraitcl.com

Vistra ITCL (India) Limited
Corporate Identity Number (CIN):U66020MH1995PLC095507

डिबेंचर न्यासी

प्ररूप ख

FORM-B

DEBENTURE TRUSTEE

भारतीय प्रतिभूति और विनिमय बोर्ड
SECURITIES AND EXCHANGE BOARD OF INDIA

(डिबेंचर न्यासी) विनियम, 1993
(DEBENTURE TRUSTEE) REGULATIONS, 1993

000276

(विनियम 8)

(Regulation 8)

रजिस्ट्रीकरण प्रमाणपत्र
CERTIFICATE OF REGISTRATION

1) बोर्ड, भारतीय प्रतिभूति और विनिमय बोर्ड अधिनियम, 1992 के अधीन डिबेंचर न्यासी के लिए बनाए गए नियमों और विनियमों के साथ पठित उस अधिनियम की धारा-12 की उपधारा (1) द्वारा प्रदत्त शक्तियों का प्रयोग करते हुए,

1) In exercise of the powers conferred by sub-section (1) of section 12 of the Securities and Exchange Board of India Act, 1992, read with the rules and regulations made thereunder for the debenture trustee the Board hereby grants a certificate of registration to

VISTRA ITCL INDIA LIMITED
IL&FS FINANCIAL CENTRE, PLOT NO. 22
G BLOCK, BANDRA KURLA COMPLEX, BANDRA EAST
MUMBAI – 400051, MAHARASHTRA

को नियमों में, शर्तों के अधीन रहते हुए और विनियमों के अनुसार डिबेंचर न्यासी के रूप में रजिस्ट्रीकरण का प्रमाणपत्र इसके द्वारा प्रदान करता है।

as a debenture trustee subject to the conditions in the rules and in accordance with the regulations.

2) डिबेंचर न्यासी के लिए रजिस्ट्रीकरण कूट **IND000000578** है।

2) Registration Code for the debenture trustee is

This certificate of registration shall be valid till it is suspended or cancelled by the Board.

3) जब तक नवीकृत न किया जाए, रजिस्ट्रीकरण का प्रमाणपत्र ... से ... तक विधिमान्य है।

3) Unless renewed, the certificate of registration is valid from ... to

आदेश से

भारतीय प्रतिभूति और विनिमय बोर्ड

के लिए और उसकी ओर से

By order

For and on behalf of

Securities and Exchange Board of India

स्थान Place : **Mumbai**

तारीख Date : **April 15, 2024**

RACHNA ANAND

प्राधिकृत हस्ताक्षरकर्ता Authorised Signatory

Annexure B

Date: 24th September 2024

Indel Money Limited ("Company")
301, Floor No. 3, Sai Arcade Road,
N. S. Road, Mulund West, Mumbai – 400080

Dear Ma'am/Sir

Sub: Proposed Public Offering of Secured Redeemable Non-Convertible Debenture ("NCDs") INR 7,500 lakhs ("Base Issue"), with an option to retain over-subscription up to ₹ 7,500 lakhs, aggregating up to ₹ 15,000 lakhs ("Issue") of Indel Money Limited ("Company" or "Issuer").

We hereby confirm that as on date the following details in relation to our registration with the Securities and Exchange Board of India as a Debenture Trustee is true and correct:

1.	Registration Number	U66020MH1995PLC095507
2.	Date of registration/ Renewal of registration	IND000000578
3.	Date of expiry of registration	Not Applicable
4.	If applied for renewal, date of application	Not Applicable
5.	Any communication from SEBI prohibiting the entity from acting as an intermediary	Not Applicable
6.	Any enquiry/ investigation being conducted by SEBI	Not Applicable
7.	Details of any penalty imposed by SEBI	Refer Annexure I

We hereby enclose a copy of our SEBI registration certificate.

We shall immediately intimate the Company of any changes, additions or deletions in respect of the matters covered in this certificate till the date when the securities of the Issuer, offered, issued and allotted pursuant to the Issue, are traded on the relevant Stock Exchange. In the absence of any such communication from us, the above information should be taken as updated information until the NCDs commence trading.

For Vistra ITCL (India) Limited

Authorized Signatory
Name : Nazer Kondkari
Designation : Manager

Registered office:
Vistra ITCL (India) Limited
Office No. 505 A2/ 5th floor,
B wing, The Capital building,
BKC, Bandra E, Mumbai -400051

Corporate office :
The Qube, 6th floor, 602
A wing Hasan pada road ,
Mittal industrial estate Marol ,
Andheri (East) Mumbai 400059

Tel : +91 22 2850 0028
Fax : +9122 2850 0029
Email: mumbai@vistra.com
www.vistraitcl.com

Vistra ITCL (India) Limited
Corporate Identity Number (CIN):U66020MH1995PLC095507

ANNEXURE C – DAY COUNT CONVENTION

[•]

ANNEXURE D – FINANCIAL STATEMENTS

[*Rest of the page intentionally kept blank*]

Bhatter & Company
CHARTERED ACCOUNTANTS

Limited review report on the unaudited Standalone quarterly financial results of Indel Money Limited pursuant to the Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To the Board of Directors of
Indel Money Limited, Mumbai

1. We have reviewed the accompanying statement of Unaudited Financial Results of Indel Money Limited ("the Company") for the quarter ended June 30, 2024 ("the Statement"), being submitted by the Company pursuant to the requirements of Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the Listing Regulations").

2. This Statement is the responsibility of the Company's Management and has been approved by the Company's Board of Directors. The Statement has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 '*Interim Financial Reporting*' prescribed under Section 133 of the Companies Act, 2013 (the Act) and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.

3. We conducted our Review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "*Review of Interim Financial Information Performed by Independent Auditor of the Entity*" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the interim financial statements are free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with applicable Indian Accounting Standards prescribed under Section 133 of the Act and other recognized accounting practices and policies generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 52 of the Listing Regulations, including the manner in which it is to be disclosed or that it contains any material misstatement.

For Bhatter & Company
Chartered Accountants
Firm Regn. No. 131092W

BHATTER & CO. MUMBAI M. No. 16937 FRN 131092W CHARTERED ACCOUNTANTS

Place: Mumbai
Dated: 9th August, 2024

D.H. Bhatter
Proprietor
Membership No. 016937
UDIN: 24016937BKBYPL9849

INDEL MONEY LIMITED
(Office No.301, Floor No.3, Sai Arcade N.S Road, Mulund West, Mumbai - 400 080)
Statement of Profit and Loss for the year ended June 30, 2024

(₹ in lakhs)

Particulars	For Quarter ended			For the year ended
	June 30, 2024 (Un Audited)	March 31, 2024 (Audited)	June 30, 2023 (Un Audited)	March 31, 2024 (Audited)
Revenue from operations				
Interest income	6,303.83	5,605.71	6,528.75	26,450.85
Fees and commision income	72.34	292.65	22.85	370.24
Gain on De Recognition of Loan Assets	1,475.67	2,080.02	-	2,080.02
Total revenue from operations	7,851.84	7,978.38	6,551.60	28,901.11
Other income	25.29	(73.00)	85.36	212.08
Total Income (I)	7,877.12	7,905.38	6,636.96	29,113.19
Expenses				
Finance costs	3,078.65	3,625.59	2,411.91	11,612.90
Impairment on financial instruments	154.55	1,098.17	242.74	2,595.53
Employee benefits expenses	1,630.67	1,441.84	1,014.52	4,882.63
Depreciation and amortisation expense	404.23	387.77	282.61	1,322.38
Other expenses	932.86	1,041.15	658.98	3,124.02
Total Expenses (II)	6,200.96	7,594.52	4,610.75	23,537.46
Profit / (Loss) before tax (III)=(I)-(II)	1,676.16	310.86	2,026.20	5,575.73
Tax expense				
Current tax	247.78	186.38	636.00	1,733.38
Earlier Year Tax Adjustment	93.74	16.26	-	16.26
Deferred tax	(87.42)	(100.58)	(56.89)	(160.04)
Total tax expense (IV)	254.10	102.06	579.11	1,589.60
Profit / (Loss) for the year (V)=(III)-(IV)	1,422.06	208.80	1,447.10	3,986.13
Other comprehensive income				
Items that will not be reclassified to profit and loss				
Remeasurement of the net defined benefit (liability)/ass	(10.36)	4.49	15.31	(41.43)
Income tax relating to the above	2.61	21.99	3.85	10.43
Items that will be reclassified to profit and loss				
Remeasurement of loan assets				
Income tax relating to the above				
Other comprehensive income/(loss) for the Year, net of tax	(7.75)	26.48	19.16	(31.00)
Total comprehensive income/(loss) for the Year (V)+(VI)	1,414.31	235.28	1,466.26	3,955.13
Earnings per equity share				
[Nominal value of share Rs.10]				
Basic	0.79	0.22	1.09	2.86
Diluted	0.79	0.22	1.09	2.86

For and on behalf of Board of Directors of Indel Money Limited

Name : Mohanan Gopalakrishnan
Designation : Managing Director
DIN: 02456142
Place : Kochi
Date: 09.08.2024

INDEL MONEY LIMITED

We care for your needs

INDEL MONEY LIMITED

(formerly known as "Indel Money Private Limited")

Office No.301, Floor No.3, Sai Arcade N.S Road, Mulund West, Mumbai - 400 080

Notes to financial results as at June 30, 2024

1 The above results have been reviewed by the Audit Committee dated August 09, 2024 and approved by the Board of Directors of Indel Money Limited at their respective meeting held on August 09, 2024.

2 The company has adopted Indian Accounting Standards (IND AS) as notified under section 133 of the Companies Act 2013 read with Companies (Indian Accounting Standards) Rules from April 01, 2019. Financial Statements have been presented in accordance with format prescribed for Non Banking Fianancial Companies under the Companies (Indian Accounting Standards) rules 2015 in Division III of schedule III

3 The above financial results have been audited by the statutory auditors of the Company as required under regulation 52 of the SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015 ("Listing Regulations").

4 Other Equity includes Statutory reserve as per section 45 IC of the Reserve Bank of India Act 1934, Securities Premium, Capital Reserve, Revaluation reserve, General Reserve, Retained Earnings and other comprehensive Income.

5 The company is engaged primarily in the business of financing and accordingly there are no separate reportable segments as per IND AS-108 dealing with Operating Segments.

6 Previous quarter/nine months/year figures have been regrouped / rearranged wherever necessary, to conform with the current period presentation.

7 During the quarter ended June 30, 2024, the Company has transferred loans amounting to Rs.49,132.45 lacs through Co-lending arrangements to the respective participating banks which are akin to Direct assignment transaction under circular no. RBI/2020-2021/63 FIDD.CO.Plan.BC.No.8/04.09.0 1/2020-2 1, dated November 05, 2020,

8 Details of credit ratings assigned by various credit rating agencies.

Rating Agency	Instrument	Rating
CRISIL Rating	Bank Loan Facilities	CRISIL BBB+; Stable
CRISIL Rating	NCD, Non-Convertible Debentures	CRISIL BBB+; Stable
Acuité Ratings	NCD, Non-Convertible Debentures	ACUITE BBB+/Stable

INDEL MONEY LIMITED

Disclosure pursuant to Regulation 54 of Securities and Exchange Board of India (Listing Obligations And Disclosure Requirements) Regultions, 2015.

a) Nature of security

The principal amount of the Secured NCDs issued together with all interest due on the Secured NCDs, as well as all costs, charges, all fees, remuneration of Debenture Trustee and expenses payable in respect thereof shall be secured by way of first ranking pari passu charge with Existing Secured Creditors, on current assets, including book debts, receivables, loans and advances and cash & bank balances (excluding reserves created in accordance with law and exclusive charge created in favor of secured charge holders in terms of their respective loan agreements/documents), both present and future of the Company.

b) Disclosure of the asset cover available in case of non-convertible debt securities pursuant to regulation 54(3) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation 2015;

The Company has maintained requisite full asset cover by way of floating charge on book debts of the Company on its Secured Listed non-convertible debentures as at June 30, 2024.

9 There is no deviation in the use of issue proceeds of non-convertible securities as compared to the objects of the issue.

10 The Reserve Bank of India (RBI) vide its circular no. RBI/20 21-2022/ 125 DOR.STR. REC.68/21.04.048/2021-22 dated November 12, 2021 on "Prudential norms on Income Recognition, Asset Classification and Provisioning (IRACP) pertaining to Advances - Clarifications", had clarified / harmonized certain aspects of extant regulatory guidelines with a view to ensuring uniformity in the implementation of IRACP norms across all lending institutions. The Company has since taken necessary steps to implement the provisions of this circular under TRAMP norms effective from November 12, 2021.

11 The Indian Parliament has approved the Code on Social Security, 2020 which subsumes the Provident Fund and the Gratuity Act and rules thereunder. The Ministry of Labour and Employment has also released draft rules thereunder 13 November 2020 and has invited suggestions from stakeholders which are under active 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.

12 Information as required by Regulation 52(4) of the SEBI(Listing Obligation and Disclosure Requirements) Regulations 2015 as amended, is attached as Annexure 1

Name	: Mohanan Gopalakrishnan
Designation	: Managing Director
DIN	: 02456142
Place	: Kochi
Date	: 09.08.2024

INDEL MONEY LIMITED *

INDEL money
We care for your needs

Annexure 1

Disclosures in compliance with Regulations 52(4) of the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirement) Regulations, 2015 for the Quarter ended June 30, 2024

Sl No	Particulars		Ratio
1	Debt Equity Ratio		3.76
2	Debt service coverage ratio;		0.06
3	Interest Service Coverage Ratio		1.54
4	outstanding redeemable preference shares (quantity and value)		NA
5	capital redemption reserve/debenture redemption reserve		NA
6	Debenture redemption reserve		NA
7	Net Worth (In lakh)		23,632.44
8	Profit After Tax (In Lakh)		1,422.06
9	Earning Per Share (Not Annualised)		
	a. Basic		0.79
	b. Diluted		0.79
6	Current Ratio		2.64
	long term debt to working capital;		NA
	bad debts to Account receivable ratio;		0.00
	current liability ratio;		NA
7	Total Debts to Total Assets		0.70
	debtors' turnover;		NA
	inventory turnover;		NA
8	Operating Margin		0.21
9	Net Profit Margin		0.18
10	Sector Specific equivalent Ratios		
	a. Gross NPA		6,878.90
	b. Net NPA		4,923.93
	C. % of Gross NPA		6.56%

Indel Money Limited (Formerly known as "Indel Money Private Limited")
Corporate Office
Indel House, Changampuzha Nagar, South Kalamassery P.O
Ernakulam, Kerala, India, PIN: 682033
customercare@indelmoney.com, www.indelmoney.com

Registered Office
Office No.301, Floor No 3, Sai Arcade
N.S Road, Mulundu West, Mumbai - 400080

CIN-U65990MH1986PLC040897

	C. % of Net NPA	4.70%
	c. Capital Risk Adequacy Ratio (CRAR%)	23.13%

For **Indel Money Limited**

INDEL MONEY LIMITED

Name : Mohanan Gopalakrishnan
Designation : Managing Director
DIN : 02456142
Place : Kochi
Date : 09.08.2024

Indel Money Limited (Formerly known as "Indel Money Private Limited")
Corporate Office
Indel House, Changampuzha Nagar, South Kalamassery P.O
Ernakulam, Kerala, India, PIN: 682033
customercare@indelmoney.com, www.indelmoney.com

Registered Office
Office No.301, Floor No 3, Sai Arcade
N.S.Road, Mulundu West, Mumbai - 400080

CIN:U65990MH1986PLC040897

CERT.NO./BC/67/2024-25

To,
BSE Limited,
P.J. Towers, Dalal Street,
Mumbai – 400 001.

Sub: Statement on utilization of issue proceeds of non-convertible securities pursuant to Regulation 52(7) of the SEBI LODR Regulations, 2015

We, hereby confirm that the Company has issued the following debentures as on quarter ended 30th June, 2024 and all proceeds of the issue have been fully utilized/ the purpose for which these proceeds were raised have been achieved:

A. Statement of utilization of issue proceeds:

Name of the Issuer	ISIN	Mode of Fund Raising (Public issues/ Private placement)	Type of instrument	Date of raising funds	Amount Raised (₹ in Lakhs)	Funds utilized	Any deviation (Yes / No)	If 8 is Yes, then specify the purpose of for which the funds were utilized	Remarks, if any
Indel Money Limited	2	3	4	5	6	7	8	9	10
	INE0BUS07023	Public Issue (Redeemed)	NCD	25.10.2021	337.54	337.54	No		
	INE0BUS07031	Public Issue (Redeemed)	NCD	25.10.2021	247.62	247.62	No		
	INE0BUS07049	Public Issue (Redeemed)	NCD	25.10.2021	2,129.48	2,129.48	No		
	INE0BUS07056	Public Issue (Redeemed)	NCD	25.10.2021	1,092.59	1,092.59	No		
	INE0BUS07064	Public Issue	NCD	25.10.2021	573.28	573.28	No		
	INE0BUS07072	Public Issue	NCD	25.10.2021	90.57	90.57	No		
	INE0BUS07080	Public Issue	NCD	25.10.2021	238.68	238.68	No		
	INE0BUS07098	Public Issue	NCD	25.10.2021	631.83	631.83	No		
	INE0BUS08013	Public Issue	NCD	25.10.2021	2701.18	2701.18	No		
	INE0BUS08021	Public Issue	NCD	25.10.2021	83.93	83.93	No		
	INE0BUS08039	Public Issue	NCD	25.10.2021	1274.19	1274.19	No		

BHATTER & CO. MUMBAI M. No. 16937 FRN 131092W CHARTERED ACCOUNTANTS

307, Tulsiani Chambers, Nariman Point, Mumbai - 400 021
Tel.: 2285 3039 / 3020 8868 • E-mail : dhbhatter@gmail.com

	INE0BUS07502	Public Issue (Redeemed)	NCD	28.06.2022	433.2	433.2	No		
	INE0BUS07528	Public Issue (Redeemed)	NCD	28.06.2022	201.45	201.45	No		
	INE0BUS07510	Public Issue (Redeemed)	NCD	28.06.2022	138.28	138.28	No		
	INE0BUS07536	Public Issue (Redeemed)	NCD	28.06.2022	148.31	148.31	No		
	INE0BUS07544	Public Issue (Redeemed)	NCD	28.06.2022	3332.33	3332.33	No		
	INE0BUS07551	Public Issue (Redeemed)	NCD	28.06.2022	1104.33	1104.33	No		
	INE0BUS07569	Public Issue	NCD	28.06.2022	2101.24	2101.24	No		
	INE0BUS07577	Public Issue	NCD	28.06.2022	689.18	689.18	No		
	INE0BUS07932	Public Issue	NCD	23.06.2023	366.99	366.99	No		
	INE0BUS07924	Public Issue	NCD	23.06.2023	445.53	445.53	No		
	INE0BUS07981	Public Issue	NCD	23.06.2023	2647.83	2647.83	No		
	INE0BUS07973	Public Issue	NCD	23.06.2023	940.05	940.05	No		
	INE0BUS07940	Public Issue	NCD	23.06.2023	2805.35	2805.35	No		
	INE0BUS07957	Public Issue	NCD	23.06.2023	47.34	47.34	No		
	INE0BUS07965	Public Issue	NCD	23.06.2023	1478.77	1478.77	No		
	INE0BUS07684	Private Placement (Redeemed)	NCD	01.09.2022	2500	2500	No		
	INE0BUS07643	Private Placement (Redeemed)	NCD	01.09.2022	2500	2500	No		
	INE0BUS07AB3	Private Placement	NCD	05.06.2023	1500	1500	No		
	INE0BUS07AA5	Private Placement	NCD	05.06.2023	1000	1000	No		
	INE0BUS07AJ6	Private Placement	NCD	19.10.2023	2500	2500	No		
	INE0BUS07AY5	Public Issue	NCD	16.02.2024	441.98	441.98	No		
	INE0BUS07AZ2	Public Issue	NCD	16.02.2024	402.05	402.05	No		
	INE0BUS07AX7	Public Issue	NCD	16.02.2024	305.07	305.07	No		
	INE0BUS07AW9	Public Issue	NCD	16.02.2024	170.77	170.77	No		
	INE0BUS07AS7	Public Issue	NCD	16.02.2024	1653.10	1653.10	No		
	INE0BUS07AU3	Public Issue	NCD	16.02.2024	267.37	267.37	No		
	INE0BUS07AT5	Public Issue	NCD	16.02.2024	3232.30	3232.30	No		
	INE0BUS07AV1	Public Issue	NCD	16.02.2024	1340.11	1340.11	No		
	INE0BUS07BA3	Private Placement	NCD	19.06.2024	2500	2500	No		

B. Statement of deviation/ variation in use of Issue proceeds:

Particulars	Remarks
Name of listed entity	Indel Money Limited
Mode of fund raising	Public issue & Private placement
Type of instrument	Non-convertible Debentures

BHATTER & CO.
MUMBAI
CHARTERED ACCOUNTANTS

Date of raising funds	As per Part A
Amount raised	As per Part A
Report filed for quarter ended	30th June, 2024
Is there a deviation/ variation in use of funds raised?	No
Whether any approval is required to vary the objects of the issue stated in the prospectus/ offer document?	No
If yes, details of the approval so required?	No
Date of approval	NA
Explanation for the deviation/ variation	NA
Comments of the audit committee after review	NA
Comments of the auditors, if any	NA
Objects for which funds have been raised and where there has been a deviation/ variation, in thefollowing table:	
Not Applicable	
Deviation could mean: a. Deviation in the objects or purposes for which the funds have been raised. b. Deviation in the amount of funds actually utilized as against what was originally disclosed.	

Kindly take the same on record.

Thanking You,

Yours Faithfully,

For M/s Bhatter & Company
Chartered Accountants
FRN 131092W
UDIN: 24016937BKBYPG4856

Daulal H Bhatter
Proprietor
M NO: 016397

Place: Mumbai
Date:09/08/2024

Independent Auditors' Report

TO THE MEMBERS OF

INDEL MONEY LIMITED

Report on Audit of the Financial Statements

Opinion

We have audited the financial statements of Indel Money Limited ("the Company"), which comprise the Balance Sheet as at 31st March, 2024, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2024, the Profit and total comprehensive profit, changes in equity and its cash flow for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements for the current year. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sr.No.	Key Audit Matter	Auditor's Response
1	**Expected Credit Loss under IND AS 109 "Financial Instruments"** The Company recognises Expected Credit Losses (ECL) on loan assets under IND AS 109 "Financial Instruments" based on the Expected Credit Loss model developed by the Company. The estimation of expected credit loss on financial instruments involves significant judgement and estimates. Key estimates involve determining Exposure at Default (EAD), Probability at Default (PD) and Loss Given Default (LGD) using historical information. Hence, we have considered the estimation of ECL as a Key Audit Matter.	Assessed the accounting policy for impairment of financial assets and its compliance with IND AS 109. • Obtained an understanding of the Company's Expected Credit Loss (ECL) calculation and the underlying assumptions. • Tested the key controls over the assessment and identification of significant increase in credit risk and staging of assets. • Sample testing of the accuracy and appropriateness of information used in the estimation of Probability of Default (PD) and Loss Given Default (LGD). • Tested the arithmetical accuracy of the computation of PD and LGD and also performed analytical procedures to verify the reasonableness of the computation. • Assessed the disclosure made in relation to IND AS 109 for ECL allowance. Further, we also assessed whether the disclosure of key judgements and assumptions are adequate.
2	**IT Systems and Controls** The Company uses Information Technology (IT) application for financial accounts and reporting process. Any gap in the financial accounting and reporting process may result in a misstatement, hence we have identified IT systems and controls over financial reporting as a Key Audit Matter.	Understood the IT systems and controls over key financial accounting and reporting systems. • Tested the general IT controls for design and operating effectiveness. • Understood the changes made in the IT environment during the year and ascertained its effect on the financial statements controls and accounts. • We also assessed, through sample tests, the information generated from these systems which were relied upon for our audit.

Other Information

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

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

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

Responsibilities of Management and those charged with Governance for the Financial Statements

The Company's Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to preparation of these Financial Statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India.

This responsibility also includes maintenance of adequate accounting records in accordance with provisions of the Act for safeguarding assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for audit of the Financial Statements

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

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 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 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 appropriateness of accounting policies used and reasonableness of accounting estimates and related disclosures made by management.
- Conclude on appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures

are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the 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 financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of Sub-section (11) of Section 143 of the Act, and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure-A a statement on the matters specified in paragraph 3 of the Order.

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

   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;

   b) In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books of accounts;

   c) The Balance Sheet, Statement of Profit and Loss (including other comprehensive income), the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;

   d) In our opinion, the aforesaid Ind AS financial statements comply with the accounting standards specified under section 133 of the Act;

   e) On the basis of written representations received from the directors as on 31st March 2024 and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2024, from being appointed as a director in terms of sub section (2) of Section 164 of the Act;

f) With respect to adequacy of the internal financial control over financial reporting of the Company and operating effectiveness of such control, refer to our separate Report in Annexure 'B'; and

g) As required by Section 197(16) of the Act, we report that the Company has paid remuneration to its directors during the year in accordance with the provisions of and limits laid down under Section 197 read with Schedule V to the Act.

h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i. The Company has disclosed its pending litigations in its financial statements which would impact its financial position other than those mentioned in the Notes No. 33 to the accounts.

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and

iii. There were no amounts which were required to be transferred, to the Investor Education and Protection Fund by the Company.

iv. (a) As per the information and explanation given to us by the management, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person or entity, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(b) As per the information and explanation given to us by the management, no funds have been received by the company from any person or entity, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

(c) On the basis of above representations, nothing has come to our notice that has caused us to believe that the above representations contained any material mis-statement.

v. The Company has not declared or paid any dividend during the year.

vi. Based on our examination, which included test checks, the Company has used accounting software for maintaining its books of account for the financial year ended March 31, 2024 which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software except that audit trail feature was not enabled at the database level to log any direct data changes. Further, during the course of our audit, we did not come across any instance of audit trail feature being tampered with, in respect of accounting software for the period for which the audit trail feature was enabled and operating.

For **Bhatter & Company**
Chartered Accountants
Firm Registration No: 131092W
UDIN: 24016937BKBYMD9817

Daulal H Bhatter
Proprietor
Membership No. 016937
Date : May 30, 2024
Place : Kochi

ANNEXURE 'A' TO INDEPENDENT AUDITOR'S REPORT

Annexure **'A'** referred to in Paragraph 1 of Report on Other Legal and Regulatory Requirements in our report to members of **INDEL MONEY LIMITED** ("the Company") for the year ended 31st March, 2024.

We report that:

i. In respect of its Property, Plant & Equipment:

(a) (A) The Company is maintaining proper records showing full particulars including quantitative details and situation of Property, Plant & Equipment;

(B) The Company is maintaining proper records showing full particulars of Intangible Asset.;

(b) The Company has a regular programme of physical verification of Property, Plant & Equipment which is, in our opinion, reasonable having regard to the size of the Company and the nature of its assets. In accordance with this programme, certain Property, Plant & Equipment have been physically verified by the management during the year and no material discrepancies have been noticed on such verification;

(c) According to the information and explanations received by us, as the Company owns no immovable properties, the requirement on reporting whether title deeds of immovable properties held in the name of the Company is not applicable.;

(d) As per the information and explanation given to us by the management, the Company has not revalued its Property, Plant and Equipment (including Right of Use assets) during the year and hence provisions of Clause 3(i)(d) of the Order are not applicable to the Company;

(e) As per the information and explanation given to us by the management, no proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder and hence provisions of Clause 3(i)(e) of the Order are not applicable to the Company.

ii. In respect of its inventories:

(a) The Company is a Non-Banking Finance Company and its business does not require maintenance of inventories. Accordingly, the provision of clause 3(ii)(a) of the Order is not applicable to the Company;

(b) The Company has been sanctioned working capital limits in excess of 5 Crores in aggregate from banks or financial institutions on the basis of security of current assets. In our opinion, the quarterly statements filed with banks or financial institutions are in agreement with the books

iii. (a) The principal business of the Company is to give loans, hence the requirement to report on clause 3(iii) (a) of the Order is not applicable to the Company

(b) During the year the investments made, guarantee provided, security given and the terms and conditions of the grant of all loans and advances in the nature of loans and guarantees are, in our opinion, not prejudicial to the Company's interest

(c) In respect of loans and advances in the nature of loans granted by the Company, the schedule of repayment of principal and payment of interest has been stipulated. Being a Non-Banking (Non- Deposit Taking Systematically Important) Finance Company, there are instances where the repayment of principal and interest are not as per the stipulated terms.

(d) In respect of loans and advances granted by the Company, and amount overdue for more than ninety days. In our opinion and according to the information and explanations given to us, reasonable steps have been taken by the Company for recovery of the principal and interest.

(e) The principal business of the Company is to give loans, hence the requirement to report on clause 3(iii) (e) of the Order is not applicable to the company.

(f) 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. Hence the requirement to report loans granted to promoters, related parties as defined in clause 76 of section 2 of the Act or to any other parties on clause 3(iii) (f) of the Order is not applicable.

iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of sections 185 and 186 of the Act in respect of loans granted, investments made and guarantees given, where applicable. The Company has not provided any security for which the provisions of section 185 and 186 of the Act are applicable.

v. The Company has not accepted any deposits from the public or amounts which are deemed to be deposits during the year which attract the directives issued by the Reserve Bank of India. Being a Non-Banking Finance Company registered with Reserve Bank of India, the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Rules framed there under regarding acceptance of deposits are not applicable. Accordingly, paragraph 3(v) of the Order is not applicable to the Company.

vi. In our opinion and according to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under Section 148(1) of the Act for the Company.

vii. (a). In our opinion and according to the information and explanations given to us, the Company has generally been regular in depositing any undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues to the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income tax, goods and services tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues were in arrears as at March 31, 2024, for a period of more than six months from the date they became payable.

(b) In our opinion and according to the information and explanations given to us, there are no disputed amounts dues to be deposited in respect of goods and services tax, provident fund, employees' state insurance, sales tax, duty of customs, duty of excise, value added tax and cess as at March 31, 2024.

viii. In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no instances of any transactions not recorded in the books of account which have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

ix. (a) In our opinion and 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 or other borrowings 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 audit procedures, we report that the Company has not been declared a wilful defaulter by any bank or financial institution or any other lender.

(c) In our opinion and according to the information and explanations given to us, the Company has utilized the money obtained by way of term loans for the purpose for which they were obtained.

(d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the Company, we report that no funds raised on short-term basis have, prima facie not been utilized for long-term purposes by the Company.

(e) According to the information and explanations given to us and on an overall examination of the 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.

(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, joint ventures or associate companies.

x. (a) According to the information and explanations provided to us and the records of the Company examined by us, the Company has not raised monies by way of initial public offer or further public offer except for the public offer of debt instruments.

According to the information and explanation provided to us and the records of the Company examined by us, the monies raised by way of public offer of debt instruments during the year were applied for the purposes for which those were raised.

(b) According to the information and explanations given to us, the Company has made preferential allotment of equity shares during the year and the requirements of Section 42 and Section 62 of the Companies Act, 2013 has been complied with and the funds raised have been used for the purpose for which fund was raised.

xi. (a) To the best of our knowledge and according to the information and explanations given to us, there have been instances of fraud on the Company amounting to Rs 139.40 lakhs as included in Note 61 to the financial statements. No fraud by the Company has been noticed or reported during the year, nor have we been informed of any such instance by the management

(b) No report under sub-section (12) of section 143 of the Act has been filed in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government during the year by the Statutory Auditors and up to the date of this Report.

(c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.

xii. The Company is not a Nidhi company as prescribed under Section 406 of the Companies Act. Accordingly, the reporting requirement under clause 3 (xii) of the Order is not applicable.

xiii. In our opinion and according to the information and explanations given to us, all transactions with related parties are in compliance with Sections 177 and 188 of the Act, where applicable, and the details of such transactions have been disclosed in the financial statements as required by the applicable Indian Accounting Standards.

xiv. (a) In our opinion and based on our examination, the Company has an internal audit system commensurate with the size and nature of its business.

(b) The internal audit is performed as per a planned program approved by the management and those charged with governance of the Company. We have considered, during the course of our audit, the reports of the branch internal audits for the year under audit in accordance with the guidance provided in SA 610 'Using the Work of Internal Auditors' issued by the Institute of Chartered Accountants of India.

xv. According to the information and explanations given to us, in our opinion, during the year the Company has not entered into any non-cash transaction with its directors or persons connected with its directors and hence reporting requirement under Clause 3 (xv) of the Order are not applicable to the Company.

xvi. (a) The Company is a Non-Banking Finance Company and is required to obtain Registration under section 45-IA of the Reserve Bank of India Act, 1934 and such registration has been obtained.

(b) The Company has a valid Certificate of Registration (CoR) from the Reserve Bank of India (RBI) for conducting Non-Banking Financial activities and no business has been conducted by the Company without a valid CoR.

(c) The Company is not a Core Investment Company (CIC)as defined in the regulations made by the Reserve Bank of India. Accordingly, the reporting requirements under clause 3 (xvi)(c) of the Order is not applicable.

(d) As per the information and explanations given to us, there are no core investment companies as defined in the regulations made by the Reserve Bank of India as part of its group and hence the reporting requirements under clause 3 (xvi)(d) of the Order are not applicable.

xvii. The Company has not incurred any cash losses in the financial year and in the immediately preceding financial year.

xviii. There has been no resignation of the statutory auditors during the year, and hence provisions of Clause 3(xviii) of the Order are not applicable to the Company;

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

xx. (a) In our opinion and according to the information and explanations given to us, there is no unspent amount required to be transferred to a fund specified in Schedule VII of the Companies Act in compliance with second proviso to sub section 5 of section 135 of the said Act for the year.

(b) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not transferred any unspent amount under sub section 5 of section 135 of the Companies Act, pursuant to ongoing projects to a special account in compliance with the provision of section 135(6) of the Companies Act.

For **Bhatter & Company**
Chartered Accountants
Firm Registration No: 131092W
UDIN: 24016937BKBYMD9817

Daulal H Bhatter
Proprietor
Membership No. 016937
Date : May 30, 2024
Place : Kochi

ANNEXURE 'B' TO INDEPENDENT AUDITOR'S REPORT

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

We have audited the internal financial controls over financial reporting of Indel Money Limited ('the Company') as of 31st March 2024 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring orderly and efficient conduct of its business, including adherence to Company's policies, safeguarding of its assets, prevention and detection of frauds and errors, accuracy and completeness of the accounting records, and timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

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

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2024, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **Bhatter & Company**
Chartered Accountants
Firm Registration No: 131092W
UDIN: 24016937BKBYMD9817

Daulal H Bhatter
Proprietor
Membership No. 016937
Date : May 30, 2024
Place : Kochi

INDEL MONEY LIMITED
(Office No.301, Floor No.3, Sai Arcade N.S Road, Mulund West, Mumbai - 400 080)
Balance Sheet as at March 31, 2024
(Rupees in Lakhs, unless otherwise stated)

Particulars	Note No.	As at March 31, 2024	As at March 31, 2023
I. Assets			
1. Financial assets			
(a) Cash and cash equivalents	3	9,551.40	3,666.14
(b) Bank balances other than cash and cash equivalents	4	2,857.70	5,282.94
(c) Receivables	5	9.27	10.79
(d) Loans	6	1,01,395.33	72,365.87
(e) Investments	7	-	11,772.88
(f) Other financial assets	8	1,112.08	959.50
2. Non-financial assets			
(a) Current tax asset (net)	9	-	599.88
(b) Deferred tax asset (net)	52	417.47	247.01
(c) Property, plant and equipment	10	1,769.48	1,210.78
(d) Right-of-use assets	11	6,169.35	3,492.63
(e) Other Intangible assets	10	137.20	124.58
(f) Other non-financial assets	12	1,074.11	812.10
Total Assets		**1,24,493.39**	**1,00,545.10**
II. Liabilities and Equity			
Liabilities			
1. Financial liabilities			
(a) Payables			
(I) Trade payables			
(i) total outstanding dues of micro enterprises and small enterprises		-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	13	127.74	50.33
(b) Debt securities	14	37,210.68	30,456.38
(c) Borrowings (other than debt securities)	15	36,761.04	28,516.10
(d) Subordinated Liabilities	16	16,799.20	17,826.40
(e) Lease liability	11	6,984.95	3,779.75
(f) Other financial liabilities	17	4,465.92	3,538.60
2. Non Financial liabilities			
(a) Current tax liabilities (net)			
(b) Provisions	18	571.61	114.97
(c) Other non financial liabilities	19	454.13	99.58
Equity			
(a) Equity Share capital	20	14,314.70	13,314.70
(b) Other equity	21	6,803.42	2,848.29
TOTAL		**1,24,493.39**	**1,00,545.10**
Summary of significant accounting policies	2.2		
Accompanying notes are an integral part of the financial statements			

As per our report of even date attached

For Bhatter & Company
Chartered Accountants
Firm's Registration Number : 131092W
UDIN:- 24016937BKBYMD9817

D.H. Bhatter
Proprietor
Membership No. 016937
Place: Kochi
Date: 30/05/2024

For and on behalf of Board of Directors of Indel Money Limited

Mohanan Gopalakrishanan
Managing Director
DIN No.02456142

Hanna P Nazir
Company Secretary
Membership No. A51727

Umesh Mohanan
Whole Time Director
DIN No. 02455902

Narayanan Pisharath
Chief Financial Officer

INDEL MONEY LIMITED

INDEL MONEY LIMITED
(Office No.301, Floor No.3, Sai Arcade N.S Road, Mulund West, Mumbai - 400 080)
Statement of Profit and Loss for the year ended March 31, 2024

(₹ in lakhs)

Particulars	Note No.	For the year ended March 31, 2024	For the year ended March 31, 2023
Revenue from operations			
(i) Interest income	22	26,450.85	18,487.98
(ii) Fees and commisison income	23	370.24	35.30
(iii) Gain on De Recognition of Loan Assets		2,080.02	-
Total revenue from operations		**28,901.11**	**18,523.28**
Other income	24	212.08	206.47
Total Income (I)		**29,113.19**	**18,729.75**
Expenses			
(i) Finance costs	25	11,612.90	8,459.04
(ii) Impairment on financial instruments	26	2,595.53	802.90
(iii) Employee benefits expenses	27	4,882.63	3,574.37
(iv) Depreciation and amortisation expense	28	1,322.38	965.82
(v) Other expenses	29	3,124.02	2,008.47
Total Expenses (II)		**23,537.46**	**15,810.60**
Profit / (Loss) before tax (III)=(I)-(II)		**5,575.73**	**2,919.15**
Tax expense			
Current tax		1,733.38	886.76
Deferred tax		(160.04)	(10.67)
Erlier year Tax adjustements		16.26	(11.06)
Total tax expense (IV)		**1,589.60**	**865.03**
Profit / (Loss) for the year (V)=(III)-(IV)		**3,986.13**	**2,054.12**
Other comprehensive income			
Items that will not be reclassified to profit and loss			
Remeasurement of the net defined benefit (liability)/asset		(41.43)	61.23
Income tax relating to the above		10.43	6.30
Items that will be reclassified to profit and loss			
Remeasurement of loan assets		-	-
Income tax relating to the above		-	-
Other comprehensive income/(loss) for the Year, net of tax (VI)		**(31.00)**	**67.53**
Total comprehensive income/(loss) for the Year (V)+(VI)		**3,955.13**	**2,121.65**
Earnings per equity share			
[Nominal value of share Rs.10]	30		
Basic		2.86	1.54
Diluted		2.86	1.54
Summary of significant accounting policies	**2.2**		
Accompanying notes are an integral part of the financial statements			

As per our report of even date attached

For Bhatter & Company
Chartered Accountants
Firm's Registration Number : 131092W
UDIN :- 24016937BKBYMD9817

D.H. Bhatter
Proprietor
Membership No. 016937
Place: Kochi
Date: 30/05/2024

For and on behalf of Board of Directors of Indel Money Limited

Mohanan Gopalakrishanan
Managing Director
DIN No.02456142

Hanna P Nazir
Company Secretary
Membership No. A51727

Umesh Mohanan
Whole Time Director
DIN No. 02455902

Narayanan Pisharath
Chief Financial Officer

INDEL MONEY LIMITED

INDEL MONEY LIMITED
(Office No.301, Floor No.3, Sai Arcade N.S Road, Mulund West, Mumbai - 400 080)
Statement of Cash Flows for the year ended March 31, 2024
(Rupees in Lakhs, unless otherwise stated)

	Particulars	For the year ended March 31,2024	For the year ended March 31,2023
A	**CASH FLOW FROM OPERATING ACTIVITIES**		
	Profit/(Loss) before tax	5,575.73	2,919.15
	Adjustments to reconcile loss before tax to cash provided by operating activities		
	Depreciation and amortisation expenses	1,322.38	965.82
	Impairment of financial instruments	2,595.53	802.90
	Net gain on fair value changes	(179.86)	-
	Loss on sale of property, plant and equipment and intangible assets	75.68	-
	Provision for Gratuity	(3.58)	72.86
	Provision for Compensated absence	57.99	7.39
	Finance costs	11,612.90	8,460.09
	Operating Profit before working capital changes	**21,056.77**	**13,228.21**
	Movement in working capital :		
	(Increase)/ decrease in receivables	1.52	(2,694.57)
	(Increase) / Decrease in loans	(31,624.99)	(12,574.11)
	(Increase) / Decrease in other bank balances	2,425.24	(4,276.82)
	(Increase) / Decrease in other financial assets	(302.29)	(11,976.38)
	(Increase) / Decrease in other non financial assets	(262.01)	(859.72)
	(Increase) / Decrease in trade payables	77.41	16.26
	(Increase) / Decrease in other financial liabilities	927.32	5,488.03
	Increase / (Decrease) in other non financial liabilities	354.55	42.01
	Increase in provisions	360.80	(105.75)
	Cash used in operations	**(6,985.68)**	**(13,712.84)**
	Finance Costs paid	(10,330.57)	(8,460.09)
	Income tax paid	(1,149.76)	140.30
	Net Cash Flow used in operating activities (A)	**(18,466.01)**	**(22,032.62)**
B	**CASH FLOW FROM INVESTING ACTIVITIES**		
	Purchase of property, plant and equipment and intangible assets (including intangible assets under development)	(1,188.21)	(6,604.82)
	Proceeds from sale of property, plant and equipment and intangible assets	1.28	-
	Net proceeds from current investments	11,952.74	-
	Net cash flow used in investing activities (B)	**10,765.81**	**(6,604.82)**
C	**CASH FLOW FROM FINANCING ACTIVITIES**		
	Proceeds from issue of Equity shares	1,000.00	4,000.00
	Increase/ (decrease) in debt securities	6,201.70	14,108.30
	Increase/ (decrease) in borrowings (other than debt securities)	8,244.94	7,509.46
	Increase/ (decrease) in subordinated liabilities	(1,027.20)	(1,194.33)
	Payment of lease liabilities	(833.98)	-
	Net cash flow from financing activities (C)	**13,585.46**	**24,423.43**

Standalone Cash flow Statement for the year ended March 31, 2024
(Rupees in Lakhs, unless otherwise stated)

	Particulars	For the year ended March 31,2024	For the year ended March 31,2023
	Net (decrease)/ increase in cash and cash equivalents (A+B+C)	**5,885.26**	**(4,214.02)**
	Cash and cash equivalents as at the beginning of the year	**3,666.14**	**7,880.16**
	Cash and cash equivalents as at the end of the year	**9,551.40**	**3,666.14**

Note:
The above Cash Flow Statement has been prepared under the indirect method as set out in Accounting Standard - 3 on Cash Flow Statement prescribed under Companies (Accounting Standards) Rules, 2021.

As per our report of even date attached

For Bhatter & Company
Chartered Accountants
Firm's Registration Number : 131092W
UDIN:- 24016937BKBYMD9817

D.H. Bhatter
Proprietor
Membership No. 016937
Place: Kochi
Date: 30/05/2024

For and on behalf of Board of Directors of Indel Money Limited

Mohanan Gopalakrishanan
Managing Director
DIN No.02456142

Hanna P Nazir
Company Secretary
Membership No. A51727

Umesh Mohanan
Whole Time Director
DIN No. 02455902

Narayanan Pisharath
Chief Financial Officer

INDEL MONEY LIMITED

INDEL MONEY LIMITED
(Office No.301, Floor No.3, Sai Arcade N.S Road, Mulund West, Mumbai - 400 080)
Statement of Changes in Equity for the year ended March 31, 2024
(All amounts are in ₹ lakhs, unless otherwise stated)

i. Equity share capital

Particulars	As at March 31st, 2022	Change in equity share capital during the year	As at March 31, 2023	Change in equity share capital during the year	As at March 31, 2024
Equity shares of ₹ 10 each, issued, subscribed and fully paid up	9,314.70	4,000.00	13,314.70	1,000.00	14,314.70

II. Other Equity

Particulars	Reserves and surplus				Other Comprehensive Income	Total
	Securities premium	Reserve fund u/s 45-IC of RBI Act 1934	Impairment reserve	Retained earnings		
Balance as at March 31, 2022		15.06	189.76	528.12		732.94
Profit / (Loss) for the year	-	-	-	2,054.12	-	2,054.12
Transferred from retained earnings to reserve fund u/s 45-IC of RBI Act 1934	-	516.45	-	(516.45)	-	-
Transfer to Impairment reserve	-	-	460.60	(460.60)	-	-
Other comprehensive income/(loss) for the Year, net of tax	-	-	-	-	61.23	61.23
Balance as at March 31, 2023	-	531.51	650.36	1,605.19	61.23	2,848.29

Particulars	Reserves and surplus				Other Comprehensive Income	Total
	Securities premium	Reserve fund u/s 45-IC of RBI Act 1934	Impairment reserve	Retained earnings		
Balance as at March 31, 2023	-	531.51	650.36	1,605.19	61.23	2,848.29
Profit / (Loss) for the year	-	-	-	3,986.13	-	3,986.13
Transferred from retained earnings to reserve fund u/s 45-IC of RBI Act 1934		797.23	-	(797.23)	-	-
Other comprehensive income/(loss) for the Year, net of tax	-	-	-	-	(31.00)	(31.00)
Balance as at March 31, 2024	-	1,328.74	650.36	4,794.10	30.23	6,803.42

Accompanying notes are an integral part of the financial statements
As per our report of even date attached

For Bhatter & Company
Chartered Accountants
Firm's Registration No.: 131092W
UDIN :- 24016937BKBYMD9817

D.H. Bhatter
Partner
Membership number: 016937

Kochi
30 May 2024

for and on behalf of the Board of Directors of
Indel Money Limited
CIN: U65990MH1986PLC040897

Mohanan Gopalakrishanan
Director
DIN: 02456142

Kochi
30 May 2024

Umesh Mohanan
Director
DIN:02455902

Kochi
30 May 2024

Hanna P Nazir
Company Secretary
Membership No. A51727

Narayanan Pisharath
Chief Financial Officer

INDEL MONEY LIMITED

1 Corporate Information

Indel Money Limited ('the Company') was incorporated on September 11, 1986 in Mumbai, India. The Company is a Non-Deposit taking Non-Banking Financial Company which provides a wide range of fund based and fee-based services including gold loans, money transfer facilities etc. The Company is a public limited company and is registered with Reserve Bank of India.

2 Basis of preparation and Significant Accounting Policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared on a historical cost convention on the accrual basis except for certain financial instruments which are measured at fair values as at the end of each reporting period as explained in the accounting policies below:

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. 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 considers 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. Fair value for measurement and / or disclosure purposes in these financial statements is determined on this basis.

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.

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices;

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and place limited reliance on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2; and

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

2.2 Application of new and revised Ind AS

All the Ind ASs issued and notified by the Ministry of Corporate Affairs under the Companies (Indian Accounting Standards) Rules, 2015 (as amended) till the financial statements are authorised for issue have been considered in preparing these financial statements.

2.3 Presentation of Financial Statements

The Balance Sheet, the Statement of Changes in Equity and the Statement of Profit and Loss are prepared and presented in the format prescribed in the Division III to Schedule III to the Companies Act, 2013 ("the Act") applicable for Non-Banking Financial Companies ("NBFC"). The Cash Flow Statement has been prepared and presented as per the requirements of Ind AS 7 "Statement of Cash Flows". The disclosure requirements with respect to items in the Balance Sheet and Statement of Profit and Loss, as prescribed in the Schedule III to the Act, are presented by way of notes forming part of the financial statements along with the other notes required to be disclosed under the notified accounting Standards and directions issued by RBI or other regulators.

2.4 Functional And Presentation Currency

These financial statements are presented in Indian rupees (INR) which is also the Company's functional currency. All accounts are rounded-off to the nearest lakh with two decimals, unless otherwise stated.

2.5 Use of Estimates and Judgements

The preparation of financial statements in conformity with Ind AS requires management to make estimates, judgements and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities (including contingent liabilities) and disclosures as of the date of the financial statements and the reported amounts of revenue and expenses for the reporting period. Actual results could differ from these estimates. Accounting estimates and underlying assumptions are reviewed on an ongoing basis and could change from period to period. Appropriate changes in estimates are recognised in the periods in which the Company becomes aware of the changes in circumstances surrounding the estimates. Any revisions to accounting estimates are recognised prospectively in the period in which the estimate is revised and future periods.

Depreciation is recognised so as to write-off the cost of assets less their residual values over their useful lives, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each financial year, with the effect of any changes in estimate accounted for on a prospective basis. Assets purchased during the year are depreciated on the basis of actual number of days the asset has been put to use in the year.

The useful lives determined by the management are as under:

Category of Assets	Useful Life
Furniture and fixtures	10 years
Leasehold property	5 years
Computer hardware	3 years
Office equipment	5 years
Electrical equipment	10 years
Motor Vehicles	8 years

Changes in the expected useful life are accounted for by changing the depreciation period or methodology, as appropriate and treated as changes in accounting estimates. The Management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the statement of profit and loss.

INDEL MONEY LIMITED

INDEL MONEY LIMITED
Notes to the financial statements for the year ended March 31, 2024
(Rupees in Lakhs, unless otherwise stated)

2.6 Revenue Recognition

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

i) Interest income on loans given is recognised under the internal rate of return method with reference to the outstanding principal. Income or any other charges on non-performing asset is recognised only when realized. Any such income recognised before the asset became non-performing and remaining unrealized is reversed.
ii) Loan processing fees collected from borrowers are recognized on an upfront basis at the time of disbursement of the loan.
iii) The interest spread on the securitisation transactions are recognised in the Statement of Profit and Loss only when it is redeemed in cash by the Special Purpose Vehicle.
iv) Interest income on fixed deposits/margin money is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.
v) Cheque return charges are accounted for in the books of accounts on a receipt basis.
vi) Dividend income is recognised when the right to receive payment is established by the balance sheet date.
vii) All other incomes are recognised on an accrual basis.

2.7 Securitisation, Assignment and Co-Lending transactions

i) Securitisation Transactions

Securitized receivables are derecognised in the balance sheet when they are sold subject to the portion of loan asset which is required under minimum retention requirements.

Company's contractual rights to receive the share of future interest (i.e interest spread) in the transferred assets from the SPV is capitalised at the present value as Interest Only (I/O) strip with a corresponding liability created for unrealised gains on loan transfer transactions.

ii) Assignment Transactions

Receivable under the assignment/co lending akin to direct assignment transactions are de-recognized in the balance sheet when they are sold subject to the portion of loan assets which is required under minimum retention requirements.

iii) Co-Lending Transactions

Receivables relating to the Co-Lending arrangements is recognized in the agreed funding ratios upon disbursement and income is recognized at the interest rate of the loan after reducing the co-lender's share of interest at agreed rate.

2.8 Asset classification and provisioning for loan

The Company has followed the Master Directions issued by the Reserve Bank of India for Non- Banking financial companies in respect of Prudential Norms for Income recognition asset classification and provisioning.

Provisioning for loan portfolio is determined based on management estimates subject to the minimum provision required as per the NBFC Master Directions and other applicable guidelines / instructions issued by RBI from time to time. Further,specific additional provisions at rates higher than the regulatory requirments as above is created on voluntary basis to provide for estimated actual loss in collectible amounts.

Loans with negligible prospects of recovery are written off in accordance with the Company's policy.

2.9 Investments

Investments intended to be held for not more than a year from the date on which such investments are made are classified as current investments. All other investments are classified as non-current investments. Current investments are carried in the financial statements at lower of cost and fair value determined on an individual investment basis except for investments in unquoted units of mutual funds in the nature of current investments that have been valued at the net asset value declared by the mutual fund in respect of each particular scheme, in accordance with the NBFC Master Directions.

Non-current investments are stated at cost. Provision is made for diminution, other than temporary, in the value of such investments. On disposal of an investment the difference between carrying amount and net disposal proceeds is charged or credited to the Statement of Profit and Loss.

2.10 Property, plant and equipment and related depreciation

Property, plant, and equipment are stated at cost of acquisition less accumulated depreciation and impairment loss, if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use.

2.11 Intangible assets and related amortisation

Intangible assets comprising computer software are stated at the cost of acquisition less accumulated amortization and accumulated impairment losses, if any.

Expenditure incurred on acquisition/development of intangible assets which are not put/ready to use at the reporting date is disclosed under intangible assets under development.

Intangible assets are amortized over their estimated useful life of three years on straight-line method, based on expected future economic benefits accruing to the Company from the year of acquisition.

The amortization period and the amortization method is reviewed at least at each financial year end and adjusted prospectively if appropriate.

2.12 Impairment

The Company assesses at each Balance Sheet date whether there is any indication that an asset may be impaired. An asset is identified as impaired, when the carrying value of the asset exceeds its recoverable value. Based on such assessment, impairment loss, if any is recognized in the Statement of Profit and Loss of the period in which the asset is identified as impaired. The impairment loss recognized in the prior accounting periods is reversed if there has been a change in the estimate of recoverable amount.

2.13 Borrowing Costs

Borrowing costs include interest and other costs that an entity incurs in connection with the borrowing of funds. Ancillary expenditure incurred in connection with arrangement of borrowing are amortised over the tenure of the respective borrowing.

INDEL MONEY LIMITED

2.14 Employee Benefits

Defined Contribution Plan

The Company has defined contribution plans for employees, comprising of Provident Fund and Employees' State Insurance. The contributions paid/payable to these plans during the year are charged to the Statement of Profit and Loss for the year 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 Plan

The Company provides for the gratuity, a defined benefit retirement plan covering all employees. The net present value of the obligation for gratuity benefits as determined on independent actuarial valuation, conducted annually using the Projected Unit Credit Method, as adjusted for unrecognized past services cost, if any and as reduced by the fair value of plan assets if any, is recognized in the accounts. Actuarial gains and losses are recognized in full in the Statement of Profit and Loss for the period in which they occur.

Long Term Employee Benefits

The Company treats accumulated leave expected to be carried forward beyond twelve months as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the end of each financial year. Actuarial gains/losses are immediately taken to the Statement of Profit and Loss and are not deferred. The Company presents the leave as a current liability in the balance sheet, to the extent it does not have an unconditional right to defer its settlement for 12 months after the reporting date.

Short Term Employee Benefits

All employee benefits payable wholly within twelve months of rendering the services are classified as short term employee benefits. Benefits such as salaries, performance incentives, etc. are recognised as an expense at the undiscounted amount in the Profit and Loss Statement of the year in which the employee renders the related service. Accumulated leave, which is expected to be utilized within the next 12 months, is treated as short-term employee benefit. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

2.15 Cash and cash equivalents

Cash and cash equivalents comprise cash on hand 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.

2.16 Leases

Where the Company is lessee

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the assets for the leased term, are classified as operating leases. Operating lease payments are recognized as an expense in the Statement of Profit and Loss on a straight-line basis over the lease term.

Where the Company is the lessor

Leases in which the Company transfers substantially all the risks and benefits of ownership of the asset are classified as finance leases. Assets given under finance lease are recognized as a receivable at an amount equal to the net investment in the lease. After initial recognition, the Company apportions lease rentals between the principal repayment and interest income so as to achieve a constant periodic rate of return on the net investment outstanding in respect of the finance lease. The interest income is recognized in the Statement of Profit and Loss.

Leases in which the Company does not transfer substantially all the risks and benefits of ownership of the asset are classified as operating leases. Assets subject to operating leases are included in property, plant, and equipment. Lease income on an operating lease is recognized in the Statement of Profit and Loss on a straight-line basis over the lease term. Costs, including depreciation, are recognized as an expense in the Statement of Profit and Loss.

2.17 Provisions, Contingent Liabilities and Contingent Assets

A provision is recognised when the Company has a present obligation as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. The Company does not recognise a contingent liability but discloses its existence in the financial statements.

Contingent Assets are neither recognised nor disclosed in the financial statements.

INDEL MONEY LIMITED

2.18 Income tax

i) Tax expense comprises current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act, 1961, enacted in India. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

ii) Deferred income taxes reflect the impact of timing differences between taxable income and accounting income originating during the current period and reversal of timing differences for the earlier years. Deferred tax assets are recognised for deductible timing differences only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. In situations where the Company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits
The carrying amount of deferred tax assets are reviewed at each reporting date. The Company writes-down the carrying amount of deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realized. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

iii) Minimum alternate tax (MAT) paid in a year is charged to the Statement of Profit and Loss as current tax. The Company recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the Company recognizes MAT credit as an asset in accordance with the Guidance Note on Accounting for Credit Available in respect of Minimum Alternative Tax under the Income-tax Act, 1961, the said asset is created by way of credit to the Statement of Profit and Loss and shown as "MAT Credit Entitlement." The Company reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent the Company does not have convincing evidence that it will pay normal tax during the specified period.

o) Earning per share
Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares, that have changed the number of equity shares outstanding, without a corresponding change in resources. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

p) Share issue expenses
Expenses incurred in connection with issue of securities are charged against the Securities Premium account as per Section 52 of the Act.

q) Share based payments
In case of stock option plan, measurement and disclosure of the employee share-based payment plans is done in accordance with the Guidance Note on Accounting for Employee Share-based Payments, issued by the Institute of Chartered Accountants of India as applicable for equity-settled share-based payments.
The cost of equity-settled transactions is measured using the intrinsic value method and recognised, together with a corresponding increase in the "Stock options outstanding account" in reserves. 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 expense or credit recognised in the Statement of Profit and Loss 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.

INDEL MONEY LIMITED

INDEL MONEY LIMITED
Notes to the financial statements for the year ended March 31, 2024
(Rupees in Lakhs, unless otherwise stated)

3 Cash and cash equivalents

Particulars	As at March 31, 2024	As at March 31, 2023
Cash in hand	972.62	808.05
Balance with banks		
in current accounts	8,578.78	2,858.09
	9,551.40	3,666.14

(i) There are no repatriation restrictions with respect to the cash and cash equivalents at the end of reporting year or prior years

(ii) Short-term deposits are made for varying periods of between seven days and three months, depending on the immediate cash requirements of the company, and to earn interest at the respective short-term deposit rates.

4 Bank balances other than cash and cash equivalents

Particulars	As at March 31, 2024	As at March 31, 2023
Fixed Deposits with original maturity of more than 3 months	-	4,000.00
Fixed Deposits held as security against borrowings and other commitments (Refer Note 4(i)		
- Maturing within a period of three months		
- Maturing after period of three months	2,857.70	1,282.94
	2,857.70	5,282.94

(i) Fixed Deposits with bank include fixed deposits given as security for borrowings ₹2857.70 Lakhs (March 31, 2023: ₹1282.90 Lakhs)

5 Receivables

	As at March 31, 2024	As at March 31, 2023
Considered good - secured	-	-
Considered good - unsecured	9.27	10.79
	9.27	10.79
Less: Allowance for impairment loss	-	-
	9.27	10.79

(i) There are no dues from directors or other officers of the Company or any firm or private company in which any director is a partner, a director or a member.

6 Loans

	As at March 31, 2024	As at March 31, 2023
At amortised cost		
Term loans (Refer Note 6.1)	1,03,229.25	72,995.90
Less: Impairment allowance	(1,833.92)	(630.03)
	1,01,395.33	72,365.87

INDEL MONEY LIMITED

INDEL MONEY LIMITED
Notes to the financial statements for the year ended March 31, 2024
(Rupees in Lakhs, unless otherwise stated)

6.1 Term Loans

	As at March 31, 2024	As at March 31, 2023
Gold Loans	87,376.26	57,923.24
Personal Loans	7,315.30	8,652.71
Business Loans	8,537.69	6,419.95
Total (Gross)	**1,03,229.25**	**72,995.90**
Less: Allowance for impaiment of loan assets	(1,833.92)	(630.03)
Total (Net)	**1,01,395.33**	**72,365.87**
Secured	89,908.46	59,499.66
Unsecured	13,320.79	13,496.24
Total Gross	**1,03,229.25**	**72,995.90**
Less: Allowance for impaiment of loan assets	(1,833.92)	(630.03)
Total Net	**1,01,395.33**	**72,365.87**
Loans to:		
Individuals	95,623.29	65,985.32
Corporates	7,605.96	7,010.58
Total Gross	**1,03,229.25**	**72,995.90**
Less: Allowance for impaiment of loan assets	(1,833.92)	(630.03)
Total Net	**1,01,395.33**	**72,365.87**

7 Investments

	As at March 31, 2024	As at March 31, 2023
At fair market value through profit or loss		
Investment in Mutual Fund		
3,26,270.471 Unit of Mutual Fund with SBI Overnight Fund	-	11,772.88
Total (Gross)	-	**11,772.88**
Less: Allowance of impariment loss	-	-
Total (Net)	-	**11,772.88**
Investments in India	-	11,772.88
Investments outside India	-	-
Total	-	**11,772.88**

8 Other financial assets

	As at March 31, 2024	As at March 31, 2023
Security deposits	1,112.08	959.50
	1,112.08	**959.50**

9 Current tax asset (net)

	As at March 31, 2024	As at March 31, 2023
Advance tax (Net of provision)	-	599.88
	-	**599.88**

INDEL MONEY LIMITED

INDEL MONEY LIMITED
Notes to the financial statements for the year ended March 31, 2024
(Rupees in Lakhs, unless otherwise stated)

11 Right of use assets and Liabilities

11.1 Carrying value of right of use of assets at the end of the reporting year

	As at March 31, 2024	As at March 31, 2023
Balance as at the beginning of the year	3,492.63	3,273.08
Additions	3,459.16	815.12
Depreciation charge for the year	(782.44)	(595.57)
Balance as at the end of the year	6,169.35	3,492.63

11.2 Movement in lease liabilities

	As at March 31, 2024	As at March 31, 2023
Balance as at the beginning of the year	3,779.75	3,479.98
Additions	3,309.45	815.12
Interest on lease liabilities	729.73	382.22
Payment of lease liabilities	(833.98)	(897.57)
Balance as at the end of the year	6,984.95	3,779.75

11.3 Maturity analysis of lease liabilities

	As at March 31, 2024	As at March 31, 2023
Less than one year	1,253.88	787.36
One to five years	4,630.24	2,919.73
More than five years	4,074.49	1,974.16
Total undiscounted lease liabilities	9,958.61	5,681.25

11.4 Amounts recognised in statement of profit and loss

	Year ended March 31, 2024	Year ended March 31, 2023
Interest on lease liabilities	729.73	(897.57)
Depreciation of right-of-use assets	(782.44)	(595.57)
Expenses relating to short term leases (refer note 29)	171.49	99.25

11.5 Amounts recognised in statement of cashflows

	Year ended March 31, 2024	Year ended March 31, 2023
Total cash outflow for leases	833.98	897.57

11.6 The weighted average incremental borrowing rate applied to lease liabilities is 12%

12 Other non financial assets

	As at March 31, 2024	As at March 31, 2023
Unsecured, considered good		
Prepaid expenses	138.93	102.98
Advances to staff	20.65	12.42
Balance with government authorities	521.66	325.32
Others	392.87	371.38
	1,074.11	812.10

INDEL MONEY LIMITED

INDEL MONEY LIMITED
Notes to the financial statements for the year ended March 31, 2024
(Rupees in Lakhs, unless otherwise stated)

13 Trade Payables

	As at March 31, 2024	As at March 31, 2023
Dues to micro enterprises and small enterprises (refer note (iii) below)	-	-
Dues to creditors other than micro enterprises and small enterpriseses	127.74	50.33
	127.74	50.33

(i) Ageing Schedule of Trade payables as at March 31, 2024

Particulars	Outstanding for following periods from due date of payment					Total
	Unbilled dues	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	-	-	-	-	-
(ii) Others	-	126.39	-	-	1.35	127.74

(ii) Ageing Schedule of Trade payables as at March 31, 2023

Particulars	Outstanding for following periods from due date of payment					Total
	Unbilled dues	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	-	-	-	-	-
(ii) Others	-	36.64	3.13	10.25	0.30	50.33

(iii) Under the Micro, Small and Medium Enterprises Development Act, 2006 ("MSMED Act") which came into force from October 2, 2006, certain disclosures are required to be made relating to micro and small enterprises. There have been no reported cases of delays in payments to micro and small enterprises or of interest payments due to delays in such payments.The disclosure as required by section 22 of MSMED Act has been given below:

	As at March 31, 2024	As at March 31, 2023
(i) Principal amount remaining unpaid (but within due date as per the Micro, Small and Medium Enterprises Development Act, 2006)	-	-
(ii) Interest due thereon remaining unpaid	-	-
(iii) Interest paid by the Company in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along-with the amount of the payment made to the supplier beyond the appointed day during the period.	-	-
(iv) 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 interest specified under the Micro, Small and Medium Enterprises Development Act, 2006	-	-
(v) Interest accrued and remaining unpaid	-	-
(vi) 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 enterprises	-	-

INDEL MONEY LIMITED

INDEL MONEY LIMITED
Notes to the financial statements for the year ended March 31, 2024
(Rupees in Lakhs, unless otherwise stated)

14 Debt securities

	As at March 31,	As at March 31, 2023
Secured Non-convertible Debentures at amortised cost (Secured by mortgage of immovable property and pari passu floating charge on current assets, book debts , loans & advances and receivables including gold loan receivables/Secured by pari passu floating charge on current assets, book debts , loans & advances and receivables including gold loan receivables)	37,210.68	26,397.08
Unsecured Non-convertible Debentures at amortised cost	-	4,059.30
Total (A)	37,210.68	30,456.38
Debt Securities in India	37,210.68	30,456.38
Debt Securities outside India	-	-
Total (B)	37,210.68	30,456.38

14.1 Terms of repayment of Non- Convertible Debentures as at March 31, 2024
(Interest rate ranging from 9% to 12.25%)

Particulars of Securities	Date of Allottment	Due within 1 year		Due 1 to 2 Years		Due 2 to 3 Years		More than 3 Years		Total
		No. of instalments	Amount	No. of instalments	Amount	No. of instalments	Amount	No. of instalments	Amount	
Public issue I	Nov-21	1.00	902.53	-	-	2.00	3,416.94	1.00	1,274.19	5,593.66
Public issue 2	Jun-22	1.00	4,436.66	-	-	-	-	1.00	2,790.42	7,227.08
Public issue 3	Jun-23	1.00	812.52	1.00	3,587.88	-	-	2.00	4,331.46	8,731.86
Public issue 4	Feb-24	1.00	844.03	1.00	475.84	1.00	1,920.47	2.00	4,572.41	7,812.75
Institutional NCD-1	Jun-23	1.00	2,500.00	-	-	-	-	-	-	2,500.00
Institutional NCD-2	Oct-23	1.00	2,500.00	-	-	-	-	-	-	2,500.00
Other NCD		1.00	2,733.99	-	-	-	-	-	-	2,733.99
Unamortised Borrowing Costs										(1,169.58)
Interest Accrued accrued but not due										1,280.92
Total			11,995.74		4,063.72		5,337.41		12,968.48	37,210.68

14.2 Terms of repayment of Non- Convertible Debentures as at March 31, 2023
(Interest rate ranging from 9% to 12.25%)

Particulars of Securities	Date of Allottment	Due within 1 year		Due 1 to 2 Years		Due 2 to 3 Years		More than 3 Years		Total
		No. of instalments	Amount	No. of instalments	Amount	No. of instalments	Amount	No. of instalments	Amount	
Public issue I	Nov-21	1.00	3,222.07	1.00	902.53	-	-	3.00	4,691.13	8,815.73
Public issue 2	Jun-22	2.00	921.24	1.00	4,436.66	-	-	1.00	2,790.42	8,148.32
Other NCD			13,433.91							13,433.91
Unamortised Borrowing Costs										(669.89)
Interest Accrued accrued but not due										728.32
Total			17,577.22		5,339.19		-		7,481.55	30,456.38

INDEL MONEY LIMITED

(Rupees in Lakhs, unless otherwise stated)

15 Borrowings other than debt securities

	As at March 31,	As at March 31, 2023
Secured, at amortised cost		
Terms loans	31,474.55	24,481.53
From Banks*	5,286.49	4,034.57
Loans repayable on demand from banks (Secured)		
Total (A)	36,761.04	28,516.10
Borrowings in India	36,761.04	28,516.10
Borrowings outside India	-	-
Total (B)	36,761.04	28,516.10

*secured against hypothecation of assets under finance, book debts, other receivables and margin money deposits as applicable.

Note: The company was not declared as a wilful defaulter, in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India, by any bank or financial institution or other lender during the financial year.

15.1 Terms of repayment of Indian rupee loan from banks and financial institutions as at March 31, 2024 (long term borrowing)
(Interest rate ranging from 10.4% to 15.25%)

Particulars of Securities		Due within 1 year		Due 1 to 2 Years		Due 2 to 3 Years		More than 3 Years		Total
		No. of instalments	Amount	No. of instalments	Amount	No. of instalments	Amount	No. of instalments	Amount	
Loans & Advances		135.00	23,778.85	41.00	3,544.81	16.00	816.71	41.00	3,483.23	31,623.60
Unamortised Borrowing Costs										(165.82)
Interest Accrued but not due										16.77
Total			23,778.85		3,544.81		816.71			31,474.55

15.2 Terms of repayment of Indian rupee loan from banks and financial institutions as at March 31, 2023 (long term borrowing)
(Interest rate ranging from 11.5% to 16%)

Original maturity of loan		Due within 1 year		Due 1 to 2 Years		Due 2 to 3 Years		More than 3 Years		Total
		No. of instalments	Amount	No. of instalments	Amount	No. of instalments	Amount	No. of instalments	Amount	
Loans & Advances		108	8,478.18	68.00	6,822.41	29.00	3,623.33	34.00	5,960.00	24,883.93
Unamortised Borrowing Costs										(512.17)
Interest Accrued but not due										109.77
Total			8,478.18		6,822.41		3,623.33		5,960.00	24,481.53

INDEL MONEY LIMITED

INDEL MONEY LIMITED
Notes to the financial statements for the year ended March 31, 2024
(Rupees in Lakhs, unless otherwise stated)

16 Subordinated Liabilities

	As at March 31, 2024	As at March 31, 2023
i) Unsecured - Subordinate Bonds -Private Placement	16,799.20	17,826.40
	16,799.20	17,826.40
Total (A)		
Subordinated Liabilities in India	16,799.20	17,826.40
Subordinated Liabilitiesoutside India	-	-
Total (B)	16,799.20	17,826.40

16.1 Subordinated Debt is subordinated to the claims of other creditors and qualifies as Tier II capital under the Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions,2016. The principal amount of outstanding privately placed subordinated debt stood at ₹ millions (March 31,2023: ₹ millions)

Date of Allottment	As at 31st March, 2024	As at 31st March, 2023	Redemption Period from the date of allotment	Interest Rate (%)
01.04.2016 to 31.03.2017	2.45	4.35	60 Months	12.25 to 12.50
01.04.2017 to 31.03.2018	5.25	112.45	60 Months	11.50 to 12.00
01.04.2018 to 31.03.2019	59.60	1,487.45	60 Months	11.00 to 12.50
01.04.2019 to 31.03.2020	4,254.80	4,254.80	60-72 Months	11.50 to 16.00
01.04.2020 to 31.03.2021	4,923.85	4,923.85	60-71 Months	12.00 to 16.00
01.04.2021 to 31.03.2022	5,666.10	5,666.10	60-74 Months	11.00 to 14.87
01.04.2022 to 31.03.2023	1,397.40	1,377.40	61-74 Months	11.50 to 14.00
01.04.2023 to 31.03.2024	489.75	-	61-74 Months	11.50 to 12.00
	16,799.20	17,826.40		

17 Other financial liabilities

	As at March 31, 2024	As at March 31, 2023
Interest accrued but not due on borrowings	3,855.07	3,229.75
Employee benefit payables	255.26	162.57
Others	355.59	146.28
	4,465.92	3,538.60

18 Provisions

	As at March 31, 2024	As at March 31, 2023
Provision for Income Tax	349.73	-
Provision for employee benefits		
Provision for gratuity	172.99	107.58
Compensated absence	48.89	7.39
	571.61	114.97

19 Other non financial liabilities

	As at March 31, 2024	As at March 31, 2023
Statutory dues payable	286.56	99.58
Others	167.57	-
	454.13	99.58

INDEL MONEY LIMITED

INDEL MONEY LIMITED
Notes to the financial statements for the year ended March 31, 2024
(Rupees in Lakhs, unless otherwise stated)

20 Equity share capital

	As at March 31, 2024	As at March 31, 2023
Authorised share capital 1650.00 lakhs equity shares of ₹10 each (March 31, 2023 - '1650.00)	16,500.00 -	16,500.00 -
Issued, subscribed and fully paid up shares: 1431.47 lakhs (March 31, 2023: 1331.47 lakhs) Equity Shares of Rs.10 each fully paid	14,314.70	13,314.70
Total issued, subscribed and fully paid-up share capital	14,314.70	13,314.70

(a) Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

Particulars	As at March 31, 2024		As at March 31, 2023	
	No. of Shares	Amount	No. of Shares	Amount
At the beginning of the year	1,331.47	13,314.70	931.47	9,314.70
Issued during the year	100.00	1,000.00	400.00	4,000.00
Outstanding at the end of the year	1,431.47	14,314.70	1,331.47	13,314.70

(b) Details of shareholders holding more than 5% shares in the Company

Equity Shares of Rs.10 each fully paid-up	As at March 31, 2024		As at March 31, 2023	
	No. of Shares	% of holding in the class	No. of Shares	% of holding in the class
Indel Corporation Private Limited	1,431.47	100.00%	1,331.47	100.00%
	1,431.47	100.00%	1,331.47	100.00%

(c) Equity Shares held by promoters at the end of the financial year

Name of the promoter	As at March 31, 2024		As at March 31, 2023		% Change during the year
	No. of shares	% of total shares	No. of shares	% of total shares	
Indel Corporation Private Limited	1,431.47	100.00%	1,331.47	100.00%	0.00%
Total	1,431.47	100.00%	1,331.47	100.00%	0.00%

(d) Terms/Rights attached to Equity Shares
The Company has only one class of equity shares having a par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian Rupees. Any dividends proposed by the Board of directors is subject to the approval of shareholders in the ensuing Annual General Meeting.
In the event of liquidation of 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.

INDEL MONEY LIMITED

(Rupees in Lakhs, unless otherwise stated)

21 Other equity

	As at March 31, 2024	As at March 31, 2023
Statutory Reserve (As required by Sec 45-IC of Reserve Bank of India Act, 1934)		
Balance as per last financial statements	531.51	15.06
Add: Amount transferred from the Surplus in Statement of Profit and Loss*	797.23	516.45
Closing balance	1,328.74	531.51
Impairment reserve		
Balance as per last financial statements	650.36	189.76
Add: Additions during the year	-	460.60
Closing balance	650.36	650.36
Surplus/(Deficit) in the Statement of Profit and Loss		
Balance as per last financial statements	1,666.42	528.12
Add: Profit / (Loss) for the year	3,986.13	2,054.12
Less: Transfer to Statutory Reserve as required by Sec 45-IC of Reserve Bank of India Act, 1934	(797.23)	(516.45)
Less: Transfer to Impairment reserve	-	(460.60)
Add: Remeasurement gain/ (loss) on defined benefit plan	(31.00)	61.23
Net surplus / (deficit) in the Statement of Profit and Loss	4,824.32	1,666.42
Other Comprehensive Income		
Balance as per last financial statements	67.53	-
Add: Remeasurement gain/ (loss) on defined benefit plan	(31.00)	67.53
Net surplus / (deficit) in the Statement of Profit and Loss	36.53	67.53
Total	6,803.42	2,848.29

Nature and purpose of reserves

(i) Statutory Reserve u/s 45-IC of RBI Act 1934: Reserve fund is created as per the terms of section 45 IC(1) of the Reserve Bank of India Act, 1934 as a statutory reserve.

(ii) Retained earnings: Retained earnings represents the surplus in profit and loss account and net amount of appropriations made to/from retained earnings.

(iii) Other Comprehensive Income:The Company recognises change on account of remeasurement of the net defined benefit liability/ (asset) as part of retained earnings with separate disclosure, which comprises of (a)actuarial gains and losses;(b) return on plan assets, excluding amounts included in net interest on the net defined benefit liability/(asset); (c) any change in the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability/(asset).

(iv) Impairment reserve: The impairment reserve is created when the impairment allowance under Ind AS 109 is lower than the 'provisioning 'required under income recognition and asset classification norms. The difference between these will be appropriated to the impairment reserve from the net profit or loss after tax. This will not reckoned for the purpose of regulatory capital and no withdrawal is permitted withou any prior approval from RBI.

INDEL MONEY LIMITED

INDEL MONEY LIMITED
Notes to the financial statements for the year ended March 31, 2024
(Rupees in Lakhs, unless otherwise stated)

10 Property, plant and equipment and Intangible Assets

Particulars	Gross Block				Accumulated Depreciation				Net Block*	
	As at April 1, 2023	Additions	Deletions	As at March 31, 2024	As at April 1, 2023	Depreciation for the year	Deductions / Adjustments	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024
A) Property, Plant and Equipment										
Computers	374.55	301.40	164.20	511.74	183.16	111.24	148.48	145.93	191.39	365.82
Motor Vehicles	67.32	-	7.86	59.46	20.99	9.50	7.09	23.40	46.33	36.06
Furniture & Fixtures	1,399.07	722.77	325.40	1,796.45	540.36	341.78	293.60	588.54	858.71	1,207.90
Electrical equipment	158.43	103.59	59.65	202.37	73.69	38.07	51.13	60.63	84.74	141.75
Plant & Machinery	42.06	-	13.34	28.72	12.45	10.37	12.04	10.78	29.61	17.95
Total	2,041.43	1,127.76	570.46	2,598.74	830.65	510.96	512.33	829.28	1,210.78	1,769.48
B) Other Intangible assets										
Computer Software	271.50	60.46	119.92	212.04	146.92	28.98	101.06	74.84	124.58	137.20
Total	271.50	60.46	119.92	212.04	146.92	28.98	101.06	74.84	124.58	137.20
Grand Total (A+B)	2,312.93	1,188.22	690.37	2,810.78	977.57	539.94	613.39	904.12	1,335.36	1,906.67

Particulars	Gross Block				Accumulated Depreciation				Net Block*	
	As at April 1, 2022	Additions	Deletions	As at March 31, 2023	As at April 1, 2022	Depreciation for the year	Deductions / Adjustments	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023
A) Property, Plant and Equipment										
Computers	214.27	162.31	2.03	374.55	100.47	82.76	0.07	183.16	113.80	191.39
Motor Vehicles	53.08	16.00	1.76	67.32	13.17	8.07	0.25	20.99	39.91	46.33
Furniture & Fixtures	927.43	479.12	7.48	1,399.07	324.75	215.61	-	540.36	602.68	858.71
Electrical equipment	97.44	61.72	0.73	158.43	30.62	43.21	0.14	73.69	66.82	84.74
Plant & Machinery	42.06	-	-	42.06	12.45	-	-	12.45	29.61	29.61
Total	1,334.28	719.15	12.00	2,041.43	481.46	349.65	0.46	830.65	852.82	1,210.78
B) Other Intangible assets										
Computer Software	202.87	68.63	-	271.50	126.33	20.59	-	146.92	76.54	124.58
Total	202.87	68.63	-	271.50	126.33	20.59	-	146.92	76.54	124.58
Grand Total (A+B)	1,537.15	787.78	12.00	2,312.93	607.79	370.24	0.46	977.57	929.36	1,335.36

The Company has not revalued its Property, Plant and equipment (including Right-of-Use asset) during the year.

INDEL MONEY LIMITED

INDEL MONEY LIMITED
Notes to the financial statements for the year ended March 31, 2024
(Rupees in Lakhs, unless otherwise stated)

22 Interest income

	As at March 31, 2024	As at March 31, 2023
On financial assets measured at amortised cost		
Interest income on loans	26,127.11	18,363.68
Interest on Collateral fixed deposits with banks	323.74	124.30
	26,450.85	18,487.98

23 Fees and commisison income

	As at March 31, 2024	As at March 31, 2023
Service charges and other fees on loan transactions	370.24	30.30
Collection fee related to transferred assets under securitisation transactions	-	5.00
	370.24	35.30

24 Other income

	As at March 31, 2024	As at March 31, 2023
Net gain on sale of current investments	179.86	22.88
Miscellaneous Income	32.22	183.59
	212.08	206.47

25 Finance cost

	As at March 31, 2024	As at March 31, 2023
On financial liabilities measured at amortised cost		
Interest on borrowings other than debt securities	4,207.03	2,395.27
Interest on debt securities	4,168.03	3,117.88
Interest on subordinated liabilities	2,508.11	2,563.67
Finance cost on lease liabilities	729.73	382.22
	11,612.90	8,459.04

26 Impairment of financial assets

	As at March 31, 2024	As at March 31, 2023
Loans		
Write off	1,391.64	313.02
Provision for impairment of loan assets	1,203.89	489.88
	2,595.53	802.90

27 Employee benefit expenses

	As at March 31, 2024	As at March 31, 2023
Salaries and wages	4,475.33	2,990.51
Contribution to provident and other funds	234.17	178.93
Leave encashment (Refer Note 35C)	57.99	7.86
Gratuity (Refer Note 35 B)	37.85	57.45
Staff welfare expenses	77.29	339.62
	4,882.63	3,574.37

INDEL MONEY LIMITED

INDEL MONEY LIMITED
Notes to the financial statements for the year ended March 31, 2024
(Rupees in Lakhs, unless otherwise stated)

28 Depreciation and amortisation expenses

	As at March 31, 2024	As at March 31, 2023
Depreciation (refer note 10)	510.96	349.66
Depreciation on right-of-use assets (refer note 11)	782.44	595.57
Amortisation (refer note 10)	28.98	20.59
	1,322.38	965.82

29 Other expenses

	As at March 31, 2024	As at March 31, 2023
Rent	171.49	99.25
Rates and Taxes	59.14	83.34
Repairs and maintenance	579.42	231.26
Electricity	118.95	70.86
Travelling and conveyance	397.00	330.04
CSR expenses	32.28	13.88
Insurance charges	89.80	48.94
Postage and courier	85.31	54.71
Communication Expenses	121.65	87.46
Printing and Stationery	88.75	96.01
Professional and Legal charges	395.56	313.88
Directors sitting fees	37.00	25.00
Payments to the auditor (Refer Note below)	8.34	7.51
Subscriptions And Membership Fees	87.67	52.97
Business Promotion Expenses	574.85	337.79
Fixed assets written off	75.87	-
Office Expenses	88.65	57.78
Bank Charges	57.84	30.43
Directors Remuneration	37.80	31.50
Prior period expense	6.06	8.72
Loss on sale of Investement	-	10.80
Donation	0.65	10.30
Miscellaneous expenses	9.94	6.04
	3,124.02	2,008.47

INDEL MONEY LIMITED
Notes to the financial statements for the year ended March 31, 2024
(Rupees in Lakhs, unless otherwise stated)

Particulars	For the Year ended March 31, 2024	For the Year ended March 31, 2023
30 Earnings per Share		
Net loss after tax as per Statement of Profit and Loss	3,986.13	2,054.12
Net loss as above for calculation of basic and diluted EPS	3,986.13	2,054.12
Weighted average number of equity shares in calculating basic EPS	1,342.13	1,333.85
Effect of dilution	-	-
Weighted average number of equity shares to calculate diluted EPS	1,342.13	1,333.85
Basic earnings per share	2.97	1.54
Diluted earnings per share	2.97	1.54
Nominal value per equity share	10.00	10.00

31 Related Parties Disclosure

A List of related parties and nature of relationship with Company

I Enterprise where control exists

Name of Related Party	Relationship
(i) Indel Corporation Private Limited	Holding Company
(ii) Indel Money Fin-Tech Private Limited	Fellow Subsidiary Company
(iii) Indel Automotives Private Limited	Fellow Subsidiary Company
(iv) M Star Hotels Private Limited	Fellow Subsidiary Company
(v) Mind Story	Partnership Firm in which Director is a partner
(vi) M Star Satelite Communications Private Limited	Companies/Firm in which Individual and relatives of Individual exercise control/significant
(vii) M Star Hotel Heritage Private Limited	Companies/Firm in which Individual and relatives of Individual exercise control/significant
(viii) Wind flower Consultancy	Companies/Firm in which Individual and relatives of Individual exercise control/significant
(ix) Indel Capital Ventures and Investments Pvt Ltd	Companies/Firm in which Individual and relatives of Individual exercise control/significant
(x) Voxxvision Ventures Pvt Ltd .	Companies/Firm in which Individual and relatives of Individual exercise control/significant

II Key Managerial Personnel and Relatives

Name of Related Party	Position
Mr.Gopalakrishna Mohanan	Managing Director
Mr.Umesh Mohanan	Director
Mr. Salil Venu	Director
Mrs. Kavitha Menon	Director
Mrs. Usha Devi Mohanan	Relative of KMP

Related Parties and their relationships are as identified by the management and relied upon by the auditors

B Related Party Transactions during the year

Particulars	For the Year ended March 31, 2024	For the Year ended March 31, 2023
(i) Holding Company		
a) Rental/Maintenance Expenses	157.64	113.45
b) Interest on Advance	3.44	26.82
c) Share Capital Alotted	1,000.00	4,000.00
d) Empenses reimbursed	18.87	16.63
(ii) Partnership Firm in which Director is a partner		
a) Empenses reimbursed		
Mind Story	22.41	18.24
(iii) Companies/Firm in which Individual and relatives of Individual exercise control/significant influence		
a) Consultation Fee		
Wind Flower Consultancy	39.92	39.92
b) Interest expense on borrowings		
Indel Capital Ventures and Investments Pvt Ltd	2.76	1.01
c) Purchase of Fixed Assets		
Voxxvision Ventures Pvt Ltd	3.00	-

INDEL MONEY LIMITED

(Rupees in Lakhs, unless otherwise stated)

Particulars	As at March 31,2024	As at March 31,2023
(iv) Key Managerial Personnel		
a) Remuneration		
Mohananan Gopalakrishnan	18.60	12.50
Umesh Mohanan	123.52	122.71
Salil Venu	12.60	12.50
Kavitha Menon	6.60	6.50
b) Interest expense on borrowings		
Mohananan Gopalakrishnan	3.81	3.16
Umesh Mohanan	6.48	5.04
Salil Venu	2.44	-
c) Reimbursement of expenses		
Umesh Mohanan	31.25	22.44
d) Sitting Fees Paid		
Salil Venu	1.00	-
Kavitha Menon	2.00	-
(v) Relative of Key Managerial Personnel		
a) Interest expense on borrowings		
Usha Devi Mohanan	0.53	1.01

C Balance Outstanding as at the end of the year*

Particulars	As at March 31,2024	As at March 31,2023
Holding Company		
Receivable	570.00	522.50
Fellow Subsidary Company		
Receivable		
Indel Money Fin-Tech Private Limited	-	13.30
Key Managerial Personnel		
Mohananan Gopalakrishnan	(19.03)	(1.14)
Umesh Mohanan	(43.15)	(0.45)
Salil Venu	(17.44)	-
Relative of Key Managerial Personnel		
Usha Devi Mohanan	(3.67)	(18.01)
Companies/Firm in which Individual and relatives of Individual exercise control/significant influence		
M Star Satellite Communications Private Limited	-	(7.59)
Indel Capital Ventures and Investments Pvt Ltd	(16.28)	(45.30)
Mind Story	0.81	-

*Amounts in brackets represent payable

33 Contingent liabilities and commitments

There is Nil contingent liability outstanding and commitments as at March 31, 2024 (March 31, 2023: Nil)

34 Segment information

The Company operates in a single reportable business segment i.e., lending which have similar risks and returns for the purpose of IND AS 108 on 'Segment Reporting' specified under section 133 of the Companies Act 2013, read with relevant rules thereunder. The Company operates in a single geographical segment i.e., domestic.

INDEL MONEY LIMITED

(Rupees in Lakhs, unless otherwise stated)

35 Employee benefits

A) Defined Contribution Plan

During the year following amounts have been recognized in the Statement of Profit and Loss on account of defined contribution plans: -

Particulars	For the Year ended March 31, 2024	For the Year ended March 31, 2023
Employers' contribution to Provident Fund	203.71	146.01
Employers' contribution to Employees State Insurance	30.46	32.92
Total	234.17	178.93

B) Defined Benefit Plan (Gratuity)

The Company has an obligation towards gratuity, a non-funded defined benefit plan covering eligible employees.The following tables summarise the components of net benefit expenses recognised in the Statement of Profit and Loss and amount recognised in the Balance Sheet:

Actuarial gains and losses in respect of defined benefit plans are recognised in the financial statements through other comprehensive income.

Through its defined benefit plans the company is exposed to a number of risks, the most significant of which are detailed below:

Interest risk:
The plan liabilities are calculated using a discount rate set with references to government bond yields. Any decrease in interest rate will increase the

Longevity risk
The present value of defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

Salary risk
The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

The following table set out the unfunded status of the defined benefit schemes and the amount recognised in financial statements.

Net employee benefit expense:

Particulars	For the Year ended March 31, 2024	For the Year ended March 31, 2023
Current Service Cost	30.09	50.05
Interest cost on benefit obligation	7.76	7.41
Net employee benefit expense (Refer Note 27)	37.85	57.46
Remeasurement gain/ (loss) in Other Comprehensive Income (OCI)	41.43	(61.23)

Particulars	For the Year ended March 31, 2024	For the Year ended March 31, 2023
Remeasurement (gains)/ losses		
a) Actuarial (gains)/losses arising from changes in		
- Change in demographic assumptions	21.61	(65.44)
- Change in financial assumptions	0.32	2.06
- Experience adjustment	19.50	2.15
Amount recognised in other comprehensive income	41.43	(61.23)

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

Particulars	As at March 31, 2024	As at March 31, 2023
Opening defined benefit obligation	107.59	115.79
Interest Cost	7.76	7.41
Current Service Cost	30.09	50.05
Benefits Paid	(13.87)	(4.43)
Actuarial gains/(losses) on obligations	41.43	(61.23)
Closing defined benefit obligation	173.00	107.59

INDEL MONEY LIMITED

INDEL MONEY LIMITED
Notes to the financial statements for the year ended March 31, 2024
(Rupees in Lakhs, unless otherwise stated)

The principal assumptions used in determining gratuity

Particulars	As at March 31,2024	As at March 31,2023
Discount rate	7.20%	7.20%
Rate of leaving service	51.00%	51.00%
Salary escalation rate per annum	11.00%	11.00%

The estimates of future salary increase, considered in actuarial valuation, take account of inflation, seniority, promotion, and other relevant factors.

Sensitivity analysis
Gratuity is a lump sum plan and the cost of providing these benefits is typically less sensitive to small changes in demographic assumptions. The key actuarial assumptions to which the benefit obligation results are particularly sensitive to are discount rate, future salary escalation rate and attrition rate. The following tables summarizes the impact on the reported defined benefit obligation at the end of the reporting period arising on account of an increase or decrease in the reported assumption by 100 basis points. These sensitivities have been calculated to show the movement in defined benefit obligation in isolation and assuming there are no other changes in market conditions at the accounting date. There have been no changes from the previous periods in the methods and assumptions used in preparing the sensitivity analysis.

A quantitative sensitivity analysis for significant assumptions as at March 31, 2024 and March 31, 2023 are as shown below:

Assumption	Sensitivity Level	As at March 31, 2024	As at March 31, 2023
Discount rate	Decrease by 1%	180.86	109.96
Discount rate	Increase by 1%	165.85	105.30
Salary escalation rate per annum	Decrease by 1%	166.49	105.36
Salary escalation rate per annum	Increase by 1%	179.94	109.86
Withdrawal rate	Decrease by 50%	224.61	140.60
Withdrawal rate	Increase by 50%	150.67	92.62

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligations as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumption may be correlated.

The payout pattern of defined benefit obligation (undiscounted) estimated as at year-end is given below:

Particulars	As at March 31,2024	As at March 31,2023
Expected cashflow due		
- within 1 year	57.59	46.71
- 2 to 5 years	87.43	71.75
- 6 to 10 years	40.91	8.45
- More than 10 years	65.52	0.39

C) Compensated Absences (Leave encashment)

The following table summarises the components of leave encashment expenses recognised in the Statement of Profit and Loss and amount recognised in the Balance Sheet:

Particulars	As at March 31,2024	As at March 31,2023
Balance at the beginning of the year	7.39	24.68
Current service cost	57.99	7.86
Benefits paid during the year	(16.50)	(25.16)
Actuarial Gain / Loss on obligation	-	-
Balance at the end of the year	48.88	7.39
Leave Encashment Expense for the year (Refer Note 27)	57.99	7.86

INDEL MONEY LIMITED

(Rupees in Lakhs, unless otherwise stated)

The principal assumptions used in determining liability

Particulars	As at March 31,2024	As at March 31,2023
Discount rate	7.10%	7.20%
Rate of leaving service	11.00%	11.00%
Salary escalation rate per annum	5.00%	5.00%
Leave availment rate		

A quantitative sensitivity analysis for significant assumptions as at March 31, 2024 and March 31, 2023 are as shown below:

Assumption	Sensitivity Level	As at March 31, 2024	As at March 31, 2023
Discount rate	Decrease by 1%	50.27	7.52
Discount rate	Increase by 1%	47.58	7.26
Salary escalation rate per annum	Decrease by 1%	47.61	7.26
Salary escalation rate per annum	Increase by 1%	50.21	7.52
Withdrawal rate	Decrease by 50%	56.99	14.17
Withdrawal rate	Increase by 50%	46.02	4.99

36 The Company has not earned any income or incurred any expenditure in foreign currency during the year.

37 Assets pledged as security

The carrying amount of assets pledged as security is as follows

	As at March 31, 2024	As at March 31, 2023
Financial assets		
First charge		
Loans	19,300.65	15,415.00
Term deposits with bank	2,857.70	1,282.94
	22,158.35	16,697.94

38 Revenue from contracts

	Year Ended March 31, 2024	Year Ended March 31, 2023
Type of services		
Income from advertisements	-	-
Service charges and other fees on loan transactions	370.24	30.30
	370.24	30.30
Geographical markets		
India	370.24	30.30
Outstide India	-	-
Timing of revenue recognition		
Services transferred at a point in time	370.24	30.30
Services transferred over time	-	-

INDEL MONEY LIMITED

(Rupees in Lakhs, unless otherwise stated)

39 Financial instruments and Fair value disclosures

Financial instruments

A Financial assets and liabilities

The carrying amounts of financial instruments by category are as follows:

Particulars	Notes to schedule	As at March, 2024	As at March 31, 2023
Financial assets measured at amortised cost			
Cash and cash equivalents	3	9,551.40	3,666.14
Bank balances other than cash and cash equivalents	4	2,857.70	5,282.94
Receivables	5	9.27	10.79
Loans	6	1,01,395.33	72,365.87
Other financial assets	8	1,112.08	959.50
Financial assets measured at Fair Value			
Investments	7	-	11,772.88
Total		1,14,925.78	94,058.12
Financial liabilities measured at amortised cost			
Trade payables	13	127.74	50.33
Debt securities	14	37,210.68	30,456.38
Borrowings (other than debt securities)	15	36,761.04	28,516.10
Subordinated Liabilities	16	16,799.20	17,826.40
Lease liabilities	11	6,984.95	3,779.75
Other financial liabilities	17	4,465.92	3,538.60
Total		1,02,349.54	84,167.56

B Fair values hierarchy

The fair value of financial instruments as referred to in note 'A' above has been classified into three categories depending on the inputs used in the valuation technique. The hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities [Level 1 measurements] and lowest priority to unobservable inputs [Level 3 measurements].

The categories used are as follows:

Level 1: Quoted prices (unadjusted) for identical instruments in an active market;

Level 2: Directly (i.e. as prices) or indirectly (i.e. derived from prices) observable market inputs, other than Level 1 inputs; and

Level 3: Inputs which are not based on observable market data (unobservable inputs).

B.1 Valuation framework

The Company's fair value methodology and the governance over its models includes a number of controls and other procedures to ensure the quality and adequacy of the fair valuation. The valuation techniques and specific considerations for level 3 inputs are explained in detail below. The objective of the valuation techniques is to arrive at a fair value that reflects the price that would be received to sell the asset or paid to transfer the liability in the market at any given measurement date.

The fair valuation of the financial instruments and its ongoing measurement for financial reporting purposes is ultimately the responsibility of the finance team which reports to the Chief Financial Officer. The team ensures that final reported fair value figures are in compliance with Ind AS and will propose adjustments wherever required. When relying on third-party sources, the team is also responsible for understanding the valuation methodologies and sources of inputs and verifying their suitability for Ind AS reporting requirements.

B.2 Fair value of instruments measured at fair value

The fair values of investments in mutual fund units is based on the net asset value ('NAV') as stated by the issuers of these mutual fund units in the published statements as at balance sheet date. NAV represents the price at which the issuer will issue further units of mutual fund and the price at which issuers will redeem such units from the investors.

B.3 Fair value of instruments measured at amortised cost

Fair value of instruments measured at amortised cost for which fair value is disclosed is as follows, these fair values are calculated using Level 3 inputs:

Particulars	Notes to schedule	As at March 31, 2024		As at March 31, 2023	
		Carrying value	Fair value	Carrying value	Fair value
Financial assets					
Cash and cash equivalents	3	9,551.40	9,551.40	3,666.14	3,666.14
Bank balances other than cash and cash equivalents	4	2,857.70	2,857.70	5,282.94	5,282.94
Receivables	5	9.27	9.27	10.79	10.79
Loans	6	1,01,395.33	1,01,395.33	72,365.87	72,365.87
Other financial assets	8	1,112.08	1,112.08	959.50	959.50
Total		1,14,925.78	1,14,925.78	82,285.24	82,285.24

INDEL MONEY LIMITED

INDEL MONEY LIMITED
Notes to the financial statements for the year ended March 31, 2024
(Rupees in Lakhs, unless otherwise stated)

Particulars	Notes to schedule	As at March 31, 2024		As at March 31, 2023	
		Carrying value	Fair value	Carrying value	Fair value
Trade payables	13	127.74	127.74	50.33	50.33
Debt Securities	14	37,210.68	37,210.68	30,456.38	30,456.38
Borrowings (other than debt securities)	15	36,761.04	36,761.04	28,516.10	28,516.10
Subordinated Liabilities	16	16,799.20	16,799.20	17,826.40	17,826.40
Lease Liabilities	11	6,984.95	6,984.95	3,779.75	3,779.75
Other financial liabilities	17	4,465.92	4,465.92	3,538.60	3,538.60
Total		1,02,349.54	1,02,349.54	84,167.56	84,167.56

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

(i) The management assessed that fair values of the following financial instruments to be approximate their respective carrying amounts, largely due to the short-term maturities of these instruments:

Cash and cash equivalents
Bank balances other than cash and cash equivalents
Trade payables
Other financial assets and liabilities

(ii) Majority of the Company's borrowings are at a variable rate interest and hence their carrying values represent best estimate of their fair value as these are subject to changes in underlying interest rate indices.

(iii) The management assessed that fair values arrived by using the prevailing interest rates at the end of the reporting periods to be approximate their respective carrying amounts in case of the following financial instruments-

Loans
Lease liabilities
Debt securities

Estimated fair values of off-balance sheet positions are based on market prices for similar instruments or on discounted cash flow models, as explained above, which incorporate the credit risk element through the discount factor.

The management assessed that fair values of cash and cash equivalents, other bank balances, trade receivables, other financial assets, trade payables and other financial liabilities approximate their respective carrying amounts largely due to the short-term maturities of these instruments.
The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.
The following methods and assumptions were used to estimate the fair values:

(i) The fair values of the Company's fixed interest bearing loans and receivables are determined by applying discounted cash flows ('DCF') method, using discount rate that reflects the issuer's borrowing rate as at the end of the reporting period. Their own non-performance risk as at March 31, 2019 was assessed to be insignificant.

(ii) The fair values of the Company fixed rate interest-bearing debt securities, borrowings and subordinated liabilities are determined by applying discounted cash flows ('DCF') method, using discount rate that reflects the issuer's borrowing rate as at the end of the reporting period. For variable rate interest-bearing debt securities, borrowings and subordinated liabilities, carrying value represent best estimate of their fair value as these are subject to changes in underlying interest rate indices as and when the changes happen.

(iii) The fair values of the Company fixed interest-bearing debt securities, borrowings and subordinated liabilities are determined by applying discounted cash flows ('DCF') method, using discount rate that reflects the issuer's borrowing rate as at the end of the reporting period. The own non-performance risk as at March 31, 2019 was assessed to be insignificant.

(iv) All other debt securities, borrowings and subordinated liabilities availed by the Company are variable rate facilities which are subject to changes in underlying interest rate indices. Further, the credit spread on these facilities are subject to change with changes in Company creditworthiness. The management believes that the current rate of interest on these loans are in close approximation from market rates applicable to the Company. Therefore, the management estimates that the fair value of these borrowings are approximate to their respective carrying values.

INDEL MONEY LIMITED

40 Financial risk management

Introduction and risk profile

The Company has operations in India. The Company's activities expose it to market risk, liquidity risk and credit risk. The Company's board of directors, assisted by Risk Management Committee (RMC) and Chief Risk Officer (CRO) has overall responsibility for the establishment and oversight of the Company risk management framework. This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the related impact in the financial statements.

Risk	Exposure arising from	Measurement	Monitoring and Management
Credit risk	Credit risk is the risk of financial loss arising out of customers or counterparties failing to meet their repayment obligations to the Company.	Measured as the amount at risk due to repayment default by customers or counterparties to the Company. Various metrics such as instalment default rate, overdue position, restructuring, resolution plans, debt management efficiency, credit bureau information, contribution of stage 2 and stage 3 assets etc. are used as leading indicators to assess credit risk.	Monitored by Risk Management Committee (RMC) and Chief Risk Officer (CRO) through review of level of credit exposure, portfolio monitoring, contribution of repeat customers, bureau data, concentration risk of geography, customer and portfolio; and assessment of any major change in the business environment including economic, political as well as natural calamity/pandemic. Managed by a robust control framework by the risk and debt management unit. This is achieved by continuously aligning credit and debt management policies and resourcing, obtaining external data from credit bureaus and review of portfolios and delinquencies by senior and middle management team comprising of risk, finance and business teams. The same is periodically reviewed by the Board constituted RMC.
Liquidity and funding risk	Liquidity risk arises from mismatches in the timing of cash flows. Funding risk arises from: • inability to raise incremental borrowings and deposits to fund business requirement or repayment obligations • when long term assets cannot be funded at the expected term resulting in cashflow mismatches; • Amidst volatile market conditions impacting sourcing of funds from banks and money markets	Liquidity and funding risk is: • measured by – identification of gaps in the structural and dynamic liquidity. – assessment of incremental borrowings required for meeting the repayment obligation, the Company's business plan and prevailing market conditions. – liquidity coverage ratio (LCR) in accordance with guidelines issued by RBI and board approved liquidity risk framework.	• monitored by – assessment of the gap between visibility of funds and the near term liabilities given current liquidity conditions and evolving regulatory framework for NBFCs. – a constant calibration of sources of funds in line with emerging market conditions in banking and money markets. – periodic reviews by Asset Liability Management Committee (ALCO) of liquidity position, LCR and stress tests assuming varied 'what if' scenarios and comparing probable gaps with the liquidity buffers maintained by the Company. • managed by the Company's treasury team under liquidity risk management framework through various means like HQLA, liquidity buffers, sourcing of longterm funds, positive asset liability mismatch, keeping strong pipeline of sanctions from banks, assignment of loans and Contingency Funding Plan (CFP) to counter extreme liquidity situation under the guidance of ALCO and Board.
Market risk (Interest Rate)	Market risk arises from fluctuation in the fair value of future cash flow of financial instruments due to changes in the interest rate	Market risk for the Company encompasses exposures to interest rate risks floating rate liabilities with differing maturity profiles. It is measured by using changes in prices, and parameters like Value at Risk ('VaR'), PV01 (price value of a basis point), modified duration and other measures to determine movements in the portfolios and impact on net interest income.	Monitored by assessment of key parameters like interest rate sensitivities for probable interest rate movements on both fixed and floating assets and liabilities.

INDEL MONEY LIMITED

INDEL MONEY LIMITED
Notes to the financial statements for the year ended March 31, 2024
(Rupees in Lakhs, unless otherwise stated)

A Credit risk

Credit risk is the risk that a counterparty fails to discharge its obligation to the Company. The Company's exposure to credit risk is influenced mainly by cash and cash equivalents, other bank balances, other receivables , loan assets, other financial assets. The Company continuously monitors defaults of customers and other counterparties and incorporates this information into its credit risk controls.

A.1 Credit risk management

The Company assesses and manages credit risk based on internal credit rating system. Internal credit rating is performed for each class of financial instruments with different characteristics. The Company assigns the following credit ratings to each class of financial assets based on the assumptions, inputs and factors specific to the class of financial assets:

(i) Low credit risk
(ii) Moderate credit risk
(iii) High credit risk

The Company provides for expected credit loss based on the following:

Asset group	Basis of categorisation	Provision for expected credit loss
Low credit risk	Cash and cash equivalents, other bank balances, other receivables, loans and other financial assets	12 month expected credit loss
Moderate credit risk	Identified loans	Life time expected credit loss or 12 month expected credit loss
High credit risk	Identified loans	Life time expected credit loss fully provided for

Based on business environment in which the Company operates, a default on a financial asset is considered when the counter party fails to make payments within the agreed time period as per contract. Loss rates reflecting defaults are based on actual credit loss experience and considering differences between current and historical economic conditions.

Company write off Loan assets when there is no reasonable expectation of recovery, such as a borrower declaring bankruptcy or a litigation decided against the borrower. The Company continues to engage with parties whose balances are written off and attempts to enforce repayment. Recoveries made subsequently are recognized in the statement of profit and loss.

A.2 Financial assets that expose the entity to credit risk

Particulars	As at March 31, 2024	As at March 31, 2023
(i) Low credit risk on financial reporting date		
Cash and cash equivalents	9,551.40	3,666.14
Bank balances other than cash and cash equivalents	2,857.70	5,282.94
Receivables	9.27	10.79
Loans*	93,005.98	67,649.83
Investments	-	11,772.88
Other financial assets	1,112.08	959.50
	1,06,536.43	89,342.08
(ii) Moderate credit risk		
Identified loans*	6,687.57	2,612.28
(iii) High credit risk		
Identified loans*	1,701.78	2,103.76

* These represent gross carrying values of financial assets, without deduction for expected credit losses

A.3 Management of credit risk for financial assets other than loans

Cash and cash equivalents and bank deposits

Credit risk related to cash and cash equivalents and bank deposits is considered to be very low as the Company only deals with high rated banks. The risk is also managed by diversifying bank deposits and accounts in different banks across the country.

Other financial assets measured at amortised cost

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

INDEL MONEY LIMITED

(Rupees in Lakhs, unless otherwise stated)

A.4 Expected credit losses for financial assets other than loans

Company provides for expected credit losses on financial assets other than loans by assessing individual financial instruments for expectation of any credit losses:

- For cash and cash equivalents and other bank balances - Since the Company deals with only high-rated banks and financial institutions, credit risk in respect of cash and cash equivalents, other bank balances and bank deposits is evaluated as very low.

- For other financial assets comprising security deposits paid, employee advances, - Credit risk related to these other financial assets is managed by monitoring the recoverability of such amounts continuously, while at the same time internal control system in place ensure the amounts are within defined limits.

March 31, 2024	Estimated gross carrying amount at default	Expected probability of default	Expected credit losses	Carrying amount net of impairment provision
Cash and cash equivalents	9,551.40	-	-	9,551.40
Bank balances other than cash and cash equivalents	2,857.70	-	-	2,857.70
Receivables	9.27	-	-	9.27
Other financial assets	1,112.08	-	-	1,112.08

March 31, 2023	Estimated gross carrying amount at default	Expected probability of default	Expected credit losses	Carrying amount net of impairment provision
Cash and cash equivalents	3,666.14	-	-	3,666.14
Bank balances other than cash and cash equivalents	5,282.94	-	-	5,282.94
Receivables	10.79	-	-	10.79
Investments	11,772.88	-	-	11,772.88
Other financial assets	959.50	-	-	959.50

A.5 Management of credit risk for loans

Credit risk on loans is the single largest risk of the Company's business, and therefore the Company has developed several processes and controls to manage it. The Company is engaged in the business of providing loans to individuals and corporates to purchase used or new two wheeles.
The Company duly complies with the RBI guidelines with regards to disbursement of loans
The credit risk on loans can be further bifurcated into the following elements:
(i) Credit default risk
(ii) Concentration risk

(i) Management of credit default risk:

Credit default risk is the risk of loss arising from a debtor being unlikely to pay the loan obligations in full or the debtor is more than 90 days past due on any material credit obligation. The Company majorly manages this risk by measures such as verifying client details, and the usage of credit bureau data to get information on past credit behaviour also supplement the efforts for containing credit risk. There is a exhaustive client due diligence process in place which includes verification through both internal employees of the company and external due diligence agency. We also follow a systematic methodology in the opening of new branches, which takes into account factors such as demand for credit in the area; income and market potential; and socio-economic and law and order risks in the proposed area. Further, our client due diligence procedures encompass various layers of checks, designed to assess the quality of the proposal and to confirm that it meets the structured credit assessment parameter laid down by company's credit policy and process.

(ii) Management of concentration risk:

Concentration risk is the risk associated with any single exposure or group of exposures with the potential to produce large enough losses to threaten Company's core operations. It may arise in the form of single name concentration or industry concentration. In order to avoid excessive concentrations of risk, the Company's policies and procedures include specific guidelines to focus on maintaining a diversified portfolio. Identified concentration risks are controlled and managed accordingly.

A.5.: Credit risk measurement - Expected credit loss measurement

Ind AS 109 outlines a "three stage" model for impairment based on changes in credit quality since initial recognition as summarised below:
- A financial instrument that is not credit impaired on initial recognition and whose credit risk has not increased significantly since initial recognition is classified as "Stage 1".
- If a significant increase in credit risk since initial recognition is identified, the financial instrument is moved to "Stage 2" but is not yet deemed to be credit impaired.
- If a financial instrument is credit impaired, it is moved to "Stage 3".

ECL for depending on the stage of financial instrument:
- Financial instrument in Stage 1 have their ECL measured at an amount equal to expected credit loss that results from default events possible within the next 12 months.
- Instruments in Stage 2 or Stage 3 criteria have their ECL measured on lifetime basis.

INDEL MONEY LIMITED

A.5.2 Criteria for significant increase in credit risk

The Company considers a financial instrument to have experienced a significant increase in credit risk when one or more of the following quantitative or qualitative criteria are met.

(i) Quantitative criteria

The remaining lifetime probability of default at the reporting date has increased, compared to the residual lifetime probability of default expected at the reporting date when the exposure was first recognized. The Company considers loan assets as Stage 2 when the default in repayment is within the range of 30 to 90 days.

(ii) Qualitative criteria

If other qualitative aspects indicate that there could be a delay/default in the repayment of the loans, the Company assumes that there is significant increase in risk and loan is moved to stage 2.

The Company considers the date of initial recognition as the base date from which significant increase in credit risk is determined.

A.5.3 Criteria for default and credit-impaired assets

The Company defines a financial instrument as in default, which is fully aligned with the definition of credit-impaired, when it meets the following criteria:

(i) Quantitative criteria

The Company considers loan assets as Stage 3 when the default in repayment has moved beyond 90 days.

(ii) Qualitative criteria

The Company considers factors that indicate unlikeliness of the borrower to repay the loan which include instances like the significant financial difficulty of the borrower, borrower deceased or breach of any financial covenants by the borrower etc.

A.5.4 Measuring ECL - explanation of inputs, assumptions and estimation techniques

Expected credit losses are the discounted product of the probability of default (PD), exposure at default (EAD) and loss given default (LGD), defined as follows:
- PD represents the likelihood of the borrower defaulting on its obligation either over next 12 months or over the remaining lifetime of the instrument.

- EAD is based on the amounts that the Company expects to be owed at the time of default over the next 12 months or remaining lifetime of the instrument.
- LGD represents the Company's expectation of loss given that a default occurs. LGD is expressed in percentage and remains unaffected from the fact that whether the financial instrument is a Stage 1 asset, or Stage 2 or even Stage 3. However, it varies by type of borrower, availability of security or other credit support.

Probability of default (PD) computation model

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

Loss given default (LGD) computation model

The loss rate is the likely loss intensity in case a borrower defaults. It provides an estimation of the exposure that cannot be recovered in the event of a default and thereby captures the severity of the loss. The loss rate is computed by factoring the main drivers for losses (e.g. joint group liability mechanism, historical recoveries trends etc.) and arriving at the replacement cost.

A.6.1 Credit enhancements

The assessment of significant increase in risk and the calculation of ECL both incorporate forward-looking information. The Company has evaluated that the analysis of forward-looking information reveal that the scenario applicable to the Company is "Base Case Scenario" which assumes that the Macroeconomic conditions are normal and is similar to previous periods. In this case normal credit rating and corresponding PD & LGD is considered for ECL computation. The Company reviews the details on a periodic basis.

A.7 Loss allowance

The loss allowance recognized in the period is impacted by a variety of factors, as described below:
- Transfers between Stage 1 and Stages 2 or 3 due to financial instruments experiencing significant increases (or decreases) of credit risk or becoming credit-impaired in the period, and the consequent "step up" (or "step down") between 12-month and lifetime ECL.

- Additional allowances for new financial instruments recognized during the period, as well as releases for financial instruments de-recognized in the period
- Impact on the measurement of ECL due to changes in PDs, EADs and LGDs in the period, arising from regular refreshing of inputs to models
- Financial assets derecognised during the period and write-offs of allowances related to assets that were written off during the period

The following table further explains changes in the gross carrying amount of the Loan portfolio to help explain their significance to the changes in the loss allowance for the same portfolio as discussed above:

INDEL MONEY LIMITED *

(Rupees in Lakhs, unless otherwise stated)

A.8 Concentration of credit risk

The Company monitors concentration of credit risk by the type of loans, i.e., if the loan is Gold Loan, Personal Loan or Business Loans.

Risk Category	As at March 31, 2024	As at March 31, 2023
Gross carrying amount of loans		
Concentration by Product		
Gold Loan	87,376.26	57,922.62
Personal Loan	7,315.30	8,647.02
Business Loan	8,537.69	6,426.26
	1,03,229.25	72,995.90

A.9 Write off policy

The Company writes off financial assets, in whole or in part, when it has exhausted all practical recovery efforts and has concluded there is no reasonable expectation of recovery.

Indicators that there is no reasonable expectation of recovery include:

- Ceasing enforcement activity
- Where the Company's recovery method is foreclosing and there is no reasonable expectation of recovery in full.

INDEL MONEY LIMITED

(Rupees in Lakhs, unless otherwise stated)

B Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due. Management monitors rolling forecasts of the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows. The Company takes into account the liquidity of the market in which the entity operates.

B.1 Maturities of financial liabilities

The tables below analyse the Company financial liabilities into relevant maturity groupings based on their contractual maturities.

The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

March 31, 2024	On demand	Less than 3 months	3 to 12 months	1 to 5 years	More than 5 years	Total
Trade payables	127.74	-	-	-	-	127.74
Debt securities	-	-	11,995.74	22,369.61	-	34,365.35
Borrowings (other than debt securities)	5,286.49	-	17,577.22	12,820.74	-	35,684.45
Lease liabilities	-	-	6,984.95	-	-	6,984.95
Other financial liabilities	4,465.92	-	-	-	-	4,465.92
Total	9,880.15	-	36,557.91	35,190.35	-	81,628.41

March 31, 2023	On demand	Less than 3 months	3 to 12 months	1 to 5 years	More than 5 years	Total
Trade payables	50.33	-	-	-	-	50.33
Debt securities	-	-	17,577.22	12,820.74	-	30,397.96
Borrowings (other than debt securities)	4,034.57	-	8,478.18	16,405.74	-	28,918.50
Lease liabilities	-	-	3,779.75	-	-	3,779.75
Other financial liabilities	3,538.60	-	-	-	-	3,538.60
Total	7,623.50	-	29,835.16	29,226.48	-	66,685.14

C Market risk - Interest rate risk

C.1 Liabilities

The Company's policy is to minimize interest rate cash flow risk exposures on long-term financing. At March 31, 2024, the Company is exposed to changes in market interest rates through bank borrowings at variable interest rates. The Company's investments in fixed deposits all pay fixed interest rates.

Interest rate risk exposure

Below is the overall exposure of the Company to interest rate risk:

Particulars	March 31, 2024	March 31, 2023
Debt securities		
Variable rate	37,210.68	26,397.08
Fixed rate	-	-
Borrowings (other than debt securities)		
Variable rate	31,474.55	24,481.53
Fixed rate	-	-

Sensitivity

Below is the sensitivity of profit or loss in interest rates.

Particulars	March 31, 2024	March 31, 2023
Interest sensitivity*		
Interest rates – increase by 0.50% basis	186.05	131.99
Interest rates – decrease by 0.50% basis	-186.05	-131.99

** Holding all other variables constant*

C.1.2 Assets

The Company's fixed deposits are carried at amortised cost and are fixed rate deposits. They are therefore not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

42 Capital management

The Company's capital management objectives are

- to ensure the Company's ability to continue as a going concern
- to provide an adequate return to shareholders

The Company monitors capital on the basis of the carrying amount of equity less cash and cash equivalents as presented on the face of balance sheet.

Management assesses the Company's capital requirements in order to maintain an efficient overall financing structure while avoiding excessive leverage. This takes into account the subordination levels of the Company's various classes of debt. The Company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares, or sell assets to reduce debt.

INDEL MONEY LIMITED

INDEL MONEY LIMITED
Notes to the financial statements for the year ended March 31, 2024
(Rupees in Lakhs, unless otherwise stated)

44.1 Disclosures required as per Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023

Sr. No.	Liabilities	As at March 31,2024		As at March 31,2023	
		Amount outstanding	Amount overdue	Amount outstanding	Amount overdue
1	Loans and advances availed by the non-banking financial company inclusive of interest accrued thereon but not paid: -				
	(a)Debentures:				
	Secured	37,210.68	-	30,456.38	-
	Unsecured (other than falling within the meaning of public deposits)	-	-		-
	(b) Deferred credits	-	-	-	-
	(c) Term Loans	31,474.55	-	24,481.53	-
	(d) Inter-corporate loans and borrowing	-	-	-	-
	(e) Commercial Paper	-	-	-	-
	(f) Public deposits	-	-	-	-
	(g) Other Loans: -				
	Cash Credit and lease liabilities	5,286.49	-	4,034.57	-
2	Break up of (1)(f) above (Outstanding public deposits inclusive of interest accrued thereon but not paid):				
	(a)In the form of Unsecured debentures	-	-	-	-
	(b)In the form of partly secured debentures	-	-	-	-
	(c) Other public deposits	-	-	-	-

Sr. No.	Assets	As at March 31,2024	As at March 31,2023
3	Break-up of Loans and Advances including bills receivables (other than those included in (4) below): -		
	(a) Secured	88,437.23	59,818.75
	(b) Unsecured	12,958.10	12,547.12
4	Break-up of Leased Assets and stock on hire and other assets counting towards Asset financing activities (AFC):		
	(i) Lease assets including lease rentals under sundry debtors	-	-
	(a) Financial lease	-	-
	(b) Operating lease	-	-
	(ii) Stock on hire including hire charges under sundry debtors	-	-
	(a) Assets on hire	-	-
	(b) Repossessed Assets	-	-
	(iii) Other loans counting towards AFC activities	-	-
	(a) Loans where assets have been repossessed	-	-
	(b) Loans other than (a) above		
	(iv) Others		
	Gold Ring & Gold audit kit	6.46	6.46

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

INDEL MONEY LIMITED

INDEL MONEY LIMITED
Notes to the financial statements for the year ended March 31, 2024
(Rupees in Lakhs, unless otherwise stated)

Sr. No.	Assets	As at March 31,2024	As at March 31,2023
5	Break-up of Investments		
	Current Investments: -		
	1. Quoted:		
	(i) Shares: (a) Equity	-	-
	(b) Preference	-	-
	(ii) Debentures and Bonds	-	-
	(iii) Units of mutual funds	-	-
	(iv) Government Securities (net of amortization)	-	-
	(v) Others	-	-
	2. Unquoted:		
	(i) Shares: (a) Equity	-	-
	(b) Preference	-	-
	(ii) Debentures and Bonds	-	-
	(iii) Units of mutual funds	-	-
	(iv) Government Securities	-	-
	(v) Others	-	-
	Long Term Investments: -		
	1. Quoted:		
	(i) Shares: (a) Equity	-	-
	(b) Preference	-	-
	(ii) Debentures and Bonds	-	-
	(iii) Units of mutual funds	-	-
	(iv) Government Securities (net of amortization)	-	-
	(v) Others	-	-
	2. Unquoted:		
	(i) Shares: (a) Equity		
	(b) Preference	-	-
	(ii) Debentures and Bonds	-	-
	(iii) Units of mutual funds	-	11,772.88
	(iv) Government Securities	-	-
	(v) Others - Investment in Pass Through Certificates	-	-

6	Borrower Group-wise Classification of Assets Financed as in (3) and (4) above: -						
	Category	As at March 31, 2024			As at March 31, 2023		
		Amount (Principal, Net of provisioning)			Amount (Principal, Net of provisioning)		
		Secured	Unsecured	Total	Secured	Unsecured	Total
	1. Related Parties						
	(a) Subsidiaries	-	-	-	-	-	-
	(b) Companies in the same group	-	-	-	-	-	-
	(c) Other related parties	-	-	-	-	-	-
	2. Other than related parties	88,074.54	13,320.79	1,01,395.33	59,818.75	13,496.24	73,314.99
	Total	88,074.54	13,320.79	1,01,395.33	59,818.75	13,496.24	73,314.99

INDEL MONEY LIMITED

INDEL MONEY LIMITED
Notes to the financial statements for the year ended March 31, 2024
(Rupees in Lakhs, unless otherwise stated)

e. Exposures:
The Company has no exposure to the real estate sector directly or indirectly in the current and previous year.

Exposure to capital market;

Sr. No.	Particulars	As at March 31,2024	As at March 31,2023
(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 IPOs / ESOPs), convertible bonds, convertible debentures, and units of equity-oriented mutual funds;		
(iii)	advances for any other purposes where shares or convertible bonds or convertible debentures 191 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		
(vi)	Loans sanctioned to corporates against the security of shares / bonds / debentures		
(vii)	bridge loans to companies against expected equity flows / issues;		
(viii)	all exposures to Venture Capital Funds (both registered and unregistered)		
	Total Exposure to Capital Market	-	

f. Details of financing of parent company products – Not Applicable

g. The Company has not exceeded the limit of single borrower limit / group borrower limit.

h. Unsecured Advances: Trade Advances (Refer Note 6)

i. Registration obtained from other financial regulators: NA

j. Disclosure of penalties imposed by RBI and other regulators:
No Penalties were imposed by RBI and other regulators during current year.

k. Ratings assigned by credit rating agencies and migration of ratings:

Particulars	Rating Agency	Rating assigned	Migration in rating during the year
Long term debt	CRISIL	BBB+ Stable	NA
Non-Convertible Debentures	CRISIL	BBB+ Stable	NA
Commercial Paper	NA	NA	NA

l. Provisions and contingencies (shown under the head expenditure in Statement of Profit and Loss):

Particulars	As at March 31, 2024	As at March 31, 2023
Provision for standard assets	342.00	234.47
Provision for non-performing assets	799.64	255.41
Provision for income tax	1,589.60	865.03
Provision for gratuity	37.85	57.45
Provision for leave encashment	57.99	7.86
Provision for depreciation on investment		
Provision for other losses	62.25	
Total	2,889.33	1,420.22

m. Draw down from reserves:
There has been no draw down from reserves during the year ended March 31, 2024.

n. Concentration of advances, exposures and NPAs

Particulars	As at March 31, 2024	As at March 31, 2023
Total advances to twenty largest borrowers	7,091.52	4737.94
(%) of advances to twenty largest borrowers to total advances	6.99%	6.55%
Total exposure to twenty largest borrowers / customers	7,423.60	4767.94
(%) of exposures to twenty largest borrowers / customers to total exposure	7.32%	6.59%
Concentration of NPAs		
Total Exposure to top four NPA accounts	673.52	92.50

INDEL MONEY LIMITED

INDEL MONEY LIMITED

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

(Rupees in Lakhs, unless otherwise stated)

o. Sector-wise NPAs

Sr. No.	Sector*	As at March 31, 2024	As at March 31, 2023
1	Agriculture and allied activities		
2	MSME		
3	Corporate borrowers	3.64%	3.45%
4	Services	38.18	16.57
5	Personal loans		
6	Auto loans		
7	Gold Loans	2.22%	0.48%

*Percentage of NPAs to Total Advances in that sector

p. Movement of NPAs

Sr. No.	Particulars	As at March 31, 2024	As at March 31, 2023
(i)	Net NPAs to Net Advances (%)*		
(ii)	Movement of NPAs (Gross):		
(a)	Opening balance	2,103.76	392.82
(b)	Additions during the year	1,545.67	2,026.27
(c)	Reductions during the year	1,947.65	315.33
(d)	Closing balance	1,701.78	2,103.76
(iii)	Movement of Net NPAs		
(a)	Opening balance	1,964.63	252.66
(b)	Additions during the year	1,156.02	1,887.46
(c)	Reductions during the year	1,852.36	175.49
(d)	Closing balance	1,268.30	1,964.63
(iv)	Movement of provisions for NPAs		
(a)	Opening balance	139.13	140.15
(b)	Provisions made during the year	389.64	138.81
(c)	Write-off / write-back of excess provisions	95.29	139.84
(d)	Closing balance	433.48	139.13

*Net advances is computed by reducing Provision for non-performing assets from gross loans and advances

q. Overseas Assets (for those with Joint Ventures and Subsidiaries abroad)
There is no Overseas Asset (for those with Joint Ventures and Subsidiaries abroad)

r. Off-balance Sheet SPVs sponsored (which are required to be consolidated as per accounting norms)
There is no Off-balance Sheet SPVs sponsored (which are required to be consolidated as per accounting norms

s. Disclosure of customer complaints

Sr No	Particulars	No. of complaints March 31, 2024	No. of complaints March 31, 2023
a.	No. of complaints pending at the beginning of the year	-	-
b.	No. of complaints received during the year	308.00	189.00
c.	No. of complaints redressed during the year	303.00	189.00
d.	No. of complaints pending at the end of the year	5.00	-

t. Information on instances of fraud

During the year , frauds committed by employees and customers of the company amounted to ₹139.40 Lakhs (March 31, 2023: ₹76.77 Lakhs) which has been recovered /written off / provided for. Of the above, fraud by employees of the company amounted to₹103.08 Lakhs (March 31,2023: ₹60.37Lakhs).

u. Loan against security of gold

Particulars	31-03-2024	31-03-2023
Loan granted against collateral of gold jewellery	85,945.55	57,923.24
Total Asset of the Company	1,25,539.33	1,00,545.10
Percentage of loans granted against collateral of gold jewellery to Total Assets	68.46%	57.61%

INDEL MONEY LIMITED

INDEL MONEY LIMITED
Notes to the financial statements for the year ended March 31, 2024
(Rupees in Lakhs, unless otherwise stated)

44.2 Disclosures as per RBI Notification RBI/2022-23/26-DOR.ACC.REC.No.20/21.04.018/2022-23 under 'Scale Based Regulation (SBR): A Revised Regulatory Framework' for NBFCs dated April 19,2022 to the extent applicable

A Exposure
1) Sectoral exposure

(Rs. in crore)

Sr No	Sectors	Current Year			Previous Year		
		Total Exposure (includes on balance sheet and off-balance sheet exposure)	Gross NPAs	Percentage of Gross NPAs to total exposure in that sector	Total Exposure (includes on balance sheet and off-balance sheet exposure)	Gross NPAs	Percentage of Gross NPAs to total exposure in that sector
1	Agriculture and allied activities	-	-	-	-	-	-
2	Industry	-	-	-	-	-	-
	Others						
3	Services						
	Others	8,486.27	311.09	3.67%	6,047.12	221.36	3.66%
4	Personal loans						
	Others	6,644.88	2793.06	42.03%	8,089.89	1,433.40	17.72%
5	Gold Loans	1,38,252.17	1942.28	1.40%	1,01,255.47	275.98	0.27%

2) Intra-group exposures

(Rs. in crore)

Sr No	Particulars	As at March 31,2024	As at March 31,2023
ii)	Total amount of intra-group exposures	0.00	0.00
ii)	Total amount of top 20 intra-group exposures	0.00	0.00
iii)	Percentage of intra-group exposures to total exposure of the Company on borrowers/ customers	0%	0%

B Related Party Disclosure

(Rs in Lakhs)

Related Party	Subsidiaries		Key Management Personnel		Relatives of Key Management Personnel		Total	
Item	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
Maximum during the year								
Borrowings	-	-	-	-	-	-	-	-
Deposits	-	-	79.62	3.78	18.01	18.01	97.63	21.79
Placement of deposits	-	-	-	-	-	-	-	-
Advances	-	-	-	-	-	-	-	-
Investments	-	-	-	-	-	-	-	-
Balance outstanding at the year end								
Borrowings	-	-	-	-	-	-	-	-
Deposits	-	-	79.62	1.59	3.67	18.01	83.29	19.60
Placement of deposits	-	-	-	-	-	-	-	-
Advances	-	-	-	-	-	-	-	-
Investments	-	-	-	-	-	-	-	-
Receivables							-	-
Transactions during the year								
Purchase of fixed/other assets	-	-	-	-	-	-	-	-
Sale of fixed/other assets	-	-	-	-	-	-	-	-
Interest Paid			12.73	8.20	0.53	1.01	13.26	9.21
Interest Received	-	-	-	-	-	-	-	-
Remuneration	-	-	161.32	154.21	-	-	161.32	154.21
Others-Income	-	-	-	-	-	-	-	-
Others-Expenditure	-	-	3.00	-	-	-	3.00	-

INDEL MONEY LIMITED

INDEL MONEY LIMITED
Notes to the financial statements for the year ended March 31, 2024
(Rupees in Lakhs, unless otherwise stated)

C Disclosure of complaints

1) Summary information on complaints received by the NBFCs from customers and from the Offices of Ombudsman

(Nos.)

Sr. No	Particulars	Current Year	Previous Year
Complaints received by the NBFC from its customers;			
1	Number of complaints pending at beginning of the year	0	0
2	Number of complaints received during the year	301	185
3	Number of complaints disposed during the year	296	185
3.1	Of which, number of complaints rejected by the NBFC	5	NIL
4	Number of complaints pending at the end of the year	NIL	NIL
Maintainable complaints received by the NBFC from Office of Ombudsman;			
5	Number of maintainable complaints received by the NBFC from Office of Ombudsman	7	4
5.1	Of 5, number of complaints resolved in favour of the NBFC by Office of Ombudsman	7	4
5.2	Of 5, number of complaints resolved through reconciliation/ mediation/advisories issued by Office of Ombudsman	NIL	NIL
5.3	Of 5, number of complaints resolved after passing of Awards by Office of Ombudsman against the NBFC	NIL	NIL
6	Number of Awards unimplemented within the stipulated time (other than those appealed)	NIL	NIL

Note: Maintainable complaints refer to complaints on the grounds specifically mentioned in Integrated Ombudsman Scheme, 2021 (Previously The Ombudsman Scheme for Non-Banking Financial Companies, 2018) and covered within the ambit of the Scheme.

2) Grounds of complaints

(Nos.)

Grounds of complaints, (i.e. complaints relating to)	Number of complaints pending at the beginning of the year	Number of complaints received during the year	% increase/ decrease in the number of complaints received over the previous year	Number of complaints pending at the end of the year	Of 5, number of complaints pending beyond 30 days
Current year					
Loans and Advances	-	285.00		5.00	5.00
Borrowings	-	2.00		-	-
Total	-	**287.00**		5.00	**5.00**
Previous year					
Loans and Advances	-	181.00		-	-
Total	-	**181.00**		-	-

INDEL MONEY LIMITED

INDEL MONEY LIMITED
Notes to the financial statements for the year ended March 31, 2024
(Rupees in Lakhs, unless otherwise stated)

45. Disclosures relating to Securitisation/ Direct Assignment

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

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

Particulars	As at March 31,2024	As at March 31,2023
Non- STC Transactions:		
No of SPVs holding assets for securitisation transactions originated by the originator	-	-
Total Amount of securitised assets as per books of SPV sponsored by the NBFC	-	-
Total Amount of exposures retained by the NBFC to comply with MRR as on the date of balance sheet		
a. Off-Balance sheet exposure		
· First Loss	-	-
· Others	-	-
b. On-Balance sheet exposure		
· First Loss – Cash collateral	-	-
· Others	-	-
Amount of exposures to securitisation transaction other than MRR		
a. Off-Balance sheet exposure		
i. Exposure to own securitisations		
· First Loss	-	-
· Loss	-	-
ii. Exposure to third party securitisation transactions		
· First Loss	-	-
· Others	-	-
b. On-Balance sheet exposure		
i. Exposure to own securitisations		
· First Loss	-	-
· Second Loss	-	-
· Others (Overcollateral)	-	-
ii. Exposure to third party transactions		
· First Loss	-	-
· Others	-	-
Sale consideration received for the securitised assets and gain/loss on sale on account of securitisation		
· Sale Consideration	-	-
· Gain/Loss	-	-
Form and quantum (outstanding value) of services provided by way of, liquidity support, post -securitisation asset servicing etc.		
Performance of facility provided		
· Amount paid	-	-
· Repayment received	-	-
· Outstanding amount	-	-
Average default rate of portfolios observed in the past	-	-
Amount and number of additional/top up loans given on same underlying asset.	-	-
Investor complaints		
· Directly/indirectly received	None	None
· Complaints outstanding	None	None

45.2 Disclosure as per Master Direction -Reserve Bank of India (Transfer of Loan Exposures) Directions, 2021 dated September 24, 2021

A) The Company has entered into a co-lending arrangement with a bank during the year and in accordance with RBI/2020-21/63 FIDD.CO.Plan.BC.No.8/04.09.01/2020-21 dated November 05, 2020, the arrangement is akin to a direct assignment transaction. Accordingly, the disclosures as per the above Master Direction is given to the extent applicable to the said co-lending arrangement.

Details of transfer through assignment in respect of loan not in default:

Particulars	As at March 31,2024	As at March 31,2023
Count of loans accounts assigned	1,62,752	73,372
Amount of loan accounts assigned	1,15,390	61,871
Weighted average maturity (in months)	6	9
Weighted average holding period (in months)	Not Applicable	Not Applicable
Retention of beneficial economic interest	20%	20%
Coverage of tangible security	100%	100%
Rating wise distribution of rated loans	Not Rated	Not Rated

INDEL MONEY LIMITED

INDEL MONEY LIMITED
Notes to the financial statements for the year ended March 31, 2024
(Rupees in Lakhs, unless otherwise stated)

B) The Company has entered into a direct assignment arrangement with an NBFC during the year and the disclousure of the details of loans transferred through assignment in respect of loans not in default during the year as per the above Master Direction is given below;

Particulars	As at March 31,2024	As at March 31,2023
Count of loans accounts assigned	36,622	46,421
Amount of loan accounts assigned	35,403	26,697
Weighted average maturity (in months)	2	2
Weighted average holding period (in months)	6	6
Retention of beneficial economic interest	10%	10%
Coverage of tangible security	100%	100%
Rating wise distribution of rated loans	Not Rated	Not Rated

C) Detail of stressed loans acquired during the year;

For the Year ended March 31, 2024;*

Particulars	From ARCs	From Scheduled commercial banks
No. of Accounts		
Aggregate principal outstanding of loans transferred	Nil	Nil
Weighted average residual tenor of the loans transferred	Nil	Nil
Aggregate consideration (Including interest accrued)	Nil	Nil

For the Year ended March 31, 2023;*

Particulars	From ARCs	From Scheduled commercial banks
No. of Accounts		
Aggregate principal outstanding of loans transferred	Nil	Nil
Weighted average residual tenor of the loans transferred	Nil	Nil
Aggregate consideration (Including interest accrued)	Nil	Nil

*Arrangements involving invocation of default loss guarantee issued by the Company under co-lending transactions are not treated as transfer of loan exposures and is not included in the above disclosure.

INDEL MONEY LIMITED

46. Disclosures required as per Reserve Bank of India Circular No RBI/2019-20/88/DOR.NBFC(PD)CC. No.102/03.10.001/2019-20 dated November 04, 2019

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

Particulars	As at March 31,2024	As at March 31,2023
Number of Significant Counterparties	1	11
Amount (Rs. Lakhs)	38,847.21	37,097.58
Percentage of funding concentration to total deposits	42.80%	48.30%
Percentage of funding concentration to total liabilities	37.58%	43.96%

ii. Top 20 large deposits (amount in Rs. Lakh and % of Total Deposits)- Not applicable

iii. Top 10 Borrowings:

Particulars	As at March 31,2024	As at March 31,2023
Total amount of Top 10 borrowings	32,397.58	36,097.86
% to total borrowings	35.69%	47.00%

iv. Funding Concentration based on significant instrument/product

Sr. No.	Name of the instrument/product	As at March 31, 2024		As at March 31, 2023	
		Amount (Rs. Lakh)	% of Total Liabilities	Amount (Rs. Lakh)	% of Total Liabilities
1	Term Loan	36,761	35.56%	28,516.10	33.79%
2	NCD	37,211	36.00%	30,456.38	36.09%
3	Subordinated Liabilities	16,799	16.25%	17,826.40	21.13%
4	Commercial Paper	-	-	-	-

v. Stock Ratios

Sr. No.	Particulars	% As at March 31,2024	% As at March 31,2023
1	Commercial paper as a % of total public funds		
2	Commercial paper as a % of total liabilities		
3	Commercial paper as a % of total assets		
4	Short term NCDs as a % of total public funds	13.78%	19.18%
5	Short term NCDs as a % of total liabilities	12.10%	17.46%
6	Short term NCDs as a % of total assets	10.05%	14.65%
7	Other short-term liabilities as a % of total public funds	46.85%	37.81%
8	Other short-term liabilities as a % of total liabilities	41.14%	34.41%
9	Other short-term liabilities as a % of total assets	34.16%	28.88%

Note:

(i) Public Fund represents bank finance, funds raised by Commercial Paper and debentures.

(ii) Other Short-term Liabilities is computed as short- term bank borrowings including outstanding CC/WCDL, and other short-term liabilities but excludes commercial paper,non-convertible debentures (original maturity of less than one year) and current maturities of long term borrowings.

vi. Institutional set-up for liquidity risk management

Liquidity risk is the risk that the Company does not have sufficient resources to meet its obligation as and when they fall due. The risk arises from the mismatches in the timing of the cash flows which is inherent in all financing operations and can be managed with the strategies, policies, and procedures.

The Company has put in place an effective Asset Liability Management System "ALCO" headed by Managing Director of the Company.

The Company manages its liquidity risk through a mix of strategies, including forward-looking resource mobilization based on projected disbursements and maturing obligations. ALCO is responsible for managing the Company's liquidity risk via a combination of policy formation, review and governance, analysis, stress testing, limit setting and monitoring. The Company continuously monitors liquidity in the market; and as a part of its ALM strategy, the Company maintains a liquidity buffer managed by an active investment desk to reduce this risk. As on 31 March 2024, the Company has liquidity buffer of Rs. 12,409.10 lakhs (Cash and bank balances). The Company maintains a judicious mix of borrowings from various institutions like Banks, NBFCs and other financial institutions and instruments like Term Loans, Commercial Papers, Non-Convertible Debentures, Cash Credit Facilities etc. to diversify its sources of borrowings with an emphasis on longer tenor borrowings. This strategy of balancing varied sources of funds and long tenor borrowings has helped the Company maintain a healthy asset liability position and contain interest rate movements during the financial year 2023-24 the weighted average cost of borrowing moved down by 5 bps despite volatile market conditions and continuous increase in Repo Rates.

INDEL MONEY LIMITED

(Rupees in Lakhs, unless otherwise stated)

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

Type of borrower	Exposure to accounts classified as Standard consequent to implementation of resolution plan as on March 31, 2023	Of (A), aggregate debt that slipped into NPA during the year	Of (A) amount written off during the year	Of (A) amount paid by the borrowers during the year	Exposure to accounts classified as Standard consequent to implementation of resolution plan as on March 31, 2024
Personal Loans#	-	-	-	-	-
Corporate persons*	-	-	-	-	-
Of which MSMEs	-	-	-	-	-
Others	-	-	-	-	-
Total	-	-	-	-	-

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

49 Undisclosed Income
For the year ended March 31, 2024 there are no instances of transactions not recorded in the books of account, which have been surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961.

50 Relationship with Struck off Companies
The Company has not undertaken any transactions with companies struck off under section 248 of Companies Act, 2013 or section 560 of the Companies Act.

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

52 (a) Income Tax

The components of income tax expense for the year ended March 31, 2024 and year ended March 31, 2023 are:

	Year Ended March 31, 2024	Year Ended March 31, 2023
Current tax	1,733.38	865.03
Adjustment in respect of current income tax of prior years	16.26	(11.06)
Income tax expense reported in statement of Profit and Loss	1,749.64	853.97
OCI Section		
Current tax related to items recognised in OCI during the period:		
-Remeasurement of defined benefit plans	10.43	6.30
Income tax charged to OCI	10.43	6.30
The reconciliation of estimated income tax expense at statutory income tax rate to income tax expense reported in statement of profit and loss is as follows:		
Profit before tax	5,575.73	2,919.15
Statutory income tax rate	25.17%	25.17%
Expected income tax expense	1,403.41	734.75
Effect of expenses that are not deductible in determining taxable profit	581.23	134.65
Adjustments in respect of current income tax of previous year	16.26	(11.06)
Deferred tax relating to origination and reversal of temporary differences	(160.04)	(4.37)
Total income tax expense	1,749.64	119.22

In accordance with the provisions of Section 115BAA of the Income Tax Act, 1961, the company have opted to pay income tax at a reduced rate of 22% (plus surcharge @ 10% and cess @ 4%).

INDEL MONEY LIMITED *

INDEL MONEY LIMITED
Notes to the financial statements for the year ended March 31, 2024
(Rupees in Lakhs, unless otherwise stated)

52 (b). Deferred tax Assets (net)

	As at March 31, 2024	As at March 31, 2023
Tax effect of items constituting deferred tax liabilities:		
Loan Assets	401.42	-
ROU Asset : Timing difference on account of depreciation and amortisation	1,552.82	879.10
Adoption of EIR for borrowing cost	41.74	24.46
Security Deposit	-	2.20
	1,995.98	905.75
Tax effect of items constituting deferred tax assets:		
Fixed asset: Timing difference on account of Depreciation and Amortisation	175.06	153.87
Provision for expected credit loss	365.99	-
Lease Liabilities	1,758.11	951.36
Security Deposit	88.37	-
Provision for Employee Benefits	25.92	47.53
Other Provisions	-	-
	2,413.46	1,152.76
Total Deferred tax assets/ (liabilities) (net)	417.48	247.01

Movement in above mentioned deferred tax assets and (liabilities)

	As on April 1, 2022	Recognised in statement of profit and loss	Recognised in other comprehensive income	As on March 31, 2023	Recognised in statement of profit and loss	Recognised in other comprehensive income	As on March 31, 2024
Tax effect of items constituting deferred tax assets and (liabilities)							
Loan Assets	-	-	-	-	401.42	-	(401.42)
ROU Asset : Timing difference on account of depreciation and amortisation	(823.83)	55.27	-	(879.10)	673.73	-	(1,552.82)
Adoption of EIR for borrowing cost	(35.28)	(10.82)	-	(24.46)	17.28	-	(41.74)
Fixed asset: Timing difference on account of Depreciation and Amortisation	134.15	(19.72)	-	153.87	(21.19)	-	175.06
Provision for expected credit loss	-	-	-	-	(365.99)	-	365.99
Lease Liabilities	875.91	(75.45)	-	951.36	(806.75)	-	1,758.11
Security Deposit	50.02	52.22	-	(2.20)	(90.57)	-	88.37
Provision for Employee Benefits	35.37	(5.86)	(6.30)	47.53	32.04	(10.43)	25.92
	236.34	(4.37)	(6.30)	247.01	(160.04)	(10.43)	417.48

INDEL MONEY LIMITED
Notes to the financial statements for the year ended March 31, 2024
(Rupees in Lakhs, unless otherwise stated)

53 Registration of charges
The Company has filed the necessary forms with regard to creation and / or satisfaction of charge with the Registrar of Companies within the statutory period specified under the Companies Act and rules made thereunder.

54 Compliance with approved scheme(s) of Arrangements
During the year, no scheme of arrangements in relation to the Company has been approved by the competent authority in terms of Sections 230 to 237 of the Companies Act 2013. Accordingly, aforesaid disclosure is not applicable since there was no such transaction

55 Details of Benami Property Held
No proceedings have been initiated or pending against the Company for holding any benami property under Benami Transaction (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder in the financial year ended March 31,2024.

56 Details of Crypto or Virtual Currency
The Company has not traded or invested in crypto currency or virtual currency during the year.

57 Compliance with number of layers of companies
The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017 for the financial years ended March 31,2024.

58 Title deeds of immovable properties not held in name of the Company
The Company does not possess any immovable property (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) whose title deeds are not held in the name of the Company during the financial year ended March 31,2024.

59 Details of disclosures made to Banks / Financial Institutions for credit facilities availed
The Company has availed credit facilities from bank or financial institutions during the current year with the hypothecation of assets under finance, book debts, other receivables and margin money deposits as stated in Note 5. The quarterly returns or statements of current assets filed by the Company with said financial institutions are, with all material respects, in agreement with the books of accounts.

60 There are no additional regulatory information to be reported under MCA notification No. G.S.R 207(E) dated 24.03.2021 at this stage other than the details furnished above.

61 Frauds during the year
During the year , frauds committed by employees and customers of the company amounted to ₹139.40 Lakhs (March 31, 2023: ₹76.77 Lakhs) which has been recovered /written-off / provided for. Of the above, fraud by employees of the company amounted to ₹103.08 Lakhs (March 31,2023 : ₹60.37Lakhs).

62 Figures for the previous years have been regrouped / reclassified wherever considered necessary to confirm with the current year's presentation.

For Bhatter & Company
Chartered Accountants
Firm's Registration Number : 131092W
UDIN :- 24016937BKBYMD9817

D.H. Bhatter
Proprietor
Membership No. 016937
Place: Kochi
Date: 30/05/2024

For and on behalf of Board of Directors of Indel Money Limited

Mohanan Gopalakrishnan
Managing Director
DIN No.02456142

Hanna P Nazir
Company Secretary
Membership No. A51727

Umesh Mohanan
Director
DIN No. 02455902

Narayanan Pisharath
Chief Financial Officer

INDEL MONEY LIMITED

Bhatter & Company
CHARTERED ACCOUNTANTS

Independent Auditors' Report

TO THE MEMBERS OF

INDEL MONEY LIMITED

Report on Audit of the Financial Statements

Opinion

We have audited the financial statements of Indel Money Limited ("the Company"), which comprise the Balance Sheet as at 31st March, 2023, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2023, the Profit and total comprehensive profit, changes in equity and its cash flow for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements for the current year. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

307, Tulsiani Chambers, Nariman Point, Mumbai - 400 021
Tel.: 2285 3039 / 3020 8868 • E-mail : dhbhatter@gmail.com

Sr.No.	Key Audit Matter	Auditor's Response
1	**Expected Credit Loss under IND AS 109 "Financial Instruments"** The Company recognises Expected Credit Losses (ECL) on loan assets under IND AS 109 "Financial Instruments" based on the Expected Credit Loss model developed by the Company. The estimation of expected credit loss on financial instruments involves significant judgement and estimates. Key estimates involve determining Exposure at Default (EAD), Probability at Default (PD) and Loss Given Default (LGD) using historical information. Hence, we have considered the estimation of ECL as a Key Audit Matter.	Assessed the accounting policy for impairment of financial assets and its compliance with IND AS 109. • Obtained an understanding of the Company's Expected Credit Loss (ECL) calculation and the underlying assumptions. • Tested the key controls over the assessment and identification of significant increase in credit risk and staging of assets. • Sample testing of the accuracy and appropriateness of information used in the estimation of Probability of Default (PD) and Loss Given Default (LGD). • Tested the arithmetical accuracy of the computation of PD and LGD and also performed analytical procedures to verify the reasonableness of the computation. • Assessed the disclosure made in relation to IND AS 109 for ECL allowance. Further, we also assessed whether the disclosure of key judgements and assumptions are adequate.
2	**IT Systems and Controls** The Company uses Information Technology (IT) application for financial accounts and reporting process. Any gap in the financial accounting and reporting process may result in a misstatement, hence we have identified IT systems and controls over financial reporting as a Key Audit Matter.	Understood the IT systems and controls over key financial accounting and reporting systems. • Tested the general IT controls for design and operating effectiveness. • Understood the changes made in the IT environment during the year and ascertained its effect on the financial statements controls and accounts. • We also assessed, through sample tests, the information generated from these systems which were relied upon for our audit.

Other Information

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

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

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

Responsibilities of Management and those charged with Governance for the Financial Statements

The Company's Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to preparation of these Financial Statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India.

This responsibility also includes maintenance of adequate accounting records in accordance with provisions of the Act for safeguarding assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for audit of the Financial Statements

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

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 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 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 appropriateness of accounting policies used and reasonableness of accounting estimates and related disclosures made by management.
- Conclude on appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures

are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the 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 financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of Sub-section (11) of Section 143 of the Act, and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure-A a statement on the matters specified in paragraph 3 of the Order.

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

   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;

   b) In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books of accounts;

   c) The Balance Sheet, Statement of Profit and Loss (including other comprehensive income), the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;

   d) In our opinion, the aforesaid Ind AS financial statements comply with the accounting standards specified under section 133 of the Act;

   e) On the basis of written representations received from the directors as on 31st March 2023 and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2023, from being appointed as a director in terms of sub section (2) of Section 164 of the Act;

   f) With respect to adequacy of the internal financial control over financial reporting of the Company and operating effectiveness of such control, refer to our separate Report in Annexure 'B'; and

g) With respect to other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act:

In our opinion and to the best of our information and according to the explanations given to us, no remuneration has been paid by the Company to its directors during the year.

h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i. The Company has disclosed its pending litigations in its financial statements which would impact its financial position other than those mentioned in the Notes No. 43 to the accounts;
ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and
iii. There were no amounts which were required to be transferred, to the Investor Education and Protection Fund by the Company.
iv. (a) As per the information and explanation given to us by the management, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person or entity, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(b) As per the information and explanation given to us by the management, no funds have been received by the company from any person or entity, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

(c) On the basis of above representations, nothing has come to our notice that has caused us to believe that the above representations contained any material mis-statement.

v. The Company has not declared or paid any dividend during the year.

For Bhatter & Company
Chartered Accountants
Firm Registration No: 131092W
UDIN: 23016937BGSDRU1220

Daulal H. Bhatter
Proprietor
Membership No. 016937

Date : May 28, 2023
Place : Kochi

ANNEXURE 'A' TO INDEPENDENT AUDITOR'S REPORT

Annexure **'A'** referred to in Paragraph 1 of Report on Other Legal and Regulatory Requirements in our report to members of **INDEL MONEY LIMITED** ("the Company") for the year ended 31st March, 2023.

We report that:

i. In respect of its Property, Plant & Equipment:

(a) (A) The Company is maintaining proper records showing full particulars including quantitative details and situation of Property, Plant & Equipment;

(B) The Company is maintaining proper records showing full particulars of Intangible Asset.;

(b) The Company has a regular programme of physical verification of Property, Plant & Equipment which is, in our opinion, reasonable having regard to the size of the Company and the nature of its assets. In accordance with this programme, certain Property, Plant & Equipment have been physically verified by the management during the year and no material discrepancies have been noticed on such verification;

(c) According to the information and explanations received by us, as the Company owns no immovable properties, the requirement on reporting whether title deeds of immovable properties held in the name of the Company is not applicable.;

(d) As per the information and explanation given to us by the management, the Company has not revalued its Property, Plant and Equipment (including Right of Use assets) during the year and hence provisions of Clause 3(i)(d) of the Order are not applicable to the Company;

(e) As per the information and explanation given to us by the management, no proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder and hence provisions of Clause 3(i)(e) of the Order are not applicable to the Company.

ii. In respect of its inventories:

(a) The Company is a Non-Banking Finance Company and its business does not require maintenance of inventories. Accordingly, the provision of clause 3(ii)(a) of the Order is not applicable to the Company;

(b) The Company has been sanctioned working capital limits in excess of 5 Crores in aggregate from banks or financial institutions on the basis of security of current assets. In our opinion, the quarterly statements filed with banks or financial institutions are in agreement with the books

iii. (a) The principal business of the Company is to give loans, hence the requirement to report on clause 3(iii) (a) of the Order is not applicable to the Company

(b) During the year the investments made, guarantee provided, security given and the terms and conditions of the grant of all loans and advances in the nature of loans and guarantees are, in our opinion, not prejudicial to the Company's interest

(c) In respect of loans and advances in the nature of loans granted by the Company, the schedule of repayment of principal and payment of interest has been stipulated. Being a Non-Banking (Non- Deposit Taking Systematically Important) Finance Company, there are instances where the repayment of principal and interest are not as per the stipulated terms.

(d) In respect of loans and advances granted by the Company, and amount overdue for more than ninety days. In our opinion and according to the information and explanations given to us, reasonable steps have been taken by the Company for recovery of the principal and interest.

(e) The principal business of the Company is to give loans, hence the requirement to report on clause 3(iii) (e) of the Order is not applicable to the company.

(f) 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. Hence the requirement to report loans granted to promoters, related parties as defined in clause 76 of section 2 of the Act or to any other parties on clause 3(iii) (f) of the Order is not applicable.

iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of sections 185 and 186 of the Act in respect of loans granted, investments made and guarantees given, where applicable. The Company has not provided any security for which the provisions of section 185 and 186 of the Act are applicable.

v. The Company has not accepted any deposits from the public or amounts which are deemed to be deposits during the year which attract the directives issued by the Reserve Bank of India. Being a Non-Banking Finance Company registered with Reserve Bank of India, the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Rules framed there under regarding acceptance of deposits are not applicable. Accordingly, paragraph 3(v) of the Order is not applicable to the Company.

vi. In our opinion and according to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under Section 148(1) of the Act for the Company.

vii. (a). In our opinion and according to the information and explanations given to us, the Company has generally been regular in depositing any undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues to the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income tax, goods and services tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues were in arrears as at March 31, 2023, for a period of more than six months from the date they became payable.

(b) In our opinion and according to the information and explanations given to us, there are no disputed amounts dues to be deposited in respect of goods and services tax, provident fund, employees' state insurance, sales tax, duty of customs, duty of excise, value added tax and cess as at March 31, 2023.

viii. In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no instances of any transactions not recorded in the books of account which have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

ix. (a) In our opinion and 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 or other borrowings 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 audit procedures, we report that the Company has not been declared a wilful defaulter by any bank or financial institution or any other lender.

(c) In our opinion and according to the information and explanations given to us, the Company has utilized the money obtained by way of term loans for the purpose for which they were obtained.

(d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the Company, we report that no funds raised on short-term basis have, prima facie not been utilized for long-term purposes by the Company.

(e) According to the information and explanations given to us and on an overall examination of the 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.

(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, joint ventures or associate companies.

x. (a) According to the information and explanations provided to us and the records of the Company examined by us, the Company has not raised monies by way of initial public offer or further public offer except for the public offer of debt instruments.

According to the information and explanation provided to us and the records of the Company examined by us, the monies raised by way of public offer of debt instruments during the year were applied for the purposes for which those were raised.

(b) According to the information and explanations given to us, the Company has made preferential allotment of equity shares during the year and the requirements of Section 42 and Section 62 of the Companies Act, 2013 has been complied with and the funds raised have been used for the purpose for which fund was raised.

xi. (a) To the best of our knowledge and according to the information and explanations given to us, there have been instances of fraud on the Company amounting to Rs 94.65 lacs as included in Note 42 to the financial statements. No fraud by the Company has been noticed or reported during the year, nor have we been informed of any such instance by the management

(b) No report under sub-section (12) of section 143 of the Act has been filed in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government during the year by the Statutory Auditors and up to the date of this Report.

(c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.

xii. The Company is not a Nidhi company as prescribed under Section 406 of the Companies Act. Accordingly, the reporting requirement under clause 3 (xii) of the Order is not applicable.

xiii. In our opinion and according to the information and explanations given to us, all transactions with related parties are in compliance with Sections 177 and 188 of the Act, where applicable, and the details of such transactions have been disclosed in the financial statements as required by the applicable Indian Accounting Standards.

xiv. (a) In our opinion and based on our examination, the Company has an internal audit system commensurate with the size and nature of its business.

(b) The internal audit is performed as per a planned program approved by the management and those charged with governance of the Company. We have considered, during the course of our audit, the reports of the branch internal audits for the year under audit in accordance with the guidance provided in SA 610 'Using the Work of Internal Auditors' issued by the Institute of Chartered Accountants of India.

xv. According to the information and explanations given to us, in our opinion, during the year the Company has not entered into any non-cash transaction with its directors or persons connected with its directors and hence reporting requirement under Clause 3 (xv) of the Order are not applicable to the Company.

xvi. (a) The Company is a Non-Banking Finance Company and is required to obtain Registration under section 45-IA of the Reserve Bank of India Act, 1934 and such registration has been obtained.

(b) The Company has a valid Certificate of Registration (CoR) from the Reserve Bank of India (RBI) for conducting Non-Banking Financial activities and no business has been conducted by the Company without a valid CoR.

(c) The Company is not a Core Investment Company (CIC)as defined in the regulations made by the Reserve Bank of India. Accordingly, the reporting requirements under clause 3 (xvi)(c) of the Order is not applicable.

(d) As per the information and explanations given to us, there are no core investment companies as defined in the regulations made by the Reserve Bank of India as part of its group and hence the reporting requirements under clause 3 (xvi)(d) of the Order are not applicable.

xvii. The Company has not incurred any cash losses in the financial year and in the immediately preceding financial year.

xviii. There has been no resignation of the statutory auditors during the year, and hence provisions of Clause 3(xviii) of the Order are not applicable to the Company;

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

xx. (a) In our opinion and according to the information and explanations given to us, there is no unspent amount required to be transferred to a fund specified in Schedule VII of the Companies Act in compliance with second proviso to sub section 5 of section 135 of the said Act for the year.

(b) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not transferred any unspent amount under sub section 5 of section 135 of the Companies Act, pursuant to ongoing projects to a special account in compliance with the provision of section 135(6) of the Companies Act.

For Bhatter & Company
Chartered Accountants
Firm Registration No: 131092W
UDIN: 23016937BGSDRU1220

Daulal H. Bhatter
Proprietor
Membership No. 016937

Date : May 28, 2023
Place : Kochi

ANNEXURE 'B' TO INDEPENDENT AUDITOR'S REPORT

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

We have audited the internal financial controls over financial reporting of Indel Money Limited ('the Company') as of 31st March 2023 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring orderly and efficient conduct of its business, including adherence to Company's policies, safeguarding of its assets, prevention and detection of frauds and errors, accuracy and completeness of the accounting records, and timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

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

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Bhatter & Company
Chartered Accountants
Firm Registration No: 131092W
UDIN: 23016937BGSDRU1220

Daulal H. Bhatter
Proprietor
Membership No. 016937

Date : May 28, 2023
Place : Kochi

INDEL MONEY LIMITED

Office No.301, Floor No.3, Sai Arcade N.S Road, Mulund West, Mumbai - 400 080

Balance Sheet as at March 31, 2023

(₹ in lakhs)

Particulars	Note	As at March 31, 2023	As at March 31, 2022
ASSETS			
(1) Financial Assets			
(a) Cash and cash equivalents	4	3,666.14	7,880.15
(b) Bank balances other than cash and cash equivalents	5	5,282.94	1,006.12
(c) Receivables			
(i) Other receivables	6	8,227.37	5,532.80
(d) Loans	7	64,138.50	52,367.29
(e) Investments	8	11,772.88	12.00
(f) Other financial assets	9	1,136.67	921.17
(2) Non-financial Assets			
(a) Current tax assets (Net)	10	599.88	893.20
(b) Deferred Tax Asset (Net)	11	247.01	236.33
(c) Property, plant and equipment	12	1,210.78	852.82
(d) Right-of-use Asset	13	3,492.63	3,273.08
(e) Intangible assets	14	124.58	76.55
(f) Other non-financial assets	15	1,487.58	627.86
TOTAL ASSETS		**1,01,386.96**	**73,679.37**
LIABILITIES AND EQUITY			
LIABILITIES			
(1) Financial Liabilities			
(a) Payables			
(i) Trade payables	16(i)		
(i) Total outstanding dues of micro and small enterprises			-
(ii) Total outstanding dues of creditors other than micro and small enterprises			-
(ii) Other payables	16(ii)		
(i) Total outstanding dues of micro and small enterprises			-
(ii) Total outstanding dues of creditors other than micro and small enterprises		50.33	34.07
(b) Debt securities	17	30,057.70	15,949.40
(c) Borrowings (Other than Debt Securities)	18	32,808.02	25,298.56
(d) Deposits		-	-
(e) Subordinated Liabilities	19	17,826.40	19,020.70
(f) Other financial liabilities	20	4,266.97	3,130.96
(2) Non-financial Liabilities			
(a) Provisions	21	114.97	140.47
(b) Other non-financial liabilities	22	99.58	57.57
EQUITY			
(a) Equity share capital	23	13,314.70	9,314.70
(b) Other equity	24	2,848.29	732.94
TOTAL LIABILITIES AND EQUITY		**1,01,386.96**	**73,679.37**

Notes from an integral part of of the these financial statements

As per our report of even date attached

For Bhatter & Company
Chartered Accountants
FRN: 131092W

Daulal H Bhatter
Proprietor
Membership No. 016937

Place : Kochi
Date: 28-May-2023

UDIN:- 23016937BGSDRU1220

For and on behalf of the board
Indel Money Limited

Mohanan Gopalakrishanan
Managing Director
DIN No.02456142

Umesh Mohanan
Director
DIN No. 02455902

Hanna P Nazir
Company Secretary
Membership No. A51727
Place : Kochi
Date: 28-May-2023

Narayanan Pitharath
Chief Financial Officer

INDEL MONEY LIMITED

INDEL MONEY LIMITED

Office No.301, Floor No.3, Sai Arcade N.S Road, Mulund West, Mumbai - 400 080

Statement of Profit and Loss for the year ended March 31, 2023

(₹ in lakhs)

		Note	Year Ended 31 March 2023	Year Ended 31 March 2022
	Revenue from operations			
(i)	Interest income	25	18,487.98	12,231.23
(ii)	Fees and commission income	26	35.30	39.08
(iii)	Net gain on fair value changes	27	22.88	-
(I)	**Total revenue from operations**		**18,546.16**	**12,270.31**
(II)	Other income	28	183.60	30.13
(III)	**Total income (I) + (II)**		**18,729.75**	**12,300.44**
	Expenses			
(i)	Finance costs	29	8,460.09	6,705.21
(ii)	Impairment of financial instruments	30	802.90	126.32
(iii)	Employee benefit expenses	31	3,574.38	2,776.12
(iv)	Depreciation, amortisation and impairment	32	965.82	803.94
(v)	Other expenses	33	2,007.43	1,391.30
(IV)	**Total expenses**		**15,810.61**	**11,802.89**
(V)	**Profit/ (loss) before tax (III - IV)**		**2,919.15**	**497.55**
(VI)	Tax expenses			
	(i) Current tax		886.76	285.60
	(ii)Previous Year Tax adjustement		(11.07)	-
	(ii) Deferred tax		(10.67)	0.72
(VII)	**Profit/ (loss) for the period (V) - (VI)**		**2,054.12**	**211.23**
(VIII)	**OTHER COMPREHENSIVE INCOME**			
(A)	***(i) Items that will not be reclassified to profit or loss***			
	Remeasurement gain/ loss on defined benefit plan		61.23	(33.40)
	(ii) Income tax relating to items the above		6.30	8.41
	TOTAL OTHER COMPREHENSIVE INCOME		**67.53**	**(24.99)**
(IX)	**TOTAL COMPREHENSIVE INCOME FOR THE PERIOD (VII + VIII)**		**2,121.65**	**186.24**
(X)	**Earnings per share**	34		
	Basic (₹)		1.54	0.26
	Diluted (₹)		1.54	0.26
	Face value per share (₹)		10.00	10.00

Notes from an integral part of of the these financial statements

As per our report of even date attached

For Bhatter & Company

Chartered Accountants

FRN 131092W

Daulal H Bhatter

Proprietor

Membership No. 016937

Place : Kochi

Date : 28-May-23

UDIN:- 23016937BGSDRU1220

For and on behalf of the board

Indel Money Limited

Mohanan Gopalakrishanan

Managing Director

DIN No.02456142

Umesh Mohanan

Director

DIN No. 02455902

Hanna P Nazir

Company Secretary

Membership No. A51727

Place : Kochi

Date: 28-May-2023

Narayanan Risharath

Chief Financial Officer

INDEL MONEY LIMITED

INDEL MONEY LIMITED

Office No.301, Floor No.3, Sai Arcade N.S Road, Mulund West, Mumbai - 400 080

Statement of Cash Flows for the year ended March 31, 2023

(₹ in lakhs)

Particulars	For the year ended March 31, 2023	For the year ended March 31,2022
I. CASHFLOWS FROM OPERATING ACTIVITIES		
Profit before tax	2,919.15	497.55
Depreciation, amortisation and impairment	965.82	803.94
Impairment of financial instruments	802.90	126.32
Finance costs	8,460.09	6,705.21
Loss on Sale of Fixed Asset	-	
Provision for gratuity	72.86	33.25
Provision for compensated absences	7.39	12.37
Operating profit before working capital changes	**13,228.19**	**8,178.64**
(Increase)/ decrease in receivables	(2,694.57)	(1,493.12)
(Increase)/ decrease in other bank balances	(4,276.82)	(356.88)
(Increase)/ decrease in loans	(12,574.11)	(12,686.84)
(Increase)/ decrease in other financial assets	(11,976.38)	(540.88)
(Increase)/ decrease in other non-financial assets	(859.72)	(217.96)
Increase/ (decrease) in payables	16.26	(4.35)
Increase/ (decrease) in provisions	(105.75)	(6.11)
Increase/ (decrease) in other financial liabilities	5,488.03	341.07
Increase/ (decrease) in other non-financial liabilities	42.01	18.28
Cash generated from/ (used in) operations	**(13,712.86)**	**(6,768.15)**
Finance costs paid	(8,460.09)	(5,817.59)
Income tax paid	140.30	(986.18)
Net cash from/ (used in) operating activities	**(22,032.65)**	**(13,571.92)**
II. CASHFLOWS FROM INVESTING ACTIVITIES		
Payments for property, plant and equipment and intangible assets	(6,604.82)	(557.22)
Proceeds from sale of property, plant and equipment	-	9.98
Net cash from/ (used in) investing activities	**(6,604.82)**	**(547.24)**
III. CASHFLOWS FROM FINANCING ACTIVITIES		
Increase/ (decrease) in share capital	4,000.00	1,100.00
Increase/ (decrease) in debt securities	14,108.30	10,782.89
Increase/ (decrease) in borrowings (other than debt securities)	7,509.46	5,134.18
Increase/ (decrease) in subordinated liabilities	(1,194.30)	######## ##
Net cash from/ (used in) financing activities	**24,423.46**	**21,279.72**
IV. Net increase/ (decrease) in cash and cash equivalents (I + II + III)	**(4,214.01)**	**7,160.56**
V. Cash and cash equivalents at the beginning	**7,880.16**	**719.60**
VI. Cash and cash equivalents at the end	**3,666.15**	**7,880.16**

Notes from an integral part of of the these financial statements

As per our report of even date attached

For Bhatter & Company
Chartered Accountants
FRN: 131092W

Daulal H Bhatter
Proprietor
Membership No. 016937

Place : Kochi
Date:28-May-2023

UDIN:- 23016937BGSDRU1220

For and on behalf of the board
Indel Money Limited

Mohanan Gopalakrishanan
Managing Director
DIN No 02456142

Hanna P Nazir
Company Secretary
Membership No. A51727
Place : Kochi
Date:28-May-2023

Umesh Mohanan
Director
DIN No. 02455902

Narayanan P Sharath
Chief Financial Officer

INDEL MONEY LIMITED

INDEL MONEY LIMITED

Office No.301, Floor No.3, Sai Arcade N.S Road, Mulund West, Mumbai - 400 080

Statement of Changes in Equity

(₹ in lakhs)

A. EQUITY SHARE CAPITAL

(1) Current reporting period

Balance as at April 1, 2022	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the year	Balance as at March 31, 2023
9,314.70	-	9,314.70	4,000.00	13,314.70
9,314.70	**-**	**9,314.70**	**4,000.00**	**13,314.70**

(1) Previous reporting period

Balance as at April 1, 2021	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the year	Balance as at March 31, 2022
8,214.70	-	8,214.70	1,100.00	9,314.70
8,214.70	**-**	**8,214.70**	**1,100.00**	**9,314.70**

B. OTHER EQUITY

Particulars	Reserves and Surplus			Items of other comprehensive income	Total other equity
	Retained Earnings	Reserve Fund	Impairment Reserve	Remeasurement gain/loss on defined benefit plan	
Balance as at April 1, 2022	**549.56**	**15.06**	**189.75**	**(21.43)**	**732.94**
Total comprehensive income	2,054.12	-	-	61.23	2,115.35
Transfer to/ from retained earnings	(977.05)	-	977.05	-	-
Balance as at March 31, 2023	**1,626.63**	**15.06**	**1,166.80**	**39.80**	**2,848.29**

(b) Previous reporting period

Particulars	Reserves and Surplus			Items of other comprehensive income	Total other equity
	Retained Earnings	Reserve Fund	Impairment Reserve	Remeasurement gain/loss on defined benefit plan	
Balance as at April 1, 2021	**459.14**	**15.06**	**68.94**	**3.56**	**546.70**
Total comprehensive income	211.23	-	-	(24.99)	186.24
Transfer to/ from retained earnings	(120.81)	-	120.81	-	-
Balance as at March 31, 2022	**549.56**	**15.06**	**189.75**	**(21.43)**	**732.94**

Notes are an integral part of the financial statements

Per our report attached to Balance Sheet

Date : 28-May-2023

Place: Kochi

INDEL MONEY LIMITED

1 **CORPORATE INFORMATION**

Indel Money Limited (formerly known as Indel Money Private Limited) ('the Company') was incorporated on September 11, 1986, in Mumbai, India. The Company is a Non-Deposit taking Non-Banking Financial Company which provides a wide range of fund based and fee-based services including gold loans, money transfer facilities etc. The Company had converted into a public limited company with effect from September 5, 2021. The Company is registered with Reserve Bank of India.

2 **BASIS OF PREPARATION AND PRESENTATION OF FINANCIAL STATEMENTS**

2.1 **Basis of preparation**

These financial statements of the Company have been prepared in accordance with the Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules 2015 as amended and notified under Section 133 of the Companies Act, 2013 ("the Act"), in conformity with the accounting principles generally accepted in India and other relevant provisions of the Act. Any application guidance/ clarifications/ directions issued by RBI or other regulators are implemented as and when they are issued/ applicable.

2.2 **Presentation of financial statements**

The Balance Sheet, Statement of Changes in Equity and the Statement of Profit and Loss are prepared and presented in the format prescribed in the Division III to Schedule III to the Companies Act, 2013 ("the Act") applicable for Non-Banking Finance Companies ("NBFC"). The Statement of Cash Flows has been prepared and presented as per the requirements of Ind AS 7 "Statement of Cash Flows". The disclosure requirements with respect to items in the Balance Sheet, Statement of Changes in Equity and Statement of Profit and Loss, as prescribed in the Schedule III to the Act, are presented by way of notes forming part of the Financial Statements along with the other notes required to be disclosed under the notified Accounting Standards and regulations issued by the RBI.

2.3 **Functional and presentation currency**

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

2.4 **Basis of measurement**

The financial statements have been prepared on the historical cost basis except for certain financial instruments which are measured at fair values.

Certain accounting policies of the Company and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities. The Company has established policies and procedures with respect to the measurement of fair values.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, 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 takes 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. Fair value for measurement and/ or disclosure purposes in these financial statements is determined on such a basis, except for share based payment transactions that are within the scope of Ind AS 102, leasing transactions that are within the scope of Ind AS 116, and measurements that have some similarities to fair value but are not fair value, such value in use in Ind AS 36.

Fair value measurements under Ind AS are categorized into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the Company can access at measurement date.
- Level 2 inputs are inputs, other than quoted prices included within level 1, that are observable for the asset or liability, either directly or indirectly and
- Level 3 inputs are unobservable inputs for the valuation of assets or liabilities.

2.5 **Use of estimates, judgements and assumptions**

The preparation of the financial statements in conformity with Indian Accounting Standards ("Ind AS") requires the Management to make estimates, judgements and assumptions. These estimates, judgements 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. Appropriate changes in estimates are made as the 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.

INDEL MONEY LIMITED

Following are areas that involved a higher degree of estimate and judgement or complexity in determining the carrying amount of some assets and liabilities.

a) *Effective Interest Rate (EIR) Method*

The Company recognizes interest income / expense using a rate of return that represents the best estimate of a constant rate of return over the expected life of the loans given / taken. This estimation, by nature, requires an element of judgement regarding the expected behavior and life- cycle of the instruments, as well as expected changes to other fee income/expense that are integral parts of the instrument.

b) *Impairment of Financial Assets*

The measurement of impairment losses on loan assets and commitments, requires judgement, in estimating the amount and timing of future cash flows and recoverability of collateral values while determining the impairment losses and assessing a significant increase in credit risk.

The Company's Expected Credit Loss (ECL) calculation is the output of a complex model with a number of underlying assumptions regarding the choice of variable inputs and their interdependencies. Elements of the ECL model that are considered accounting judgements and estimates include:

The Company's criteria for assessing if there has been a significant increase in credit risk.

- The segmentation of financial assets when their ECL is assessed on a collective basis.
- Development of ECL model, including the various formulae and the choice of inputs.
- Selection of forward-looking macroeconomic scenarios and their probability weights, to derive the economic inputs into the ECL model.
- Management overlay used in circumstances where management judges that the existing inputs, assumptions and model techniques do not capture all the risk factors relevant to the Company's lending portfolios.

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

c) *Employee Benefits*

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

d) *Accounting for leases*

The Company evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgment. The Company uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate.

The Company determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the Company is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Company is reasonably certain not to exercise that option. In assessing whether the Company is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Company to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Company revises the lease term if there is a change in the non-cancellable period of a lease.

The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

e) *Fair value measurement*

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using various valuation techniques. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgments include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

f) *Business model objective of financial assets.*

INDEL MONEY LIMITED

Classification and measurement of financial assets depends on the results of the contractual cashflow characteristics and the business model objective. 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 amortized cost or fair value through other comprehensive income that are derecognised prior to their maturity to understand the reason for their disposal and whether the reasons are consistent with the objective of the business for which the asset was held. Monitoring is part of the Company's continuous assessment of whether the business model for which the remaining financial assets are held continues to be appropriate and if it is not appropriate whether there has been a change in business model and so a prospective change to the classification of those assets.

g) ***Other estimates***

These include provisions (other than loan portfolio), contingent liabilities, useful lives, depreciation method and residual value of property, plant and equipment and intangible assets etc.

3 **SIGNIFICANT ACCOUNTING POLICIES**

3.1 **Revenue recognition**

a) Interest income

Interest income is recognized in Statement of profit and loss using the Effective Interest Rate (EIR) method for all financial instruments measured at amortized cost, debt instruments measured at FVTOCI and debt instruments designated at FVTPL.

The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument. The calculation of the effective interest rate includes transaction costs and fees that are an integral part of the contract. Transaction costs include incremental costs that are directly attributable to the acquisition of financial asset.

If expectations regarding the cash flows on the financial asset are revised for reasons other than credit risk, the adjustment is recorded 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 amortized through interest income in the Statement of profit and loss.

The Company calculates interest income by applying the EIR to the gross carrying amount of financial assets other than credit-impaired assets.

When a financial asset becomes credit-impaired, the Company calculates interest income by applying the effective interest rate to the net amortized cost of the financial asset. If the financial asset cures and is no longer credit-impaired, the Company reverts to calculating interest income on a gross basis.

Additional interest and interest on trade advances, are recognized when they become measurable and when it is not unreasonable to expect their ultimate collection.

b) Dividend income

Dividend is recognised as income when the right to receive the dividend is established and the amount of dividend can be measured reliably.

c) Revenue from and rendering of services

Revenue (other than for Financial Instruments within the scope of Ind AS 109) is measured at an amount that reflects the considerations, to which an entity expects to be entitled in exchange for transferring goods or services to customer, excluding amounts collected on behalf of third parties.

The Company recognises revenue from contracts with customers based on a five-step model as set out in Ind AS 115.

Revenue from contract with customer for rendering services is recognised at a point in time when performance obligation is satisfied.

d) *Net gain/ (loss) on change in fair value*

The assets which are being measured at FVTPL are restated to their fair value as at the reporting date and any gain/ (loss) on change in fair value will be recognised as income/ expense in the Statement of Profit and Loss.

3.2 **Financial Instruments**

a) ***Recognition and measurement***

Financial assets and financial liabilities are recognized when the Company becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at FVTPL) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at FVTPL are recognized immediately in Statement of profit and loss.

(b) ***Financial assets***

INDEL MONEY LIMITED

Classification and measurement

The Company classifies its financial assets into the following measurement categories: amortised cost; fair value through other comprehensive income; and fair value through profit or loss.

All recognised financial assets that are within the scope of Ind AS 109 are required to be subsequently measured at amortised cost or fair value on the basis of the entity's business model for managing the financial assets and the contractual cash flow characteristics of the financial assets.

Financial instruments measured at amortised cost

Debt instruments that meet the following criteria are measured at amortised cost (except for debt instruments that are designated as at fair value through profit or loss on initial recognition):

- the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest ("SPPI") on the principal amount outstanding.

For the purpose of SPPI test, principal is the fair value of the financial asset at initial recognition. The principal amount may change over the life of the financial asset (e.g. if there are repayments of principal). Interest consists of consideration for the time value of money, for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs, as well as a profit margin. The SPPI assessment is made in the currency in which the financial asset is denominated.

Contractual cash flows that are SPPI are consistent with a basic lending arrangement. Contractual terms that introduce exposure to risks or volatility in the contractual cash flows that are unrelated to a basic lending arrangement, such as exposure to changes in equity prices or commodity prices, do not give rise to contractual cash flows that are SPPI. An originated or an acquired financial asset can be a basic lending arrangement irrespective of whether it is a loan in its legal form.

An assessment of business models for managing financial assets is fundamental to the classification of a financial asset. The Company determines the business models at a level that reflects how financial assets are managed together to achieve a particular business objective. The Company's business model does not depend on management's intentions for an individual instrument, therefore the business model assessment is performed at a higher level of aggregation rather than on an instrument-by-instrument basis.

Debt instruments that are subsequently measured at amortised cost are subject to impairment.

Financial instruments measured at fair value through other comprehensive income ("FVTOCI")

Debt instruments that meet the following criteria are measured at fair value through other comprehensive income (except for debt instruments that are designated as at fair value through profit or loss on initial recognition):

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

Interest income is recognised in Statement of profit and loss for FVTOCI debt instruments. Other changes in fair value of FVTOCI financial assets are recognised in other comprehensive income. When the asset is disposed of, the cumulative gain or loss previously accumulated in reserve is transferred to Statement of Profit and Loss.

Financial instruments measured at fair value through Profit and Loss ("FVTPL").

Instruments that do not meet the amortised cost or FVTOCI criteria are measured at FVTPL. Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on re-measurement recognised in the Statement of Profit and Loss. The gain or loss on disposal is recognised in the Statement of Profit and Loss. Interest income is recognised in the Statement of Profit and Loss for FVTPL debt instruments. Dividend on financial assets at FVTPL is recognised when the Company's right to receive dividend is established.

Investments in equity instruments at FVTOCI

On initial recognition, the Company can make an irrevocable election (on an instrument-by-instrument basis) to present the subsequent changes in fair value in other comprehensive income pertaining to investments in equity instruments. This election is not permitted if the equity investment is held for trading. These elected investments are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the 'Reserve for equity instruments through other comprehensive income'. The cumulative gain or loss is not reclassified to Statement of Profit and Loss on disposal of the investments. Dividends from these investments are recognised in the Statement of Profit and Loss when the Company's right to receive dividends is established.

Reclassifications.

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.

Impairment of financial assets.

INDEL MONEY LIMITED

Company recognises loss allowances using the Expected Credit Loss ("ECL") model for the financial assets which are not fair valued through profit and loss. ECL is calculated using a model which captures portfolio performance over a period of time. ECL is a probability-weighted estimate of credit losses. A credit loss is the difference between the cash flows that are due to an entity in accordance with the contract and the cash flows that the entity expects to receive discounted at the original EIR.

ECL is measured through a loss allowance at an amount equal to:

- 12-month ECL, i.e., ECL that result from those default events on the financial instrument that are possible within 12 months after the reporting date (referred to as Stage 1); or
- Lifetime ECL, i.e., lifetime ECL that result from all possible default events over the life of the financial instrument (referred to as Stage 2 and Stage 3).

A loss allowance for full lifetime ECL is required for a financial instrument if the credit risk on that financial instrument has increased significantly since initial recognition. For all other financial instruments, ECLs are measured at an amount equal to the 12-month ECL. The Company measures ECL on an individual basis, or on a collective basis for portfolios of loans that share similar economic risk characteristics. The measurement of the loss allowance is based on the present value of the asset's expected cash flows using the asset's original EIR, regardless of whether it is measured on an individual basis or a collective basis.

Key elements of ECL computation are outlined below:

- Probability of default ("PD") is an estimate of the likelihood that customer will 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 de-recognised and is still in the portfolio.
- Loss given default ("LGD") estimates the normalised loss which Company incurs post customer default. It is usually expressed as a percentage of the Exposure at default ("EAD"). Effective interest rate ("EIR") is the rate that discounts estimated future cash flows through the expected life of financial instrument. For calculating EIR any upfront fees need to be excluded from the loans and advance amount.

The Company uses historical information where available to determine PD. Considering the different products and schemes, the Company has bifurcated its loan portfolio into various pools. For certain pools where historical information is available, the PD is calculated considering fresh slippage of past years. For those pools where historical information is not available, the PD/ default rates as stated by external reporting agencies is considered.

Credit impaired financial assets

A financial asset is 'credit impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred. Credit-impaired financial assets are referred to as Stage 3 assets. Evidence of creditimpairment includes observable data about the following events:

- significant financial difficulty of the borrower or issuer;
- a breach of contract such as a default or past due event;
- the lender of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession that the lender would not otherwise consider;
- the disappearance of an active market for a security because of financial difficulties; or
- the purchase of a financial asset at a deep discount that reflects the incurred credit losses.

A loan is considered credit-impaired when a concession is granted to the borrower due to a deterioration in the borrower's financial condition, unless there is evidence that as a result of granting the concession the risk of not receiving the contractual cash flows has reduced significantly and there are no other indicators of impairment.

Definition of default

Critical to the determination of ECL is the definition of default. The definition of default is used in measuring the amount of ECL and in the determination of whether the loss allowance is based on 12-month or lifetime ECL, as default is a component of the probability of default ("PD") which affects both the measurement of ECLs and the identification of a significant increase in credit risk.

Default considered for computation of ECL computation is as per the applicable prudential regulatory norms.

Significant increase in credit risk

The Company monitors all financial assets, issued loan commitments and financial guarantee contracts that are subject to the impairment requirements to assess whether there has been a significant increase in credit risk since initial recognition. The Company's accounting policy is not to use the practical expedient that financial assets with 'low' credit risk at the reporting date are deemed not to have had a significant increase in credit risk. In assessing whether the credit risk on a financial instrument has increased significantly since initial recognition, the Company compares the risk of a default occurring on the financial instrument at the reporting date based on the remaining maturity of the instrument with the risk of a default occurring that was anticipated for the remaining maturity at the current reporting date when the financial instrument was first recognised. In making this assessment, the Company considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort, based on the Company's expert credit assessment.

Impairment Reserve

INDEL MONEY LIMITED

Where impairment allowance under Ind AS 109 is lower than the provisioning required under IRACP (including standard asset provisioning), the Company will appropriate the difference from their net profit or loss after tax to a separate 'Impairment Reserve'. The balance in the 'Impairment Reserve' shall not be reckoned for regulatory capital.

Modification and derecognition of financial assets

A modification of a financial asset occurs when the contractual terms governing the cash flows of a financial asset are renegotiated or otherwise modified between initial recognition and maturity of the financial asset. A modification affects the amount and/ or timing of the contractual cash flows either immediately or at a future date. In addition, the introduction or adjustment of existing covenants of an existing loan would constitute a modification even if these new or adjusted covenants do not yet affect the cash flows immediately but may affect the cash flows depending on whether the covenant is or is not met (e.g.: a change to the increase in the interest rate that arises when covenants are breached).

The Company renegotiates loans to customers in financial difficulty to maximise collection and minimise the risk of default. Loan forbearance is granted in cases where although the borrower made all reasonable efforts to pay under the original contractual terms, there is a high risk of default or default has already happened and the borrower is expected to be able to meet the revised terms. The revised terms in most of the cases include an extension of the maturity of the loan, changes to the timing of the cash flows of the loan (principal and interest repayment), reduction in the amount of cash flows due (principal and interest forgiveness) and amendments to covenants.

Substantial modification

When a financial asset is modified, the Company assesses whether this modification results in derecognition. In accordance with the Company's policy, a modification results in derecognition when it gives rise to substantially different terms. To determine if the modified terms are substantially different from the original contractual terms the Company considers the following:

Qualitative factors, such as contractual cash flows after modification are no longer SPPI, change in currency or change of counterparty, the extent of change in interest rates, maturity, covenants.

If these do not clearly indicate a substantial modification, then a quantitative assessment is performed to compare the present value of the remaining contractual cash flows under the original terms with the contractual cash flows under the revised terms, both amounts discounted at the original effective interest.

In the case where the financial asset is derecognised, the loss allowance for ECL is remeasured at the date of derecognition to determine the net carrying amount of the asset at that date. The difference between this revised carrying amount and the fair value of the new financial asset with the new terms will lead to a gain or loss on derecognition.

The new financial asset will have a loss allowance measured based on 12-month ECL except in the rare occasions where the new loan is considered to be originated-credit impaired. This applies only in the case where the fair value of the new loan is recognised at a significant discount to its revised par amount because there remains a high risk of default which has not been reduced by the modification. The Company monitors credit risk of modified financial assets by evaluating qualitative and quantitative information, such as if the borrower is in past due status under the new terms.

When the contractual terms of a financial asset are modified and the modification does not result in derecognition, the Company determines if the financial asset's credit risk has increased significantly since initial recognition.

Other modification

For financial assets modified, where modification did not result in derecognition, the estimate of PD reflects the Company's ability to collect the modified cash flows taking into account the Company's previous experience of similar forbearance action, as well as various behavioural indicators, including the borrower's payment performance against the modified contractual terms. If the credit risk remains significantly higher than what was expected at initial recognition the loss allowance will continue to be measured at an amount equal to lifetime ECL. The loss allowance on forborne loans will generally only be measured based on 12-month ECL when there is evidence of the borrower's improved repayment behaviour following modification leading to a reversal of the previous significant increase in credit risk.

Where a modification does not lead to derecognition the Company calculates the modification gain/ loss comparing the gross carrying amount before and after the modification (excluding the ECL allowance). Then the Company measures ECL for the modified asset, where the expected cash flows arising from the modified financial asset are included in calculating the expected cash shortfalls from the original asset.

Derecognition of financial assets

INDEL MONEY LIMITED

The Company derecognises a financial asset only when the contractual rights to the asset's cash flows expire (including expiry arising from a modification with substantially different terms), or when the financial asset and substantially all the risks and rewards of ownership of the asset are transferred to another entity. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain/loss that had been recognised in OCI and accumulated in equity is recognised in the Statement of Profit and Loss, with the exception of equity investment designated as measured at FVTOCI, where the cumulative gain/loss previously recognised in OCI is not subsequently reclassified to the Statement of Profit and Loss.

Write off

Loans and debt securities are written off when the Company has no reasonable expectations of recovering the financial asset (either in its entirety or a portion of it). This is the case when the Company determines that the borrower does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the writeoff. A write-off constitutes a derecognition event. The Company may apply enforcement activities to financial assets written off. Recoveries resulting from the Company's enforcement activities will result in impairment gains.

Financial Liabilities

Loans and debt securities are written off when the Company has no reasonable expectations of recovering the financial asset (either in its entirety or a portion of it). This is the case when the Company determines that the borrower does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the writeoff. A write-off constitutes a derecognition event. The Company may apply enforcement activities to financial assets written off. Recoveries resulting from the Company's enforcement activities will result in impairment gains.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs.

c) ***Financial liabilities***

All financial liabilities are subsequently measured at amortised cost using the effective interest rate method. Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest rate method.

The effective interest rate method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the amortised cost of a financial liability.

Derecognition of financial liabilities

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in the Statement of Profit and Loss.

d) ***Financial Guarantee Contracts***

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due in accordance with the terms of a debt instrument.

Financial guarantee contracts issued by a Company are initially measured at their fair values and, if not designated as at FVTPL, are subsequently measured at the higher of:

- the amount of loss allowance determined in accordance with impairment requirements of Ind AS 109 - Financial Instruments; and
- the amount initially recognized less, when appropriate, the cumulative amount of income recognized in accordance with the principles of Ind AS 115 - Revenue from Contracts with Customers.

e) ***Derivative financial instruments***

The Company enters into derivative financial instruments, primarily foreign exchange forward contracts, currency swaps and interest rate swaps, to manage its borrowing exposure to foreign exchange and interest rate risks.

INDEL MONEY LIMITED

Derivatives embedded in non-derivative host contracts are treated as separate derivatives when their risks and characteristics are not closely related to those of the host contracts and the host contracts are not measured at FVTPL.

Derivatives are initially recognized at fair value at the date the contracts are entered into and are subsequently remeasured to their fair value at the end of each reporting period. The resulting gain/loss is recognized in Statement of profit and loss.

Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when fair value is negative.

f) *Offsetting*

Financial assets and financial liabilities are generally reported gross in the balance sheet. Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realize the asset and settle the liability simultaneously.

The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the group or the counterparty.

3.3 **Cash and bank balances**

Cash comprises cash on hand 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.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short- term deposits, as defined above, net of outstanding bank overdrafts if any, as they are considered an integral part of the Company's cash management.

Cash and bank balances also include fixed deposits, margin money deposits, earmarked balances with banks and other bank balances which have restrictions on repatriation. Short term and liquid investments being subject to more than insignificant risk of change in value, are not included as part of cash and cash equivalents.

3.4 **Property, plant and equipment**

PPE is recognised when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably.

PPE are stated at cost of acquisition (including incidental expenses), less accumulated depreciation and accumulated impairment loss, 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.

Advances paid towards the acquisition of PPE outstanding at each balance sheet date are disclosed separately under other non-financial assets. Capital work in progress comprises the cost of PPE that are not ready for its intended use at the reporting date. Capital work-in-progress is stated at cost, net of impairment loss, if any.

Subsequent expenditure related to the asset are added to its carrying amount or recognised as a separate asset only if it increases the future benefits of the existing asset, beyond its previously assessed standards of performance and cost can be measured reliably. Other repairs and maintenance costs are expensed off as and when incurred.

Depreciation

Depreciation on property, plant and equipment is calculated using written down value method (WDV) to write down the cost of property and equipment to their residual values over their estimated useful lives which is in line with the estimated useful life as specified in Schedule II of the Companies Act, 2013.

The estimated useful lives are as follows:

Description of the asset	Estimated Useful Life (Years)
Computers (End user device)	3
Computers (Servers and networks)	6
Furniture and Fixtures	10
Vehicles (Other than Motorcycles, scooters and other mopeds)	8
Vehicles (Motorcycles, scooters and other mopeds)	10
Office Equipment	5
Plant and Machinery	15

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate. Changes in the expected useful life are accounted for by changing the amortisation period or methodology, as appropriate, and treated as changes in accounting estimates.

INDEL MONEY LIMITED

An item of PPE is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of PPE is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the Statement of Profit and Loss.

3.5 **Intangible assets**

Intangible assets are recognised when it is probable that the future economic benefits that are attributable to the asset will flow to the enterprise and the cost of the asset can be measured reliably. Intangible assets are stated at original cost net of tax, less accumulated amortisation and cumulative impairment.
Intangible assets i.e., Software are amortised on written down value basis over the estimated useful life of 3 years.

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset are recognised in the Statement of Profit and Loss when the asset is derecognised.

3.6 **Impairment of non-financial assets**

At each balance sheet date, the Company assesses whether there is any indication that any property, plant and equipment and intangible assets with finite lives may be impaired. If any such impairment exists the recoverable amount of an asset is estimated to determine the extent of impairment, if any. Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs.
Intangible assets not yet available for use, are tested for impairment annually at each balance sheet date, or earlier, if there is an indication that the asset may be impaired.
Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.
If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognized immediately in the statement of Profit and Loss.

3.7 **Leases**

The Company determines that a contract is or contains a lease if the contract conveys right to control the use of an identified asset for a period of time in exchange for a consideration.

Company as a lessee

At the inception of a contract which is or contains a lease, the Company recognizes lease liability at the present value of the future lease payments for non-cancellable period of a lease which is not short-term in nature except for lease of low value items. The future lease payments for such non-cancellable period are discounted using the Company's incremental borrowing rate.
The Company elects to apply the practical expedient to not to separate non-lease component from lease component, in case of a contract containing lease. The Company accounts such contracts as a single lease component.
Lease payments include fixed payments, i.e., amounts expected to be payable by the Company under residual value guarantee, the exercise price of a purchase option if the Company is reasonably certain to exercise that option and payment of penalties for terminating the lease if the lease term considered reflects that the Company shall exercise termination option. The Company also recognizes a right of use asset which comprises of amount of initial measurement of the lease liability, any initial direct cost incurred by the Company and estimated dilapidation costs.
Right of use assets is amortized over the period of lease.
Payment made towards short term Leases (leases for which lease term is 12 months or lesser) and low value assets are recognized in the statement of Profit and Loss as rental expenses over the tenor of such leases.

Company as a lessor

At the inception of the lease the Company classifies each of its leases as either an operating lease or a finance lease. The Company recognizes lease payments received under operating leases as income on a straight-line basis over the lease term. In case of a finance lease, finance income is recognized over the lease term based on a pattern reflecting a constant periodic rate of return on the lessor's net investment in the lease. When the Company is an intermediate lessor it accounts for its interests in the head lease and the sub-lease separately. It assesses the lease classification of a sub-lease with reference to the right-of-use asset arising from the head lease, not with reference to the underlying asset. If a head lease is a short term lease to which the Company applies the exemption described above, then it classifies the sub-lease as an operating lease.
If an arrangement contains lease and non-lease components, the Company applies Ind AS 115 Revenue from contracts with customers to allocate the consideration in the contract.

3.8 **Non-current asset held for sale**

Non-current assets, or disposal groups comprising assets and liabilities are classified as held for sale if it is highly probable that they will be recovered primarily through sale rather than through continuing use.

INDEL MONEY LIMITED

Such assets, or disposal groups, are generally measured at the lower of their carrying amount and fair value less costs to sell.

Any resultant loss on a disposal group is allocated first to goodwill, and then to remaining assets and liabilities on pro rata basis, except that no loss is allocated to inventories, financial assets, deferred tax assets, employee benefit assets, and biological assets, which continue to be measured in accordance with the Company's other accounting policies. Losses on initial classification as held for sale and subsequent gains and losses on re-measurement are recognized in profit or loss. Once classified as held-for-sale, intangible assets, property, plant and equipment and investment properties are no longer amortized or depreciated.

3.9 Finance cost

Finance costs include interest expense computed by applying the effective interest rate on respective financial instruments measured at Amortized cost. Financial instruments include bank term loans, non- convertible debentures, subordinated debts, interest expense on lease liabilities computed by applying the Company's incremental borrowing rate and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Finance costs are charged to the Statement of profit and loss.

3.10 Employee Benefits

Short-term employee benefits

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits. Benefits such as salaries, wages etc. and the expected cost of ex-gratia/ bonus are recognized in the period in which the employee renders the related service. A liability is recognized for the amount expected to be paid when there is a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Long-term employee benefits

Defined contribution plans

Defined contribution plans are the post-employment plans under which the Company pays a fixed contribution to a fund and the Company's liability is limited to payment of such fixed contributions. Contributions to defined contribution plans are recognized as expense when employees have rendered services entitling them to such benefits.

The Company provides benefits such as, provident fund and pension schemes (both managed by other than the Company) to its employees which are treated as defined contribution plans.

Defined benefit plans

For defined benefit plans, the cost of providing benefits is determined using the Projected Unit Credit Method, with actuarial valuations being carried out at each balance sheet date. Remeasurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling and the return on plan assets (excluding interest), is reflected immediately in the balance sheet with a charge or credit recognized in other comprehensive income in the period in which they occur. Past service cost, both vested and unvested, is recognized as an expense at the earlier of (a) when the plan amendment or curtailment occurs; and (b) when the entity recognizes related restructuring costs or termination benefits.

The major defined benefit plans of the Company are as follows:

Gratuity

The Company provides for gratuity, a defined benefit retirement plan ('the Gratuity Plan') covering eligible employees. The Gratuity Plan provides a lump-sum payment to vested employees at retirement, death, in capacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment with the Company. Liabilities with regard to the Gratuity Plan are determined by actuarial valuation, performed by an independent actuary, at each Balance Sheet date using the projected unit credit method. The Company's gratuity scheme is unfunded. The Company recognizes the obligation of a defined benefit plan in its Balance Sheet as a liability.

Gains and losses through remeasurements of the net defined benefit liability / (asset) are recognized in other comprehensive income. The effects of any plan amendments are recognized in net profit in the Statement of Profit and Loss.

Compensated absences

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related services are recognized as an actuarially determined liability at the present value of the defined benefit obligation at the balance sheet date.

3.11 Provisions

A provision is recognized if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

Any reimbursements with respect to liabilities/ provisions are recognized only when there is a virtual certainty that the said amounts will be received.

INDEL MONEY LIMITED

Present obligations arising under onerous contracts are recognized and measured as provisions. An onerous contract is considered to exist where the Company has a contract under which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received from the contract. The provision in such cases will be recognized at lower of cost of fulfilling the contract and any expected compensation for not fulfilling the contract.

3.12 **Foreign Currency Translations**

These financial statements are presented in Indian rupees, which is the functional currency of the Company. Transactions in foreign currencies, i.e., other than Indian rupees, are recorded at the exchange rate prevailing on the date of transaction. Foreign currency denominated monetary assets and liabilities are re-measured into the functional currency at the exchange rate prevailing on the balance sheet date. Exchange differences are recognized in the statement of Profit and Loss except to the extent, exchange differences which are regarded as an adjustment to interest costs on foreign currency borrowings, are capitalized as part of borrowing costs.

3.13 **Current and deferred tax**

Income tax expense comprises current tax and deferred tax. Income tax expense is recognized in the statement of Profit and Loss except when they relate to items that are recognized outside profit and loss (whether in other comprehensive income or directly in equity), in which case tax is also recognized outside profit and loss, as appropriate. Current income taxes are determined based on respective taxable income based on tax rate enacted as at reporting date.

Deferred tax assets and liabilities are recognized for the future tax consequences of temporary differences between the carrying values of assets and liabilities and their respective tax bases, and unutilized business loss and depreciation carry-forwards and tax credits. Deferred tax assets are recognized to the extent that it is probable that future taxable income will be available against which the deductible temporary differences, unused tax losses, depreciation carryforwards and unused tax credits could be utilized.

Deferred tax assets and Liabilities are measured based on the tax rates that are expected to apply in the period when the asset is realized or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date. Current and deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

3.14 **Investment in Subsidiaries**

Investments in subsidiaries are measured at cost less accumulated impairment, if any.

3.15 **Contingent liabilities and contingent assets**

A contingent liability is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity or a present obligation that arises from past events but is not recognized because it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation or the amount of the obligation cannot be measured with sufficient reliability. It is disclosed in the financial statements. If the outflow of such obligation becomes probable, it is recognized as a provision.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity. Contingent assets are recognized only if there is a virtual certainty of realization. It is disclosed in the financial statements if it is probable only.

3.16 **Earnings per share**

Basic earnings per share are computed by dividing profit or loss attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the year. The Company did not have any potentially dilutive securities in any of the years' presented.

3.17 **Statement of Cashflows**

Cash flows are reported using the indirect method, whereby profit before 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, investing and financing activities of the Company are segregated.

3.18 **Segment Reporting**

Operating segments are reported in manner consistent with the internal reporting provided to the Chief Operating Decision Maker (CODM). The management assesses the financial performance and position of the Company and makes strategic decisions. The chief operating decision maker consists of the Directors of the Company.

The Company's primary business segments are reflected based on the principal business carried out, i.e., financing. All other activities of the Company revolve around the main business. As such, there are no separate reportable segments.

INDEL MONEY LIMITED

	Particulars	As at March 31, 2023	As at March 31, 2022
		₹ in lakhs	
4	**Cash and cash equivalents**		
	(a) Cash on hand	808.05	296.24
	(b) Balances with banks	2,858.09	7,583.91
		3,666.14	**7,880.15**
5	**Bank balances other than cash and cash equivalents**		
	(a)Term deposits with Banks	5,282.94	1,006.12
	(held as cash collateral for securitisation transactions and lien marked for overdraft balances)	**5,282.94**	**1,006.12**
6	**Receivables**		
	(i) Trade receivables		-
		-	-
	(ii) Other receivables		
	(a) Considered good - secured	7,941.77	5,197.79
	(b) Considered good - unsecured	285.60	335.01
		8,227.37	**5,532.80**
	Less: Allowance for impairment loss		-
		8,227.37	**5,532.80**
7	**Loans**		
	(A)		
	(i) Gold loan	50,635.60	42,275.76
	(ii) Business loan	6,041.70	6,874.13
	(iii) Personal loan	8,091.23	3,357.55
	(iv) Loans to related parties		-
		64,768.53	**52,507.44**
	Less: Impairment allowance	(630.03)	(140.15)
		64,138.50	**52,367.29**
	(B)		
	I) Secured by Tangible assets		
	(i) Gold loan	50,635.60	42,275.76
	(ii) Business loan	2,157.85	3,133.50
	(iii) Personal loan	-	-
	(iv) Loans to related parties	-	-
		52,793.45	**45,409.26**
	Less: Impairment allowance		
		52,793.45	**45,409.26**
	II) Unsecured		
	(i) Gold loan		
	(ii) Business loan	3,883.85	3,740.63
	(iii) Personal loan	8,091.23	3,357.55
	(iv) Loans to related parties		
		11,975.08	**7,098.18**
	Less: Impairment allowance		
		11,975.08	**7,098.18**
	(C)		
	(I) Loans in India		
	i) Public sector		
	ii) Others	64,768.53	52,507.44
		64,768.53	**52,507.44**
	(II) Loans outside India	-	-
		64,768.53	**52,507.44**
	Less: Impairment allowance	(630.03)	(140.15)
		64,138.50	**52,367.29**
	Note: All of the above loans are carried using amortised cost model considering the business model objective.		

8	**Investments**		
	a) Investment in equity instruments		
	(i) Investment in subsidiary (carried at cost)		
	Unquoted		
	Indel Money Fin-Tech Private Limted	-	12.00
	No. of shares-Nil (previous year - 1.20 lakhs)		
	(ii) Investment in Mutual Fund	11,772.88	-
	3,26,270.471 Unit of Mutual Fund as on 31/03/23		
		11,772.88	**12.00**
9	**Other financial assets**		
	a) Security deposits	926.40	820.28
	b) Other financial assets	210.28	100.89
		1,136.67	**921.17**
10	**Current tax assets (Net)**		
	a) TDS receivable	599.88	893.20
		599.88	**893.20**
11	**Deferred tax assets (Net)**		
	a) Deferred tax assets	1,150.56	1,095.45
	b) Deferred tax liabilities	(903.55)	(859.12)
		247.01	**236.33**

(A) The balance of deferred tax assets comprises temporary differences attributable to:

Particulars	As at April 1, 2022	Charged/ (credited) to profit or loss for the period	Recognised in Other Comprehensive Income	As at March 31, 2023
Difference between book base and tax based in respect of PPE, ROU assets and intangible assets	(689.68)	(35.53)		(725.21)
Application of EIR on financial assets	50.02	(52.22)		(2.20)
Application of EIR on financial liabilities	(35.28)	10.82		(24.46)
Deferred tax on lease liabilities	875.91	75.45		951.36
Employee Benefits	35.36	12.16		47.52
Others				
Deferred tax assets (net)	236.33	10.68	-	247.01

Particulars	As at April 1, 2021	Charged/ (credited) to profit or loss for the period	Recognised in Other Comprehensive Income	As at March 31, 2022
Difference between book base and tax based in respect of PPE, ROU assets and intangible assets	(701.71)	12.03	-	(689.68)
Application of EIR on financial assets	56.52	(6.50)	-	50.02
Application of EIR on financial liabilities	(10.83)	(24.45)	-	(35.28)
Deferred tax on lease liabilities	826.57	49.34	-	875.91
Employee Benefits	17.01	9.94	8.41	35.36
Others				
Deferred tax assets (net)	187.56	40.36	8.41	236.33

INDEL MONEY LIMITED

Disclosure pursuant to Ind AS 12 Income Taxes

Particulars	March 31,2023	March 31,2022
(a) Current tax	886.76	285.60
(b) Deferred tax	(10.67)	0.72
Total tax expenses in the Statement of Profit and Loss	286.32	286.32
Tax effect on other comprehensive income	6.30	8.41
Deferred tax credit recorded in equity		-
Tax losses on which deferred tax is not recognised		-

Reconciliation of estimated Income tax expense at tax rate to income tax expense reported in the Statement of profit and loss:

Particulars		March 31,2022
Profit before tax	2,919.15	497.55
Applicable income tax rate	25.17%	25.17%
Expected income tax expenses	734.75	**125.23**
Adjustment on account of:		
a) Expenses not allowable as per income tax	-	-
b) Effect of income exempt from tax	-	-
c) Non-creation deferred tax on temporary differences	-	-
d) Tax related to prior years	-	-
e) Deferred tax recognised in OCI	6.30	8.41
b) Others	123.97	152.68
Tax expense recognised during the year	865.02	**286.32**

15 Other non-financial assets		
a) Prepaid expenses	102.98	56.11
b) Unamortised Expenses	841.80	320.84
c) Advance for expenses	177.91	52.40
d) Deposits with government authorities	358.42	197.56
e) Investments in non-financial assets	6.46	0.95
	1,487.58	**627.86**
16 Payables		
(i) Trade payables		
	-	-
(ii) Other payables		
(a) Sundry creditors	50.33	34.07
	50.33	**34.07**

16.1 Trade Payables Aging Schedule as at 31st March 2023

Particulars	Outstanding for following periods from due date of payment			
	Less than 1 Year	1-2 Years	2-3 Years	Total
(i) MSME	-	-	-	-
(ii) Others	50.33	-	-	50.33
(iii) Disputed dues - MSME	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-
Total	50.33	-	-	50.33

Trade Payables Aging Schedule as at 31st March 2022

Particulars	Outstanding for following periods from due date of payment			
	Less than 1 Year	1-2 Years	2-3 Years	Total
(i) MSME	-	-	-	-
(ii) Others	34.07	-	-	34.07
(iii) Disputed dues - MSME	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-
Total	34.07	-	-	34.07

		March 31, 2023	March 31, 2022
17	**Debt Securities**		
	At amortised cost		
	Non-convertible Debentures (Secured)		
	- In India (Refer note (ii) below)	25,998.40	11,890.10
	- Outside India		-
	Non-convertible Debentures (Unsecured)		
	- In India (Refer note (ii) below)	4,059.30	4,059.30
	- Outside India		-
		30,057.70	**15,949.40**

Note:
(i) There are no debt securities measured at fair value through profit or loss (FVTPL) or designated as FVTPL.
(ii) The bonds are secured by paripassu floating charge on current assets, book debts and loans and advances.

Details of non-convertible debentures (secured)

From Balance Sheet date	As at March 31, 2023		As at March 31, 2022	
	Interest rate range	Amount	Interest rate range	Amount
A) Issued on private placement basis				
Repayable on maturity:				
Maturing within 1 year	10.25 - 11.25%	14,899.05	10.25 - 11.25%	64.00
Maturing between 1 year to 3 years	10.00 - 16.00%	11,067.43	10.00 - 16.00%	1,243.86
Maturing between 3 year to 5 years	9.75 - 14.78%	4,091.22	9.75 - 14.78%	5,392.91
Maturing beyond 5 years	11.50-12.25%		11.50-12.25%	332.00
Total amortised cost		**30,057.70**		**7,032.77**

INDEL MONEY LIMITED

		March 31, 2023	March 31, 2022
18	**Borrowings (Other than Debt Securities)**		
	At amortised cost		
	i) Secured		
	Term loans		
	- From Banks & Financial Institution (Refer note (ii) below)	24,993.70	18,230.75
	Loans repayable on demand		
	- From Banks (Refer note (iii) below)	4,034.57	3,587.83
	ii) Unsecured		
	- Unsecured loan from financial institutions		-
	- Lease liabilities	3,779.75	3,479.98
		32,808.02	**25,298.56**

Note:

(i) There is no borrowings measured at FVTPL or designated at FVTPL.

(ii) The term loans loan from bank are secured against Book Debt, Personal Guarantee of Directors and Corporate Guarantee of Holding Company.

(iii) The working capital facility of ₹4,034.57 lakhs (March 31, 2022 - ₹3,587.83 lakhs) lakhs are secured primarily by floating and 1st paripasu charge on entire receivables with a margin of 25% (excluding the specific charge of existing NCD holders). Further, it is collaterally secured by equitable mortgage of loan with commercial building and land owned by holding company, sister concerns and Directors and personal guarantee by holding company, sister concerns and Directors.

Details of loans from Banks (Secured)

From Balance Sheet date	As at March 31, 2022		As at March 31, 2021	
	Interest rate range	Amount	Interest rate range	Amount
A) Repayable on demand				
Working capital facilities	9.45-12.80%	4,034.57	9.45-12.80%	3,587.83
B) Repayable in instalments				
Maturing within 1 year	9.45-15.00%	12,665.02	9.45-15.00%	6,956.86
Maturing between 1 year to 3 years	9.45-15.00%	12,872.33	9.45-15.00%	7,969.91
Maturing between 3 year to 5 years	14.50%	3,490.91	14.50%	3,600.00
Maturing beyond 5 years		-		
Total amortised cost		**29,028.26**		**18,526.77**

		March 31, 2023	March 31, 2022
19	**Subordinated Liabilities**		
	At amortised cost		
	i) Unsecured		
	- Subordinate Bonds -Private Placement	17,826.40	19,020.70
		17,826.40	**19,020.70**

Details of Subordinate Bonds (Unsecured)

From Balance Sheet date	As at March 31, 2022		As at March 31, 2021	
	Interest rate range	Amount	Interest rate range	Amount
A) Issued on private placement basis				
Repayable on maturity:				
Maturing within 1 year	11.00-14.87%	1,565.35	11.00-14.87%	2,748.75
Maturing between 1 year to 3 years	11.00-14.87%	13,590.70	11.00-14.87%	4,774.20
Maturing between 3 year to 5 years	11.00-14.87%	2,590.30	11.00-14.87%	10,354.15

Maturing beyond 5 years	11.00-14.87%	70.05	-	1,143.60
Total amortised cost		**17,816.40**		19,020.70

		March 31, 2023	March 31, 2022
20	**Other financial liabilities**		
	a) Interest accrued but not due on borrowings	3,958.07	2,665.39
	b) Refundable security deposits from staff		86.68
	c) Other payables	308.89	378.89
		4,266.97	**3,130.96**
21	**Provisions**		
	a) Provision for employee benefits		
	- Gratuity	107.58	115.79
	- Leave encashment	7.39	24.68
		114.97	**140.47**
22	**Other non-financial liabilities**		
	a) Statutory dues payable	99.58	57.57
		99.58	**57.57**
23	**Equity share capital**		
	Authorised:		
	1650.00 lakhs equity shares of ₹10 each	16,500.00	12,500.00
	(March 31, 2022 - 1250.00 lakhs)	**16,500.00**	**12,500.00**
	Issued, subscribed, called-up and paid-up		
	1331.47 lakhs equity shares of ₹10 each	13,314.70	9,314.70
	(Previous year - 931.47 lakhs equity shares of ₹10 each)	**13,314.70**	**9,314.70**

a) Reconciliation of number of shares

Equity shares	As at March 31, 2023		As at March 31, 2022	
	No. of shares (in lakhs)	₹ in lakhs	No. of shares (in lakhs)	₹ in lakhs
Balance at the beginning of the year	931.47	**9,314.70**	821.47	**8,214.70**
Add: Issue during the year	400.00	4,000.00	110.00	1,100.00
Less: Buyback during the year	-	-	-	-
Balance at the end of the year	**1,331.47**	**13,314.70**	**931.47**	**9,314.70**

(b) Rights, preferences and restrictions attached to shares

The company has one class of equity shares having a par value of ₹10 per share. Each shareholder is eligible for one vote per share held. The dividend, if any, proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

(c) Shares held by the holding company

Particulars	**March 31, 2023**	**March 31, 2022**
Indel Corporation Private Limited		
- Number of shares (in lakhs)	1,331.47	931.47
- Percentage of holding	100%	100%

(d) Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company

Particulars	**March 31, 2023**	**March 31, 2022**
Indel Corporation Private Limited		
- Number of shares (in lakhs)	1,331.47	931.47
- Percentage of holding	100%	100%

(e) Shares held by the Promoters

Particulars	**March 31, 2023**	**March 31, 2022**
Indel Corporation Private Limited		
- Number of shares (in lakhs)	1,331.47	931.47
- Percentage of holding	100%	100%

INDEL MONEY LIMITED

24	**Other equity**		
	a) Statutory Reserve fund		
	Balance at the beginning of the year	15.06	15.06
	Additions to / (transfers made) during the year	516.45	-
	Balance at the end of the year	**531.51**	**15.06**
	b) Impairment reserve		
	Balance at the beginning of the year	189.76	68.95
	Transition adjustments		-
	Additions to / (transfers made) during the year	460.60	120.81
	Balance at the end of the year	**650.36**	**189.76**
	c) Retained Earnings		
	Balance at the beginning of the year	528.12	462.69
	Transition adjustments	-	0.00
	Net profit/ (loss) for the year	2,054.12	211.23
	Remeasurement gain/ (loss) on defined benefit plan	61.23	(24.99)
	Additions to / (transfers made) during the year	(977.05)	(120.81)
	Balance at the end of the year	**1,666.42**	**528.12**
	d) Other Comprehensive Income		
	Balance at the beginning of the year		3.56
	Transition adjustments		-
	Remeasurement gain/ (loss) on defined benefit plan	67.53	(24.99)
	Balance at the end of the year	**67.53**	**(21.43)**
	Total (a) + (b) + (c)	**2,848.29**	**732.94**

Description of the nature and purpose of Other Equity

(a) Reserve Fund

Reserve fund represents reserve fund created pursuant to Section 45-IC of the RBI Act, 1934 through transfer of specified percentage of net profit every year before any dividend is declared.

The reserve fund can be utilized only for limited purposes as specified by RBI from time to time and every such utilization shall be reported to the RBI within specified period of time from the date of such utilization.

(b) Impairment reserve

The impairment reserve is created when the impairment allowance under Ind AS 109 is lower than the 'provisioning required under income recognition and asset classification norms. The difference between these will be appropriated to the impairment reserve from the net profit or loss after tax. This will not reckoned for the purpose of regulatory capital and no withdrawal is permitted withou any prior approval from RBI

(c) Retained earnings

Retained earnings or accumulated surplus represents total of all profits retained since Company's inception.

Retained earnings are credited with current year profits, reduced by losses, if any, dividend payouts, transfers to General reserve or any such other appropriations to specific reserves.

INDEL MONEY LIMITED

12. Property, plant and equipment

Particulars	Gross Block				Depreciation				Net Block	
	As on 01.04.2022	Additions	Deletion	As on 31-03-2023	As on 01.04.2022	For the Year	Depreciation on sale/Woff of Assets	As on 31-03-2023	Net WDV as on 31-03-2023	Net Block as on 31.03.2022
Tangible Assets										
Computer & Accessories	214.27	162.31	2.03	374.55	100.47	82.78	0.06	183.19	191.36	113.80
Motor Vehicles	53.08	16.00	1.76	67.32	13.17	8.07	0.25	20.99	46.33	39.91
Furniture & Fixtures	927.43	479.12	7.48	1,399.07	324.75	215.61	-	540.36	858.71	602.68
Electrical Machinery	97.44	61.72	0.73	158.43	30.62	43.21	0.14	73.69	84.74	66.82
Plant & Machinery	42.06	-	-	42.06	12.45	-	-	12.45	29.61	29.61
Sub - Total	**1,334.28**	**719.15**	**12.00**	**2,041.43**	**481.46**	**349.67**	**0.45**	**830.68**	**1,210.75**	**852.82**

Particulars	Gross Block				Depreciation				Net Block	
	As on 01.04.2021	Additions	Deletion	As on 31-03-2022	As on 01.04.2021	For the Year	Depreciation on sale/Woff of Assets	As on 31-03-2022	Net WDV as on 31-03-2022	Net Block as on 31.03.2021
Tangible Assets										
Computer and accessories	112.03	102.88	(0.64)	214.27	40.15	60.92	(0.60)	100.47	113.80	71.88
Motor vehicles	36.09	32.03	(15.04)	53.08	7.72	9.52	(4.07)	13.17	39.91	28.37
Furniture and fixtures	617.67	309.76	-	927.43	149.63	175.12	-	324.75	602.68	468.04
Electrical machinery	74.34	23.10	-	97.44	13.73	16.89	-	30.62	66.82	60.61
Plant and machinery	30.38	11.68	-	42.06	5.81	6.64	-	12.45	29.61	24.57
Sub - Total	**870.51**	**479.45**	**(15.68)**	**1,334.28**	**217.04**	**269.09**	**(4.67)**	**481.46**	**852.82**	**653.5**

Notes:

(i) There are no property, plant and equipment which are acquired through business combination during the year (previous year - nil)

(ii) The Company has not revalued any of the assets during the year (previous year - nil)

(iii) There are no capital work-in-progress during the period (previous year - Nil)

INDEL MONEY LIMITED

INDEL MONEY LIMITED
NOTES FORMING PART OF FINANCIAL STATEMENTS: 2022-23

13. Right-of-use asset

Description	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As at 01.04.2022	Additions	Deletion	As at 31.03.2023	As at 01.04.2022	For the Year	Depreciation on sale/Woff of Assets	As at 31.03.2023	As at 31.03.2023	As at 31.03.2022
Building	4,208.17	815.12	-	5,023.29	935.09	595.57	-	1,530.66	3,492.63	3,273.08
Total	**3,273.08**	**815.12**	**-**	**5,023.29**	**935.09**	**595.57**	**-**	**1,530.66**	**3,492.63**	**3,273.08**

Description	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As at 01.04.2021	Additions	Deletion	As at 31.03.2022	As at 01.04.2021	For the Year	Depreciation on sale/Woff of Assets	As at 31.03.2022	As at 31.03.2022	As at 31.03.2021
Building	3,494.56	713.61	-	4,208.17	424.44	510.65	-	935.09	3,273.08	3,070.12
Total	**3,070.12**	**713.61**	**-**	**4,208.17**	**424.44**	**510.65**	**-**	**935.09**	**3,273.08**	**3,070.12**

Notes:
(i) There are no property, plant and equipment which are acquired through business combination during the year (previous year - nil)

14. Intangible Assets

Description	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As at 01.04.2022	Additions	Deletion	As at 31.03.2023	As at 01.04.2022	For the Year	Depreciation on sale/Woff of Assets	As at 31.03.2023	As at 31.03.2023	As at 31.03.2022
Computer Software	117.80	68.63		186.43	41.25	20.60	-	61.85	124.58	76.55
Total	**117.80**	**68.63**	**-**	**186.43**	**41.25**	**20.60**	**-**	**61.85**	**124.58**	**76.55**

Description	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As at 01.04.2021	Additions	Deletion	As at 31.03.2022	As at 01.04.2021	For the Year	Depreciation on sale/Woff of Assets	As at 31.03.2022	As at 31.03.2022	As at 31.03.2021
Computer Software	36.17	81.63	-	117.80	17.06	24.19	-	41.25	76.55	19.11
Total	**36.17**	**81.63**	**-**	**117.80**	**17.06**	**24.19**	**-**	**41.25**	**76.55**	**19.11**

Notes:
(i) There are no property, plant and equipment which are acquired through business combination during the year (previous year - nil)

INDEL MONEY LIMITED

	Particulars	For the Year ended March 31, 2023	For the Year ended March 31, 2022
		₹ in lakhs	
25	**Interest income**		
	On financial instruments measured at amortised cost		
	a) Interest on loans and advances	18,363.68	12,174.44
	b) Interest income from investments	-	-
	c) Interest income from term deposits from banks	124.30	56.79
	d) Other interest income	-	-
		18,487.98	**12,231.23**
	Note: There are no assets measured at FVTOCI/ FVTPL		-
26	**Fees and commission income**		
	a) Service charges and other fees on loan transactions	30.30	34.08
	b) Collection fee related to transferred assets under securitisation transactions	5.00	1.00
		35.30	**35.08**
27	**Net gain on fair value changes**		
	Net gain on fair value changes-Mutual Fund	22.88	-
		22.88	-
28	**Other income**		
	a) Other income	183.60	30.13
		183.60	**30.13**
29	**Finance costs**		
	On financial liabilities measured at amortised cost		
	a) Interest on borrowings	2,396.32	2,692.35
	b) Interest on debts securities	3,117.88	1,398.10
	c) Interest on subordinated liabilities	2,563.67	2,313.69
	d) Interest on lease liabilities	382.22	301.07
	e) Other borrowing costs	-	-
		8,460.09	**6,705.21**
30	**Impairment of financial instruments**		
	On financial instruments measured at amortised cost		
	a) Baddebts written off	313.02	54.90
	b) Loans	489.88	71.42
		802.90	**126.32**
31	**Employee benefit expenses**		
	a) Salaries and wages	2,990.51	2,173.03
	b) Contribution to provident fund and other funds	178.93	125.90
	c) Staff welfare expenses	404.93	477.19
		3,574.38	**2,776.12**
32	**Depreciation, amortisation and impairment**		
	a) Depreciation on property, plant and equipment	349.66	269.10
	b) Amortisation on intangible assets	20.59	24.19
	c) Depreciation on right-of-use assets	595.57	510.65
		965.82	**803.94**

INDEL MONEY LIMITED

33	**Other expenses**		
	Advertisement & Business Promotions Expenses	337.79	339.10
	Audit fees	4.72	5.84
	Annual maintenance charges	39.51	26.67
	Donation	10.30	-
	CSR expenses	13.88	11.26
	Insurance charges	48.94	45.01
	Legal and professional charges	316.67	211.55
	Membership and subscriptions	52.97	20.00
	Miscellaneous expenses	2.69	7.02
	Postage and courier	54.71	29.71
	Transportation expenses	0.47	0.05
	Office maintenance expenses	57.78	46.98
	Electricity charges	70.86	55.31
	Printing and stationery	96.01	66.56
	Rates and taxes	112.72	76.52
	Directors' sitting fee	25.00	16.50
	Directors remuneration	31.50	24.00
	Repairs and maintenance	182.14	69.41
	Communication expenses	87.46	72.59
	Travelling and conveyance	330.04	195.75
	Penalty & fine	2.88	
	Rent	99.25	57.85
	Vehicle expenses	9.61	3.90
	Prior period expense	8.72	8.70
	Loss on sale of property, plant and equipment	-	1.02
	Loss on sale of Investement	10.80	
		2,007.43	**1,391.30**
34	**Earnings per share**		
	Profit/ (loss) for the year (₹ in lakhs)	679.01	211.23
	Weighted average number of equity shares outstanding (in lakhs)	1,331.47	821.47
	Basic and diluted earnings per share (₹)	0.51	0.26
	Face value per equity share (₹)	10.00	10.00

INDEL MONEY LIMITED

35 **Payment to Auditors**

₹ in lakhs

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
For Statutory Audit (inclusive of taxes)	3.50	4.00
For Tax Audit	0.50	0.50
GST	0.72	0.81
Total	**4.72**	**5.31**

36 **Contingent liablities and contingent Assets**

Particulars	As at March 31, 2023	As at March 31, 2022
a) Claims against the Company not acknowledged as debt	-	-
b) Guarantees- Counter guarantees provided to Banks	-	-
c) Other money for which the company is contingently liable	-	-
Total	-	-

37 **Operating segments**

Primary segment

Operating segments are defined as components of an enterprise for which discrete financial information is available that is revaluated regularly by the chief operating decision maker, in deciding how to allocate resources and assessing performance. The Company has only one reportable business segment "Financial services".

Secondary segment (by geography)

The Company's economic environment is similar and it is having operations in India only. Therefore, the Company has only one reportable geographical segment. There are no operations outside India and hence there is no external revenue or assets which require disclosure.

No revenue from transactions with a single external customer amounted to 10% or more of the Company's total revenue in year ended March 31, 2023 (previous year - nil)

38 **Employee Benefits**

In accordance with Ind AS - 19 Employee Benefits, specified under Section 133 of the Companies Act, 2013 the following disclosures are made:

The Company recognised ₹178.93 lakhs (2021-22: ₹125.90 lakhs) for Provident Fund contributions in the Statement of Profit and Loss. The contributions payable to these plans by the Company are at rates specified in the rules of the schemes.

Defined Benefit Plans

The Company has an unfunded gratuity plan for qualifying employees. The benefit payable is calculated as per the Payment of Gratuity Act, 1972. The benefit vests upon completion of five years of continuous service and once vested, it is payable to employees on retirement or on termination of employment. In case of death while in service, the gratuity is payable irrespective of vesting.

Actuarial gains and losses in respect of defined benefit plans are recognised in the financial statements through other comprehensive income.

Through its defined benefit plans the company is exposed to a number of risks, the most significant of which are detailed below:

Interest risk:

The plan liabilities are calculated using a discount rate set with references to government bond yields. Any decrease in interest rate will increase the plan liability.

Longevity risk

The present value of defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

Salary risk

The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

The following table set out the unfunded status of the defined benefit schemes and the amount recognised in financial statements.

INDEL MONEY LIMITED

(a) Amount recognised in the Profit or loss for the period

Particulars	For the year ended	
	March 31, 2023	March 31, 2022
Current service cost	50.05	30.02
Past service cost	-	-
Net interest on net defined benefit liability	7.41	3.23
Amount recognised in Profit or loss for the year	**57.46**	**33.25**

(b) Amount recognised in other comprehensive income

(₹ in lakhs)

Particulars	For the year ended	
	March 31, 2023	March 31, 2022
Remeasurement (gains)/ losses		
a) Actuarial (gains)/losses arising from changes in		
- Change in demographic assumptions	(65.44)	
- Change in financial assumptions	2.06	13.57
- Experience adjustment	2.15	19.83
b) Return on plan asset excluding considered in net		
Amount recognised in other comprehensive	**(61.23)**	**33.40**

(c) Changes in present value of defined benefit obligation

(₹ in lakhs)

Particulars	For the year ended	
	March 31, 2023	March 31, 2022
Opening defined benefit obligation	115.79	55.25
Current service cost	50.05	30.02
Past service cost	-	
Interest cost	7.41	3.23
Actuarial (gains)/losses	(61.23)	33.40
Benefits paid	(4.43)	(6.11)
Closing defined benefit obligation	**107.59**	**115.79**

(d) Net defined benefit liability/ (asset)

(₹ in lakhs)

Particulars	As at	
	March 31, 2023	March 31, 2022
Present value of defined benefit obligation	107.59	115.79
Fair value of plan assets	-	-
Net defined benefit liability/ (asset)	**107.59**	**115.79**
- Current	46.71	8.25
- Non-current	60.88	107.54

(e) The Principal actuarial assumptions used in determining gratuity liability is as follows;

Particulars	March 31, 2023	March 31, 2022
Discount rate	7.20%	5.80%
Salary increase	11.00%	8.00%
Attrition rates (based on age)		
- Upto 30 years	51.00%	38.00%
- 31- 44 years	51.00%	15.00%
- Above 44 years	51.00%	7.00%
Mortality Rate	IALM 2012-14	IALM 2012-14

Sensitivity analysis

Gratuity is a lump sum plan and the cost of providing these benefits is typically less sensitive to small changes in demographic assumptions. The key actuarial assumptions to which the benefit obligation results are particularly sensitive to are discount rate, future salary escalation rate and attrition rate. The following tables summarizes the impact on the reported defined benefit obligation at the end of the reporting period arising on account of an increase or decrease in the reported assumption by 100 basis points. These sensitivities have been calculated to show the movement in defined benefit obligation in isolation and assuming there are no other changes in market conditions at the accounting date. There have been no changes from the previous periods in the methods and assumptions used in preparing the sensitivity analysis.

(₹ in lakhs)

Particulars	March 31, 2023	March 31, 2022
Discount rate		
- 100 bps increase	105.30	105.82
- 100 bps decrease	109.96	127.44
Salary growth rate		
- 100 bps increase	109.86	126.58
- 100 bps decrease	105.36	106.13

INDEL MONEY LIMITED

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligations as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumption may be correlated.

The payout pattern of defined benefit obligation (undiscounted) estimated as at year-end is given below:

Particulars	March 31, 2023	March 31, 2022
Expected cashflow due		
- within 1 year	46.71	8.25
- 2 to 5 years	71.75	44.08
- 6 to 10 years	8.45	47.39
- More than 10 years	0.39	141.14

39 **Capital management**

The Reserve Bank of India vide its circular reference RBI/2019-20/170 DOR (NBFC).CC.PD.No.109/22.10.106/2019-20 dated 13 March 2020 outlined the regulatory guidance in relation to Ind AS financial statements from financial year 2019-20 onwards. This included guidance for computation of 'owned funds', 'net owned funds' and 'regulatory capital'. Accordingly, effective from the current financial year, the 'regulatory capital' has been computed in accordance with these requirements read with the requirements of the Master Direction DNBR. PD.008/03.10.119/2016-17 dated September 01, 2016 (as amended).

The Company's capital management strategy is to effectively determine, raise and deploy capital so as to create value for its shareholders. The same is

done through a mix of either equity and/or convertible and/or combination of short term /long term debt as may be appropriate.

The company determines the amount of capital required on the basis of operations, capital expenditure and strategic investment plans. The capital structure is monitored on the basis of net debt to equity and maturity profile of overall debt portfolio.

The Company is subject to the capital adequacy requirements of the Reserve Bank of India (RBI). Under RBI's capital adequacy guidelines, the Company is required to maintain a capital adequacy ratio consisting of Tier I and Tier II Capital. The total of Tier II Capital at any point of time, shall not exceed 100 percent of Tier I Capital. The minimum capital ratio as prescribed by RBI guidelines and applicable to the Company, consisting of Tier I and Tier II capital, shall not be less than 15 percent of its aggregate risk weighted assets on-balance sheet and of risk adjusted value of off-balance sheet.

The Company has complied with all regulatory requirements related capital and capital adequacy ratios as prescribed by RBI

Regulatory capital and analytical ratios ₹ in lakhs

Particulars	March 31, 2023	March 31, 2022
Tier I capital	16,410.00	10,047.64
Tier II capital (limited to Tier I capital)	8,205.00	5,023.82
Total regulatory capital	24,615.00	15,071.46
Aggregate of Risk weighted assets	91,232.57	63,454.01
Tier I capital ratio	17.99%	15.83%
Tier II capital ratio	8.99%	7.92%
Capital to risk-weighted assets ratio	26.98%	23.75%
Liquidity coverage ratio		

"Tier I Capital" means owned fund as reduced by investment in shares of other non-banking financial companies and in shares, debentures, bonds, outstanding loans and advances including hire purchase and lease finance made to and deposits with subsidiaries and companies in the same group exceeding, in aggregate, ten per cent of the owned fund.

"Owned fund" means paid up equity capital, preference shares which are compulsorily convertible into equity, free reserves, balance in share premium account and capital reserves representing surplus arising out of sale proceeds of asset, excluding reserves created by revaluation of asset, as reduced by accumulated loss balance, book value of intangible assets and deferred revenue expenditure, if any.

"Tier II capital" includes the following -

(a) preference shares other than those which are compulsorily convertible into equity

(b) revaluation reserves at discounted rate of fifty five percent

(c) General provisions (including that for Standard Assets) and loss reserves to the extent these are not attributable to actual diminution in value or identifiable potential loss in any specific asset and are available to meet unexpected losses, to the extent of one and one fourth percent of risk weighted assets. 12 month expected credit loss (ECL) allowances for financial instruments i.e. where the credit risk has not increased significantly since initial recognition, shall be included under general provisions and loss reserves in Tier II capital within the limits specified by extant regulations. Lifetime ECL shall not be reckoned for regulatory capital (numerator) while it shall be reduced from the risk weighted assets

(d) hybrid debt capital instruments; and

(e) subordinated debt to the extend aggregate does not exceed Tier I capital.

Aggregate Risk Weighted Assets -

Under RBI Guidelines, degrees of credit risk expressed as percentage weightages have been assigned to each of the on-balance sheet assets and off-balance sheet assets. Hence, the value of each of the on-balance sheet assets and off- balance sheet assets requires to be multiplied by the relevant risk weights to arrive at risk adjusted value of assets. The aggregate shall be taken into account for reckoning the minimum capital ratio

INDEL MONEY LIMITED

40 Leases

I) Company as a Lessee

As a lessee, the Company's lease asset class primarily consist of buildings or part thereof taken on lease for office premises used for operating activities.

For transition, the Company has elected not to apply the requirements of Ind AS 116 to leases which are expiring within 12 months from the date of transition by class of asset and leases for which the underlying asset is of low value on a lease-by-lease basis. The Company has also used the practical expedient provided by the standard when applying Ind AS 116 to leases previously classified as operating leases under AS 19 and therefore, has not reassessed whether a contract, is or contains a lease, at the date of initial application, relied on its assessment of whether leases are onerous, applying Ind AS 37 immediately before the date of initial application as an alternative to performing an impairment review, excluded initial direct costs from measuring the right-of-use asset at the date of initial application and used hindsight when determining the lease term if the contract contains options to extend or terminate the lease. The Company has used a single discount rate to a portfolio of leases with similar characteristics.

The weighted average incremental borrowing rate of 9.45% has been applied to lease liabilities recognized in the balance sheet at the date of initial application.

On application of Ind AS 116, the nature of expenses has changed from lease rent in previous periods to depreciation cost for the right-of-use asset, and finance cost for interest accrued on lease liability.

Expense relating to leases on which short-term lease exemption was availed is ₹ 99.25 (previous year: ₹57.85). The expense relating to leases of low-value assets during the year ended March 31, 2021, is Nil (previous year Nil)

None of the lease contains any variable lease payments or taken under sale and leaseback arrangements.

Movement in lease liabilities

₹ in lakhs

Particulars	March 31, 2023	March 31, 2022
Opening balance	3,479.98	3,105.40
Add: Additions during the year	607.16	671.50
Add: Finance cost	382.22	301.08
Less: Repayment made during the period	(689.62)	(598.00)
Less: Termination/ modification adjustments	-	-
Closing balance	**3,779.75**	**3,479.98**

Maturity analysis of lease liabilities (undiscounted values)

₹ in lakhs

Particulars	March 31, 2023	March 31, 2022
Upto 1 year	655.37	678.75
1 year - 5 years	2,315.22	2,636.02
More than 5 years	2,578.68	1,621.84
Total	**5,549.27**	**4,936.61**

41 Debenture Redemption Reserve

Pursuant to Regulation 16 of the SEBI Debt Regulations and Section 71(4) of the Companies Act, 2013 states that where debentures are issued by any company, the company shall create a debenture redemption reserve out of the profits of the company available for payment of dividend. Rule 18(7) of the Companies (Share Capital and Debentures) Rules, 2014, as amended by Companies (Share Capital and Debentures) Amendment Rules, 2019, listed NBFC is not required to create a DRR in case of public issue of debentures. The rules further mandate that the company which is coming with a Public Issue shall deposit or invest, as the case may be, before the 30th day of April of each year a sum which shall not be less than 15% of the amount of its debentures maturing during the year ending on the 31st day of March of the next year in any one or more prescribed methods.
Accordingly, your Company is not required to create a DRR for the Public NCDs. The Company maintained liquid assets amounting to Rs. 1,122.12 lakhs in the form of Deposits with Scheduled Banks, which represents 15% of amount of its public issue of debentures maturing during the financial year 2023-24.

42 Fraud

During the FY 2022-23 there were instances of fraud on the Company by employees where gold loan related misappropriations have occurred amounting to Rs.77.89 lacs ((Previous Year Rs.94.65) of which the Company has recovered Rs 11.80 lacs during the year itself).

43 Pending Litigations

The Company's pending litigations comprise of claims by the Company on the customers to recover its dues. The Company has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed the contingent liabilities where applicable, in its financial statements. The Company does not expect the outcome of these proceedings to have a material adverse effect on its financial statements of the Company as at March 31, 2023 (previous year - nil)

44 Financial risk management framework

In the course of its business, the Company is exposed to certain financial risks namely credit risk, interest risk, currency risk & liquidity risk. The Company's primary focus is to achieve better predictability of financial markets and seek to minimize potential adverse effects on its financial performance.

INDEL MONEY LIMITED

The financial risks are managed in accordance with the Company's risk management policy which has been approved by its Board of Directors.

Board of Directors of the Company have established Asset and Liability Management Committee (ALCO), which is responsible for developing and monitoring risk management policies for its business. The credit risk is managed through credit norms established based on historical experience.

44.1 *Market risk*

Market the risk that the fair value or future cash flows of financial instruments will fluctuate due to changes in market variables such as interest rates, foreign exchange rates, etc. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while maximizing the return.

a) Pricing risk

The Company does not have any asset which is exposed to the pricing risk

b) Currency risk

The Company does not have any asset which is exposed to the currency risk since the Company does not deal in foreign currency

c) Interest rate risk

The company uses a mix of cash and borrowings to manage the liquidity & fund requirements of its day-to-day operations. Further, certain interest bearing liabilities carry variable interest rates

44.2 *Credit Risk Management*

Credit risk is the risk that the Company will incur a loss because its customers fail to discharge their contractual obligations. The Company has a comprehensive framework for monitoring credit quality of its retail and other loans primarily based on Days past due monitoring at period end. Repayment by individual customers and portfolio is tracked regularly and required steps for recovery are taken through follow ups and legal recourse.

Credit Quality of Financial Loans and Investments

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

₹ in lakhs

Particulars	March 31, 2023	March 31, 2022
Gross carrying amount of loans	64,138.50	52,367.29
No dues	55,656.14	49,610.73
30 days past due	3,309.65	323.61
31-90 days past due	2,630.09	1,586.48
Impaired (more than 90 days past due)	2,542.62	846.47

The Company reviews the credit quality of its loans based on the ageing of the loan at the period end. Since the company is into retail lending business, there is no significant credit risk of any individual customer that may impact company adversely, and hence the Company has calculated its ECL allowances on a collective basis.

Inputs considered in the ECL model

In assessing the impairment of financial loans under Expected Credit Loss (ECL) Model, the assets have been segmented into three stages. The three stages reflect the general pattern of credit deterioration of a financial instrument. The differences in accounting between stages, relate to the recognition of expected credit losses and the measurement of interest income

The Company categorizes loan assets into stages primarily based on the Days Past Due status.

Stage 1 : 0-30 days past due

Stage 2 : 31-90 days past due

Stage 3 : More than 90 days past due

Estimations and assumptions considered in the ECL model

The Company has made the following assumptions in the ECL Model:

a) The Company is primarily engaged in the gold loan business and the average loan duration is less than 1 year also. Therefore, the Company does not made any segregation between 12 month ECL and life-time ECL while computing the ECL allowance

b) Since the Company has no assets which are classified as NPA (more than 90 days past due), there is not asset under credit impaired category.

c) The Company had started business certain new geographical locations wherein the historical loss details are not available. The loss rates for similar geographical location is considered as a forward looking estimate.

Concentration of credit risk

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

In order to avoid excessive concentrations of risk, the Company's policies and procedures include specific guidelines to focus on spreading its lending portfolio across various products/states/customer base with a cap on maximum limit of exposure for an individual/Group. Accordingly, the Company does not have concentration risk.

INDEL MONEY LIMITED

44.3 ***Liquidity risk***

Liquidity risk refers to the risk that the Company cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements.

The Company consistently generated sufficient cash flows from operations to meet its financial obligations as and when they fall due.
The Company has well defined Asset Liability Management (ALM) framework with an appropriate organisational structure to regularly monitor and manage maturity profiles of financial assets and financial liabilities including debt financing plans, cash and cash equivalent instruments to ensure liquidity.

Maturity pattern of financial liabilities

Particulars	0-12 months	Beyond 12 months	Total
As at March 31, 2023			
(a) Payables	50.33	-	50.33
(b) Debt securities	15,062.53	14,995.17	30,057.70
(c) Borrowings (Other than Debt Securities)	12,607.27	20,200.75	32,808.02
(d) Lease liabilities (at undiscounted values)			-
(e) Deposits			-
(f) Subordinated Liabilities	1,565.35	16,261.05	17,826.40
(g) Other financial liabilities	1,617.97	2,649.00	4,266.97
	30,903.44	**54,105.97**	**85,009.41**
As at March 31, 2022			
(a) Payables	34.07	-	34.07
(b) Debt securities	11,138.69	4,810.71	15,949.40
(c) Borrowings (Other than Debt Securities)	10,940.20	14,358.36	25,298.56
(e) Deposits	-	-	-
(f) Subordinated Liabilities	2,752.35	16,268.35	19,020.70
(g) Other financial liabilities	1,848.07	1,282.89	3,130.96
	26,713.38	**36,720.31**	**63,433.69**

45 **Financial instruments**

The significant accounting policies, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognized, in respect of each class of financial asset, financial liability and equity instrument are disclosed in Note #2 to the financial statements.

45.1 ***Classification of financial assets and liabilities***

The fair values of the financial assets / liabilities represent the price that would be received to sell the financial asset or paid to transfer the financial liability in an orderly transaction between market participants at the measurement date.

The following methods and assumptions were used to estimate the fair values:
1. Fair value of trade receivables, cash, loans, other financial assets, trade payables and other financial liabilities, approximate their carrying amounts largely due to short term maturities of these instruments.
2. Financial instruments with fixed and variable interest rates are evaluated by the Company based on parameters such as interest rates and individual credit worthiness of the counterparty. Based on this evaluation, allowances are taken to account for expected losses of these financial assets. Accordingly, fair value of such instruments is not materially different from their carrying amounts.

The fair values of security deposits were calculated based on cash flows discounted using current lending rate. The fair values are classified as Level 3 in the fair value hierarchy due to the inclusion of unobservable inputs including counter party credit risk.

The Company does not have any financial instruments which are held for trading and no financial instruments are required to be accounted using fair value through profit or loss. Further, the Company has no instruments which are accounted for using hedge accounting model as specified under Ind AS 109 Financial Instruments.

₹ in lakhs

Particulars	Non-current	Current	Total
As at March 31, 2023			
Financial assets at amortized cost			
(a) Cash and cash equivalents	-	3,666.14	3,666.14
(b) Bank balances other than cash and cash equivalents	5,282.94		5,282.94
(c) Receivables	-	8,227.37	8,227.37
(d) Loans	14,755.52	49,382.98	64,138.50
(f) Investments	-	11,772.88	11,772.88
(g) Other financial assets	926.40	210.28	1,136.67
	20,964.86	**73,259.65**	**94,224.50**
Financial liabilities at amortized cost			
(a) Payables	-	50.33	50.33
(b) Debt securities	14,995.17	15,062.53	30,057.70
(c) Borrowings (Other than Debt Securities)	20,200.75	12,607.27	32,808.02
(d) Deposits	-	-	-
(e) Subordinated Liabilities	16,261.05	1,565.35	17,826.40
(f) Other financial liabilities	2,649.00	1,617.97	4,266.97
	54,105.97	**30,903.44**	**85,009.41**

INDEL MONEY LIMITED

As at March 31, 2022			
Financial assets at amortised cost			
(a) Cash and cash equivalents	-	7,880.15	7,880.15
(b) Bank balances other than cash and cash equivalents	1,006.12		1,006.12
(c) Receivables	-	5,532.80	5,532.80
(d) Loans	4,474.78	47,892.51	52,367.29
(f) Investments	12.00	-	12.00
(g) Other financial assets	820.28	100.89	921.17
	6,313.18	**61,406.35**	**67,719.53**
Financial liabilities at amortised cost			
(a) Payables	-	34.07	34.07
(b) Debt securities	4,810.71	11,138.69	15,949.40
(c) Borrowings (Other than Debt Securities)	14,358.36	10,940.20	25,298.56
(d) Deposits	-	-	-
(e) Subordinated Liabilities	16,268.35	2,752.35	19,020.70
(f) Other financial liabilities	1,282.89	1,848.07	3,130.96
	36,720.31	**26,713.38**	**63,433.69**

45.2 *Fair value hierarchy*

The fair value hierarchy is based on inputs to valuation techniques that are used to measure fair value that are either observable or unobservable and consists of the following three levels:

- Level 1 - Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 - Inputs are other than quoted prices included within Level 1 that are observable for the asset or liability, directly (i.e., as prices) or indirectly (i.e., derived from prices).

- Level 3 - Inputs are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

The fair value of loan assets has been arrived at by using level 3 inputs at initial recognition and subsequently measured using amortized cost model. There are no financial instruments which are carried at fair value as at the Balance Sheet date.

46 **Additional disclosures required under Schedule III**

46.1 *Loans and advances to promoters, KMPs, Directors and related parties*

Details of loans to promoters, KMPs, Directors and other related parties during the period are as follows:

Type of borrower	As at March 31, 2023		As at March 31, 2022	
	Amount outstanding	% of total	Amount outstanding	% of total
Repayment terms are fixed				
a) Promoters	-		-	
b) Directors	-		-	
c) KMPs	-		-	
d) Related parties	-		-	
Repayable on demand				
a) Promoters	-	-	-	-
b) Directors	-	-	-	-
c) KMPs	-	-	-	-
d) Related parties	-	-	-	-
without specifying any terms or period of repayment				
a) Promoters	-	-	-	-
b) Directors	-	-	-	-
c) KMPs	-	-	-	-
d) Related parties	-	-	-	-

46.2 *Transactions related to Crypto-currency*

The company has not traded or invested in Crypto currency or Virtual Currency during the period (previous year - Nil)

46.3 *Fund received from other persons/ entities for lending/ investing/ providing guarantee*

The company has not received any funds from any person/entities, for the purpose of directly or indirectly lending/investing/providing guarantee/security to another person/entity, by or on behalf of the person/entity from whom such amount is received during the period in contravention of the Act or RBI guidelines.

The company has not advanced/loaned/invested funds to any person/entity for the purpose of directly or indirectly lending/ investing/ providing guarantee/ security to a third person/entity, by or on behalf of the company in contravention of the Act.

46.4 *Utilisation of borrowings*

The Company had utilised the borrowings availed during the period for the purposes specified.

INDEL MONEY LIMITED

46.5 *Periodical reports submitted to bank on current assets*

The Company has taken loans from banks/ Financial Institutions (FI) on the basis of security of assets like loans receivable.

The periodic returns or statements of current assets filed by the Company with banks or financial institutions are in agreement with the books of accounts.

46.6 *Disclosure pursuant to section 186 of the Companies Act, 2013*

The Company has not given any loans/ advances/ guarantees to any related person/ entities in contravention of section 186 of the Companies Act, 2013.

46.7 *Details of Corporate guarantees given by the Company*

The Company has not given any corporate guarantee in respect of any loan during the period

46.8 *Revaluation of assets*

The Company has not revalued its Property, Plant and Equipment (including Right-of-Use Assets)/ Intangible Assets during the period (previous year - Nil)

46.9 *Property under the Benami Transactions (Prohibition) Act, 1988*

The company is not holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988)

46.10 *Willful defaulter*

The company is not wilful defaulters under guidelines on wilful defaulters issued by the Reserve Bank of India

46.11 *Relationship with struck of companies*

The company has no relationship and transactions with struck off companies

46.12 *Delay in registration of charges*

The company has not made any delay in registration of Charges during the period.

46.13 *Layers of investment*

The company has complied with the number of layers prescribed under section 2(87) of the companies Act 2013

46.14 *Compromises and Arrangements*

The company has not entered in scheme of arrangement under section 230 to 237 of Companies Act 2013 during the period

46.15 *Transactions not recorded in the books disclosed under income tax*

There are no transactions not recorded in the books of accounts, which are disclosed during the Income tax assessment/search/survey

INDEL MONEY LIMITED

INDEL MONEY LIMITED
Notes forming part of the financial statements for the year ended 31st March, 2023

47 RELATED PARTY DISCLOSURE

A	Enterprise where control exists	
	Related Parties	**Name of related parties**
	Holding Company :	Indel Corporation Private Limited
B	**Subsidiary Company**	Indel Money Fin-Tech Private Limited (Up to 30.03.23)
C	**Fellow Subsidiary Company:**	Indel Automotives Private Limited M Star Hotels Private Limited
D	**Individual and relatives of Individual**	Mr.Gopalakrishna Mohanan, Managing Director Mr.Umesh Mohanan, Director Mr. Salil Venu, Director Mrs. Kavitha Menon, Director Mrs. Usha Devi Mohanan
E	**Partnership Firm in which Director is a partner**	Mind Story
F	**Companies/Firm in which Individual and relatives of Individual exercise control/significant influence**	M Star Satelite Communications Private Limited M Star Hotel Heritage Private Limited Wind flower Consultancy

Disclosure of transactions between the Company and related parties and outstanding balance as at the year

A **Transaction with Holding Company** (₹ in lakhs)

(i)

Indel Corporation Private Limited	As at	
	March 31, 2023	**March 31,2022**
Opening Balance	**62.90**	**112.47**
Expenses incurred	16.63	10.71
Empenses reimbursed	(16.63)	(9.50)
Rental/Maintenance Expenses	113.45	60.44
Rental/Maintenance Expenses paid	(113.45)	(61.90)
Advance Paid/Purchase of Premises	1,512.50	1,733.48
Advance returned	(1,574.72)	(1,672.80)
Interest on Advance	26.82	-
Share Application Money received	(4,000.00)	(1,100.00)
Share Capital Alotted	4,000.00	1,100.00
Rent Deposit	-	385.00
Amount Due from/(to) related party	**27.50**	**557.90**

B **Subsidiary Company**

(i)

Indel Money Fin-Tech Private Limited	As at	
	March 31, 2023	**March 31,2022**
Opening Balance	**12.76**	**12.26**
Advances given	0.54	0.49
Amount Due from/(to) related party	**13.30**	**12.76**

C **Fellow subsidary company:**

(i)

Indel Automotives Private Limited	As at	
	March 31, 2023	**March 31,2022**
Opening Balance	**10.16**	**331.42**
Interest Accrued	-	15.32
Loan repayment	-	(320.00)
Interest received	-	(16.59)
Written off	(10.16)	
Amount Due from/(to) related party	-	**10.16**

(ii)

M Star Hotels Private Limited	As at	
	March 31, 2023	**March 31,2022**
Opening Balance	1.02	1.02
Written off	(1.02)	
Amount Due from/(to) related party	-	1.02

INDEL MONEY LIMITED

D **Transactions with Individual exercise control over the company**

(i)

Mohananan Gopalakrishnan	**As at March 31, 2023**	**As at March 31,2022**
Opening Balance	(0.62)	(0.46)
Interest on Bond accrued	(3.16)	(3.12)
Interest paid	2.64	2.96
Directors Remuneration paid	12.50	12.00
Amount Due from/(to) related party	**(1.14)**	**(0.62)**

(ii)

Umesh Mohanan	**As at March 31, 2023**	**As at March 31,2022**
Opening Balance	22.65	(0.35)
Salary paid	122.71	120.00
Expenses reimbursed	(22.44)	(18.33)
Interest on Bond accrued	(5.04)	(3.80)
Interest paid	3.45	2.70
Advance Paid	10.00	119.00
Amount Received	(31.51)	(94.91)
Amount Due from/(to) related party	**(0.45)**	**22.65**

(iii)

Salil Venu	**As at March 31, 2023**	**As at March 31,2022**
Directors Remuneration paid	12.50	9.00
Amount Due from/(to) related party	-	-

(iv)

Kavitha Menon	**As at March 31, 2023**	**As at March 31,2022**
Directors Remuneration paid	6.50	3.00
Amount Due from/(to) related party	-	-

(v)

Usha Devi Mohanan	**As at March 31, 2023**	**As at March 31,2022**
Opening Balance	(17.49)	(12.89)
Interest on Bond accrued	(1.01)	(5.65)
Interest paid	0.49	1.05
Amount Due from/(to) related party	**(18.01)**	**(17.49)**

E **Partnership Firm in which Director is a partner**

(i)

Mind Story	**As at March 31, 2023**	**As at March 31,2022**
Opening Balance	1.39	3.14
Expenses incurred	(19.63)	16.52
Empenses reimbursed	18.24	(18.27)
Amount Due from/(to) related party	**0.00**	**1.39**

F **Companies in which Individual and relatives of Individual exercise control/significant influence**

(i)

M Star Satellite Communications Private Limited	**As at March 31, 2023**	**As at March 31,2022**
Opening Balance	(7.59)	232.66
TDS Receivable	-	(7.59)
Interest accrued	-	30.12
Interest Received	-	(68.78)
Amount repaid	-	(194.00)
Amount Due from/(to) related party	**(7.59)**	**(7.59)**

(iii)

M Star Heritage Hotels Private Limited	As at	
	March 31, 2023	March 31,2022
Opening balance	(0.11)	(0.11)
Writen off	0.11	-
Amount Due from/(to) related party	-	**(0.11)**

(iv)

Wind Flower Consultancy	As at	
	March 31, 2023	March 31,2022
Consultation Fee	39.92	39.92
Amount Due from/(to) related party	-	-

48 **Balance confirmation**

Balances of Loan from Financial Institutions - Term Loan are subject to confirmation and reconciliations

49 **Regrouping of comparative period information**

The information relating to comparative periods have been regrouped/reclassified/restated to conform to the classification of the current year which are required in accordance with IndAS

INDEL MONEY LIMITED *

50 **Disclosure required as per Reserve Bank of India Notification No. DNBS.CC.PD.No. 265/03.10.01/2011-12 dated March 21,2012**

Particulars	March 31, 2023	March 31, 2022
Loan granted against collateral of gold jewellery	50,635.60	42,275.76
Total Asset of the Company	1,01,386.96	73,679.37
Percentage of loans granted against collateral of gold jewellery to Total Assets	49.94%	57.38%

51 **(as required in terms of paragraph 13 of Non-Banking Financial (Non- Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank Directions,2007)**

Liability Side ₹ in lakhs

Particulars	March 31, 2023	March 31, 2022
1) Loans and Advances availed by the non- banking financial company inclusive of interest acrrued thereon but not paid		
a)Debentures:Secured	30,057.70	15,949.40
Subodinated Bonds :Unsecured	17,826.40	19,020.70
(other than falling with in the meaning of public deposits)	-	-
b) Deferred Credits	-	-
c) Term Loans	24,993.70	19,206.55
d) Inter -Corporate Loans and Borrowings	-	-
e) Commercial Paper	-	-
f) Other Loans (Cash Credit and lease liabilities)	7,814.32	6,091.99

Asset Side ₹ in lakhs

Particulars	March 31, 2023	March 31, 2022
2) Break -up of loans and advances including bill receivables (other than those included in (4) below):		
a) Secured	52,791.78	45,269.11
b) Unsecured	11,346.72	7,098.18
(3) Break-up of Leased Assets and stock on hire and other assets counting towards AFC activities:		
(i) Lease assets including lease rentals under sundry debtors:	-	-
(a) Financial lease	-	-
(b) Operating lease	-	-
(ii) Stock on hire including hire charges under sundry debtors	-	-
(a) Assets on hire	-	-
(b) Repossessed Assets	-	-
(iii) Other loans counting towards AFC activities	-	-
(a) Loans where assets have been repossessed	-	-
(b) Loans other than (a) above	-	-
(4) Break-up of Investments :		
Current Investments:		
1. Quoted:		
(i) Shares : (a) Equity	-	-
(b) Preference	-	-
(ii) Debentures and Bonds	-	-
(iii) Units of mutual funds	-	-
(iv) Government Securities	-	-
(v) Others (please specify)	-	-
2. Unquoted:	-	-
(i) Shares : (a) Equity	-	-
(b) Preference	-	-
(ii) Debentures and Bonds	-	-
(iii) Units of mutual funds	-	-
(iv) Government Securities	-	-
(v) Others (please specify)	-	-
Long Term investments:		

INDEL MONEY LIMITED

1. Quoted:		
(i) Shares : (a) Equity	-	-
(b) Preference	-	-
(ii) Debentures and Bonds	-	-
(iii) Units of mutual funds	-	-
(iv) Government Securities	-	-
(v) Others (please specify)	-	-
2. Unquoted:	-	-
(i) Shares : (a) Equity	-	12.00
(b) Preference	-	-
(ii) Debentures and Bonds	-	-
(iii) Units of mutual funds	-	-
(iv) Government Securities	-	-
(v) Others (Gold Ring & Gold audit kit)	6.46	0.95

5. Borrower Group Wise Classifaction of assets financial as in (2) and (3) above

₹ in lakhs

Category	Amount net of provisions		
	Secured	Unsecured	Total
1.Related Parties			-
(a) Subsidiaries	-	-	-
(b) Companies in the same group	-	-	-
(c)Other Related Parties	-	-	-
			-
2.Other than related parties (net of provisions)	52,791.78	11,346.72	64,138.50
Total	**52,791.78**	**11,346.72**	**64,138.50**

6. Investor group wise classification of all investments (Current and long term) in shares and securites (both quoted and unquoted)

Category	Market Value/Break up or Fair Value or NAV	Book Value (Net of Provisional)
1.Related Parties		
(a) Subsidiaries	-	-
(b) Companies in the same group	-	-
(c) Other Related Parties	-	-
2.Other than related parties	-	-
Total	-	-

7.Other Information

Particulars	Amount
(i) Gross Non- Performing Asset	
(a) Related Parties	-
(b) Other than Related Parties	2,542.62
(ii) Net Non -Performing Asset	
(a) Related Parties	-
(b) Other than Related Parties	2,204.25
(iii) Asset acquired in satisfaction of debt	-

INDEL MONEY LIMITED

EXPOSURES

₹ in lakhs

Exposure to Real Estate Sector	2022-23	2021-22
Category		
a) Direct Exposure	-	-
i) Residential Mortgages-		
Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented; (indvidual housing loans upto Rs..15 lakhs may be shown seperately)	-	-
ii) Commercial Real Estate -	1,013.64	825.16
Lending secured by mortgages on commercial real estates (Office buildings, retail space, multipurpose commercial premises,multi -famliy residential buildings multi-tenanted commercial premises, industrial;or warehouse space,hotels, land acquisitions, develpoment and construction etc.) Exposure would also include Non-Fund Based(NFB) Limits		
iii) Investments in Mortgage Backed securities (MBS) other securitised exposure		
a) Residential	-	-
b)Commercial Real Estate	-	-
b) Indirect Exposure		
Fund -Based and Non-Fund Basedexposures on National Housing Bank and (NHB)	-	-
and Housing Finance Companies (HFCs)	-	-

Notes on accounts form part of standalone financial statements
As per our report of even date attached

For Bhatter & Company
Chartered Accountants
FRN: 131092W

Daulal H Bhatter
Proprietor
Membership No. 016937

Place : Kochi
Date : 28-May-2023

UDIN :- 23016937BGSDRU1220

For and on behalf of the board
Indel Money Limited

Mohanan Gopalakrishanan
Managing Director
DIN No.02456142

Umesh Mohanan
Director
DIN No. 02455902

Hanna P Nazir
Company Secretary
Membership No. A51727
Place : Kochi
Date : 28-May-2023

Narayanan Pisharath
Chief Financial Officer

INDEL MONEY LIMITED

F R G & COMPANY
CHARTERED ACCOUNTANTS

7th Floor, Wing B, Supreme Business Park, Behind Lake Castle Building, Hiranandani Gardens, Powai Mumbai 400 076.
Contact No.9004054208

Independent Auditors' Report

TO THE MEMBERS OF

INDEL MONEY LIMITED

(formerly known as Indel Money Private Limited),

Report on Audit of the Standalone Financial Statements

Opinion

We have audited the standalone financial statements of Indel Money Limited ("the Company"), which comprise the Balance Sheet as at 31st March, 2022, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2022, the Profit and total comprehensive profit, changes in equity and its cash flow for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements for the current year. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

F R G & COMPANY
Reg. No. 23258N
CHARTERED ACCOUNTANTS

Sr.No.	Key Audit Matter	Auditor's Response
1	**Expected Credit Loss under IND AS 109 "Financial Instruments"** The Company recognises Expected Credit Losses (ECL) on loan assets under IND AS 109 "Financial Instruments" based on the Expected Credit Loss model developed by the Company. The estimation of expected credit loss on financial instruments involves significant judgement and estimates. Key estimates involve determining Exposure at Default (EAD), Probability at Default (PD) and Loss Given Default (LGD) using historical information. Hence, we have considered the estimation of ECL as a Key Audit Matter.	Assessed the accounting policy for impairment of financial assets and its compliance with IND AS 109. • Obtained an understanding of the Company's Expected Credit Loss (ECL) calculation and the underlying assumptions. • Tested the key controls over the assessment and identification of significant increase in credit risk and staging of assets. • Sample testing of the accuracy and appropriateness of information used in the estimation of Probability of Default (PD) and Loss Given Default (LGD). • Tested the arithmetical accuracy of the computation of PD and LGD and also performed analytical procedures to verify the reasonableness of the computation. • Assessed the disclosure made in relation to IND AS 109 for ECL allowance. Further, we also assessed whether the disclosure of key judgements and assumptions are adequate.
2	**IT Systems and Controls** The Company uses Information Technology (IT) application for financial accounts and reporting process. Any gap in the financial accounting and reporting process may result in a misstatement, hence we have identified IT systems and controls over financial reporting as a Key Audit Matter.	Understood the IT systems and controls over key financial accounting and reporting systems. • Tested the general IT controls for design and operating effectiveness. • Understood the changes made in the IT environment during the year and ascertained its effect on the financial statements controls and accounts. • We also assessed, through sample tests, the information generated from these systems which were relied upon for our audit.

Other Information

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

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

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

F.R. & COMPANY ★ CHARTERED ACCOUNTANTS ★ Reg. No. 23258N

Responsibilities of Management and those charged with Governance for the Standalone Financial Statements

The Company's Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to preparation of these standalone Financial Statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India.

This responsibility also includes maintenance of adequate accounting records in accordance with provisions of the Act for safeguarding assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to 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, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for audit of the standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' 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 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 appropriateness of accounting policies used and reasonableness of accounting estimates and related disclosures made by management.
- Conclude on appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to

F R G & COMPANY ★ Reg. No. 23258N ★ CHARTERED ACCOUNTANTS the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of Sub-section (11) of Section 143 of the Act, and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure-A a statement on the matters specified in paragraph 3 of the Order.

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

   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;

   b) In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books of accounts;

   c) The Balance Sheet, Statement of Profit and Loss (including other comprehensive income), the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;

   d) In our opinion, the aforesaid Ind AS financial statements comply with the accounting standards specified under section 133 of the Act;

   e) On the basis of written representations received from the directors as on 31st March 2022 and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2022, from being appointed as a director in terms of sub section (2) of Section 164 of the Act;

   f) With respect to adequacy of the internal financial control over financial reporting of the Company and operating effectiveness of such control, refer to our separate Report in Annexure 'B'; and

FRG & COMPANY
Reg. No. 23258N
CHARTERED ACCOUNTANTS

g) With respect to other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act:

In our opinion and to the best of our information and according to the explanations given to us, no remuneration has been paid by the Company to its directors during the year.

h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i. The Company has disclosed its pending litigations in its financial statements which would impact its financial position other than those mentioned in the Notes No. 43 to the accounts;
ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and
iii. There were no amounts which were required to be transferred, to the Investor Education and Protection Fund by the Company.
iv. (a) As per the information and explanation given to us by the management, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person or entity, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(b) As per the information and explanation given to us by the management, no funds have been received by the company from any person or entity, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

(c) On the basis of above representations, nothing has come to our notice that has caused us to believe that the above representations contained any material mis-statement.

v. The Company has not declared or paid any dividend during the year.

For **FRG & Company**
Chartered Accountants
Firm Registration No: 023258N
UDIN: 22128959AJWUZI2952

FRG & COMPANY ★ Reg. No. 23258N ★ CHARTERED ACCOUNTANTS

CA. Rajesh Tiwari
Partner
Membership No: 128959
Date : May 30, 2022
Place : Kochi

ANNEXURE 'A' TO INDEPENDENT AUDITOR'S REPORT

Annexure '**A**' referred to in Paragraph 1 of Report on Other Legal and Regulatory Requirements in our report to members of **INDEL MONEY LIMITED** ("the Company") for the year ended 31st March, 2022.

We report that:

i. In respect of its Property, Plant & Equipment:

(a) (A) The Company is maintaining proper records showing full particulars including quantitative details and situation of Property, Plant & Equipment;

(B) The Company is maintaining proper records showing full particulars of Intangible Asset.;

(b) The Company has a regular programme of physical verification of Property, Plant & Equipment which is, in our opinion, reasonable having regard to the size of the Company and the nature of its assets. In accordance with this programme, certain Property, Plant & Equipment have been physically verified by the management during the year and no material discrepancies have been noticed on such verification;

(c) According to the information and explanations received by us, as the Company owns no immovable properties, the requirement on reporting whether title deeds of immovable properties held in the name of the Company is not applicable.;

(d) As per the information and explanation given to us by the management, the Company has not revalued its Property, Plant and Equipment (including Right of Use assets) during the year and hence provisions of Clause 3(i)(d) of the Order are not applicable to the Company;

(e) As per the information and explanation given to us by the management, no proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder and hence provisions of Clause 3(i)(e) of the Order are not applicable to the Company.

ii. In respect of its inventories:

(a) The Company is a Non-Banking Finance Company and its business does not require maintenance of inventories. Accordingly, the provision of clause 3(ii)(a) of the Order is not applicable to the Company;

(b) The Company has been sanctioned working capital limits in excess of H 5 Crores in aggregate from banks or financial institutions on the basis of security of current assets. In our opinion, the quarterly statements filed with banks or financial institutions are in agreement with the books

iii. (a) The principal business of the Company is to give loans, hence the requirement to report on clause 3(iii) (a) of the Order is not applicable to the Company

FRG & COMPANY Reg. No. 23258N CHARTERED ACCOUNTANTS

(b) During the year the investments made, guarantee provided, security given and the terms and conditions of the grant of all loans and advances in the nature of loans and guarantees are, in our opinion, not prejudicial to the Company's interest

(c) In respect of loans and advances in the nature of loans granted by the Company, the schedule of repayment of principal and payment of interest has been stipulated. Being a Non-Banking (Non- Deposit Taking Systematically Important) Finance Company, there are instances where the repayment of principal and interest are not as per the stipulated terms.

(d) In respect of loans and advances granted by the Company, and amount overdue for more than ninety days. In our opinion and according to the information and explanations given to us, reasonable steps have been taken by the Company for recovery of the principal and interest.

(e) The principal business of the Company is to give loans, hence the requirement to report on clause 3(iii) (e) of the Order is not applicable to the company.

(f) 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. Hence the requirement to report loans granted to promoters, related parties as defined in clause 76 of section 2 of the Act or to any other parties on clause 3(iii) (f) of the Order is not applicable.

iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of sections 185 and 186 of the Act in respect of loans granted, investments made and guarantees given, where applicable. The Company has not provided any security for which the provisions of section 185 and 186 of the Act are applicable.

v. The Company has not accepted any deposits from the public or amounts which are deemed to be deposits during the year which attract the directives issued by the Reserve Bank of India. Being a Non-Banking Finance Company registered with Reserve Bank of India, the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Rules framed there under regarding acceptance of deposits are not applicable. Accordingly, paragraph 3(v) of the Order is not applicable to the Company.

vi. In our opinion and according to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under Section 148(1) of the Act for the Company.

vii. (a). In our opinion and according to the information and explanations given to us, the Company has generally been regular in depositing any undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues to the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income tax, goods and services tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues were in arrears as at March 31, 2022, for a period of more than six months from the date they became payable.

(b) In our opinion and according to the information and explanations given to us, there are no disputed amounts dues to be deposited in respect of goods and services tax, provident fund, employees' state insurance, sales tax, duty of customs, duty of excise, value added tax and cess as at March 31, 2022.

viii. In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no instances of any transactions not recorded in the books of account which have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

F R G & COMPANY
Reg. No. 23258N
CHARTERED ACCOUNTANTS

ix. (a) In our opinion and 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 or other borrowings 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 audit procedures, we report that the Company has not been declared a wilful defaulter by any bank or financial institution or any other lender.

(c) In our opinion and according to the information and explanations given to us, the Company has utilized the money obtained by way of term loans for the purpose for which they were obtained.

(d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the Company, we report that no funds raised on short-term basis have, prima facie not been utilized for long-term purposes by the Company.

(e) According to the information and explanations given to us and on an overall examination of the 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.

(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, joint ventures or associate companies.

x. (a) According to the information and explanations provided to us and the records of the Company examined by us, the Company has not raised monies by way of initial public offer or further public offer except for the public offer of debt instruments.

According to the information and explanation provided to us and the records of the Company examined by us, the monies raised by way of public offer of debt instruments during the year were applied for the purposes for which those were raised.

(b) According to the information and explanations given to us, the Company has made preferential allotment of equity shares during the year and the requirements of Section 42 and Section 62 of the Companies Act, 2013 has been complied with and the funds raised have been used for the purpose for which fund was raised.

xi. (a) To the best of our knowledge and according to the information and explanations given to us, there have been instances of fraud on the Company amounting to Rs 94.65 lacs as included in Note 42 to the standalone financial statements. No fraud by the Company has been noticed or reported during the year, nor have we been informed of any such instance by the management

(b) No report under sub-section (12) of section 143 of the Act has been filed in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government during the year by the Statutory Auditors and up to the date of this Report.

(c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.

xii. The Company is not a Nidhi company as prescribed under Section 406 of the Companies Act. Accordingly, the reporting requirement under clause 3 (xii) of the Order is not applicable.

xiii. In our opinion and according to the information and explanations given to us, all transactions with related parties are in compliance with Sections 177 and 188 of the Act, where applicable, and the

F R G & COMPANY
Reg. No. 23258N
CHARTERED ACCOUNTANTS

details of such transactions have been disclosed in the financial statements as required by the applicable Indian Accounting Standards.

xiv. (a) In our opinion and based on our examination, the Company has an internal audit system commensurate with the size and nature of its business.

(b) The internal audit is performed as per a planned program approved by the management and those charged with governance of the Company. We have considered, during the course of our audit, the reports of the branch internal audits for the year under audit in accordance with the guidance provided in SA 610 'Using the Work of Internal Auditors' issued by the Institute of Chartered Accountants of India.

xv. According to the information and explanations given to us, in our opinion, during the year the Company has not entered into any non-cash transaction with its directors or persons connected with its directors and hence reporting requirement under Clause 3 (xv) of the Order are not applicable to the Company.

xvi. (a) The Company is a Non-Banking Finance Company and is required to obtain Registration under section 45-IA of the Reserve Bank of India Act, 1934 and such registration has been obtained.

(b) The Company has a valid Certificate of Registration (CoR) from the Reserve Bank of India (RBI) for conducting Non-Banking Financial activities and no business has been conducted by the Company without a valid CoR.

(c) The Company is not a Core Investment Company (CIC)as defined in the regulations made by the Reserve Bank of India. Accordingly, the reporting requirements under clause 3 (xvi)(c) of the Order is not applicable.

(d) As per the information and explanations given to us, there are no core investment companies as defined in the regulations made by the Reserve Bank of India as part of its group and hence the reporting requirements under clause 3 (xvi)(d) of the Order are not applicable.

xvii. The Company has not incurred any cash losses in the financial year and in the immediately preceding financial year.

xviii. There has been no resignation of the statutory auditors during the year, and hence provisions of Clause 3(xviii) of the Order are not applicable to the Company;

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

F R G & COMPANY
Reg. No. 23258N
CHARTERED ACCOUNTANTS

xx. (a) In our opinion and according to the information and explanations given to us, there is no unspent amount required to be transferred to a fund specified in Schedule VII of the Companies Act in compliance with second proviso to sub section 5 of section 135 of the said Act for the year.

(b) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not transferred any unspent amount under sub section 5 of section 135 of the Companies Act, pursuant to ongoing projects to a special account in compliance with the provision of section 135(6) of the Companies Act.

For **FRG & Company**
Chartered Accountants
Firm Registration No: 023258N
UDIN: 22128959AJWUZI2952

F R G & COMPANY
Reg. No.
23258N
CHARTERED ACCOUNTANTS

CA. Rajesh Tiwari
Partner
Membership No: 128959
Date : May 30, 2022
Place : Kochi

ANNEXURE 'B' TO INDEPENDENT AUDITOR'S REPORT

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

We have audited the internal financial controls over financial reporting of Indel Money Limited ('the Company') as of 31[st] March 2022 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring orderly and efficient conduct of its business, including adherence to Company's policies, safeguarding of its assets, prevention and detection of frauds and errors, accuracy and completeness of the accounting records, and timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

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

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

F R G & COMPANY ★ CHARTERED ACCOUNTANTS ★ Reg. No. 23258N

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **FRG & Company**
Chartered Accountants
Firm Registration No: 023258N
UDIN: 22128959AJWUZI2952

FRG & COMPANY ★ Reg. No. 23258N CHARTERED ACCOUNTANTS ★

CA. Rajesh Tiwari
Partner
Membership No: 128959
Date : May 30, 2022
Place : Kochi

INDEL MONEY LIMITED

(formerly known as "Indel Money Private Limited")

Office No.301, Floor No.3, Sai Arcade N.S Road, Mulund West, Mumbai - 400 080

Balance Sheet as at March 31, 2022

(₹ in lakhs)

	Note	As at March 31, 2022	As at March 31, 2021	As at April 1, 2020
ASSETS				
(1) Financial Assets				
(a) Cash and cash equivalents	5	7,880.15	719.58	628.58
(b) Bank balances other than cash and cash equivalents	6	1,006.12	649.24	-
(c) Receivables				
(i) Trade receivables	7(i)	-	-	-
(ii) Other receivables	7(ii)	5,532.80	4,039.68	1,654.20
(d) Loans	8	52,367.29	39,806.77	33,571.35
(f) Investments	9	12.00	12.00	12.00
(g) Other financial assets	10	921.17	422.40	452.80
(2) Non-financial Assets				
(a) Current tax assets (Net)	11	893.20	233.70	204.30
(b) Deferred Tax Asset (Net)	12	236.33	187.56	107.63
(c) Property, plant and equipment	13	852.82	653.47	697.65
(d) Right-of-use Asset	14	3,273.08	3,070.12	2,491.45
(f) Intangible assets	15	76.55	19.11	15.04
(g) Other non-financial assets	16	627.86	409.90	296.42
TOTAL ASSETS		**73,679.37**	**50,223.54**	**40,131.42**
LIABILITIES AND EQUITY				
LIABILITIES				
(1) Financial Liabilities				
(a) Payables				
(i) Trade payables	17(i)			
(i) Total outstanding dues of micro and small enterprises		-	-	-
(ii) Total outstanding dues of creditors other than micro and small enterprises		-	-	-
(ii) Other payables	17(ii)			
(i) Total outstanding dues of micro and small enterprises		-	-	-
(ii) Total outstanding dues of creditors other than micro and small enterprises		34.07	38.42	16.27
(b) Debt securities	18	15,949.40	5,166.51	3,782.45
(c) Borrowings (Other than Debt Securities)	19	25,298.56	19,492.88	17,216.60
(d) Deposits		-	-	-
(e) Subordinated Liabilities	20	19,020.70	14,758.05	9,963.70
(f) Other financial liabilities	21	3,130.96	1,902.27	1,141.55
(2) Non-financial Liabilities				
(a) Provisions	22	140.47	67.56	92.17
(b) Other non-financial liabilities	23	57.57	36.45	35.60
EQUITY				
(a) Equity share capital	24	9,314.70	8,214.70	8,214.70
(b) Other equity	25	732.94	546.70	(331.62)
TOTAL LIABILITIES AND EQUITY		**73,679.37**	**50,223.54**	**40,131.42**

Notes on accounts form part of standalone financial statements

As per our report of even date attached

For FRG & Company
Chartered Accountants
(Registration No. 23258N)

Rajesh Tiwari
(Partner)
Membership No. 128959
Place : Kochi
Date : 30-May-2022

FRG & COMPANY Reg. No. 23258N CHARTERED ACCOUNTANTS

For and on behalf of the board
Indel Money Limited (formerly known as "Indel Money Private Limited)

Mohanan Gopalakrishanan
Managing Director
DIN No. 02456142

Umesh Mohanan
Director
DIN No. 02455902

Hanna P Nazir
Company Secretary
Membership No. A51727
Place : Kochi
Date : 30-May-2022

INDEL MONEY LIMITED

Narayanan Psharath
Chief Financial Officer

INDEL MONEY LIMITED
(formerly known as "Indel Money Private Limited")
Office No.301, Floor No.3, Sai Arcade N.S Road, Mulund West, Mumbai - 400 080
Statement of Profit and Loss for the year ended March 31, 2022

		Note number	For the year ended March 31, 2022	For the year ended March 31, 2021
	Revenue from operations			
(i)	Interest income	26	12,231.23	9,432.90
(ii)	Dividend income		-	-
(iii)	Fees and commission income	27	39.08	22.52
(iv)	Net gain on fair value changes		-	-
(v)	Sale of products		-	-
(vi)	Sale of services		-	-
(I)	**Total revenue from operations**		**12,270.31**	**9,455.42**
(II)	Other income	28	30.13	11.00
(III)	**Total income (I) + (II)**		**12,300.44**	**9,466.42**
	Expenses			
(i)	Finance costs	29	6,705.21	4,716.81
(ii)	Fees and commission expenses		-	-
(iii)	Net loss on fair value change		-	-
(iv)	Impairment of financial instruments	30	126.32	45.48
(v)	Employee benefit expenses	31	2,776.12	1,794.78
(vi)	Depreciation, amortisation and impairment	32	803.94	660.37
(vii)	Other expenses	33	1,391.30	1,094.62
(IV)	**Total expenses**		**11,802.89**	**8,312.06**
(V)	**Profit/ (loss) before tax (III - IV)**		**497.55**	**1,154.36**
(VI)	Tax expenses			
	(i) Current tax		285.60	360.73
	(ii) Deferred tax		0.72	(81.13)
(VII)	**Profit/ (loss) for the period (V) - (VI)**		**211.23**	**874.76**
(VIII)	**OTHER COMPREHENSIVE INCOME**			
(A)	***(i) Items that will not be reclassified to profit or loss***			
	Remeasurement gain/ loss on defined benefit plan		(33.40)	4.75
	(ii) Income tax relating to items the above		8.41	(1.19)
	TOTAL OTHER COMPREHENSIVE INCOME		**(24.99)**	**3.56**
(IX)	**TOTAL COMPREHENSIVE INCOME FOR THE PERIOD (VII + VIII)**		**186.24**	**878.32**
(X)	**Earnings per share**	34		
	Basic (₹)		0.26	1.06
	Diluted (₹)		0.26	1.06
	Face value per share (₹)		10.00	10.00

Notes on accounts form part of standalone financial statements
As per our report of even date attached
For FRG & Company
Chartered Accountants
(Registration No. 23258N)

Rajesh Tiwari
(Partner)
Membership No. 128959
Place : Kochi
Date : 30-May-2022

FRG & COMPANY ★ Reg. No. 23258N ★ CHARTERED ACCOUNTANTS

For and on behalf of the board
Indel Money Limited (formerly known as "Indel Money Private Limited)

Mohanan Gopalakrishanan
Managing Director
DIN No. 02456142

Umesh Mohanan
Director
DIN No. 02455902

Hanna P Nazir
Company Secretary
Membership No. A51727
Place : Kochi
Date : 30-May-2022

INDEL MONEY LIMITED ★

Narayanan Pisharath
Chief Financial Officer

INDEL MONEY LIMITED
(formerly known as "Indel Money Private Limited")
Office No.301, Floor No.3, Sai Arcade N.S Road, Mulund West, Mumbai - 400 080
Standalone Statement of Cash Flows for the year ended March 31, 2022

	For the year ended	
	March 31, 2022	**March 31, 2021**
I. CASHFLOWS FROM OPERATING ACTIVITIES		
Profit before tax	497.55	1,154.36
Depreciation, amortisation and impairment	803.94	660.37
Impairment of financial instruments	126.32	45.48
Finance costs	6,705.21	4,716.81
Loss on Sale of Fixed Asset		
Provision for gratuity	33.25	15.29
Provision for compensated absences	12.37	(34.02)
Operating profit before working capital changes	**8,178.64**	**6,558.29**
(Increase)/ decrease in receivables	(1,493.12)	(2,385.48)
(Increase)/ decrease in other bank balances	(356.88)	(649.24)
(Increase)/ decrease in loans	(12,686.84)	(6,280.90)
(Increase)/ decrease in other financial assets	(540.88)	(43.05)
(Increase)/ decrease in other non-financial assets	(217.96)	(113.48)
Increase/ (decrease) in payables	(4.35)	22.15
Increase/ (decrease) in provisions	(6.11)	(1.13)
Increase/ (decrease) in other financial liabilities	341.07	(30.82)
Increase/ (decrease) in other non-financial liabilities	18.28	40.20
Cash generated from/ (used in) operations	**(6,768.15)**	**(2,883.46)**
Finance costs paid	(5,817.59)	(3,925.27)
Income tax paid	(986.18)	(390.12)
Net cash from/ (used in) operating activities	**(13,571.92)**	**(7,198.85)**
II. CASHFLOWS FROM INVESTING ACTIVITIES		
Payments for property, plant and equipment and intangible assets	(557.22)	(495.46)
Proceeds from sale of property, plant and equipment	9.98	1.45
Net cash from/ (used in) investing activities	**(547.24)**	**(494.01)**
III. CASHFLOWS FROM INVESTING ACTIVITIES		
Increase/ (decrease) in share capital	1,100.00	-
Increase/ (decrease) in debt securities	10,782.89	1,384.06
Increase/ (decrease) in borrowings (other than debt securities)	5,134.18	1,605.47
Increase/ (decrease) in subordinated liabilities	4,262.65	4,794.35
Net cash from/ (used in) financing activities	**21,279.72**	**7,783.88**
IV. Net increase/ (decrease) in cash and cash equivalents (I + II + III)	**7,160.56**	**91.02**
V. Cash and cash equivalents at the beginning	**719.60**	**628.58**
VI. Cash and cash equivalents at the end	**7,880.16**	**719.60**

Notes on accounts form part of standalone financial statements

As per our report of even date attached

For FRG & Company
Chartered Accountants
(Registration No. 23258N)

Rajesh Tiwari
(Partner)
Membership No. 128959
Place : Kochi
Date : 30-May-2022

F R G & COMPANY
Reg. No. 23258N
CHARTERED ACCOUNTANTS

For and on behalf of the board
Indel Money Limited (formerly known as "Indel Money Private Limited")

Mohanan Gopalakrishanan
Managing Director
DIN No.02456142

Umesh Mohanan
Director
DIN No. 02455902

Hanna P Nazir
Company Secretary
Membership No. A51727
Place : Kochi
Date : 30-May-2022

INDEL MONEY LIMITED

Narayanan Pisharath
Chief Financial Officer

INDEL MONEY LIMITED

(formerly known as "Indel Money Private Limited")

Office No.301, Floor No.3, Sai Arcade N.S Road, Mulund West, Mumbai - 400 080

Standalone Statement of Changes in Equity for the year ended March 31, 2022

(₹ in lakhs)

A. EQUITY SHARE CAPITAL

(1) Current reporting period

Balance as at April 1, 2021	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the year	Balance as at March 31, 2022
8,214.70	-	8,214.70	1,100.00	9,314.70
8,214.70	-	**8,214.70**	**1,100.00**	**9,314.70**

(1) Previous reporting period

Balance as at April 1, 2020	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the year	Balance as at March 31, 2021
8,214.70	-	8,214.70	-	8,214.70
8,214.70	-	**8,214.70**	-	**8,214.70**

B. OTHER EQUITY

Particulars	Reserves and Surplus			Items of other comprehensive income	Total other equity
	Retained Earnings	Reserve Fund	Impairment Reserve	Remeasurement gain/loss on defined benefit plan	
Balance as at April 1, 2021	459.14	15.06	68.94	3.56	546.70
Total comprehensive income	211.23	-	-	(24.99)	186.24
Transfer to/ from retained earnings	(120.81)	-	120.81	-	-
Dividend	-	-	-	-	-
Balance as at March 31, 2022	549.56	15.06	189.75	(21.43)	732.94

(b) Previous reporting period

Particulars	Reserves and Surplus			Items of other comprehensive income	Total other equity
	Retained Earnings	Reserve Fund	Impairment Reserve	Remeasurement gain/loss on defined benefit plan	
Balance as at April 1, 2020	(392.18)	15.06	-	-	(377.12)
Ind AS transition adjustments	(18.74)	-	64.24	-	45.50
Restated balance as at April 1, 2020	(410.92)	15.06	64.24	-	(331.62)
Total comprehensive income	874.76	-	-	3.56	878.32
Transfer to/ from retained earnings	(4.70)	-	4.70	-	-
Dividend	-	-	-	-	-
Balance as at March 31, 2021	459.14	15.06	68.94	3.56	546.70

Notes are an integral part of the financial statements

Per our report attached to Balance Sheet

Date : 30-May-2022

Place: Kochi

F R G & COMPANY ★ Reg. No. 23258N ★ CHARTERED ACCOUNTANTS

INDEL MONEY LIMITED

INDEL MONEY LIMITED

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS: 2021-22

1 CORPORATE INFORMATION

Indel Money Limited (formerly known as Indel Money Private Limited) ('the Company') was incorporated on September 11, 1986, in Mumbai, India. The Company is a Non-Deposit taking Non-Banking Financial Company which provides a wide range of fund based and fee-based services including gold loans, money transfer facilities etc. The Company had converted into a public limited company with effect from September 5, 2021. The Company is registered with Reserve Bank of India.

2 BASIS OF PREPARATION AND PRESENTATION OF FINANCIAL STATEMENTS

2.1 Basis of preparation

These standalone or separate financial statements of the Company have been prepared in accordance with the Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules 2015 as amended and notified under Section 133 of the Companies Act, 2013 ("the Act"), in conformity with the accounting principles generally accepted in India and other relevant provisions of the Act. Any application guidance/ clarifications/ directions issued by RBI or other regulators are implemented as and when they are issued/ applicable.

The Company's financial statements up to and for the year ended 31 March 2021 were prepared in accordance with the Generally Accepted Accounting Principles in India (IGAAP) under the historical cost convention as a going concern and on accrual basis. unless otherwise stated, and in accordance with the provisions of the Companies Act, 2013, the Accounting Standards specified under section 133 of the Companies Act, 2013 ("the Act") read with rule 7 of the Companies (Accounts) Rules 2014 (as amended) and prudential norms for income recognition, assets classification and provisioning for non-performing assets as well as contingency provision for standard assets as prescribed by The Reserve Bank of India (RBI) for NBFCs to the extent applicable, collectively referred as "Previous GAAP".

These are the Company's first standalone or separate financial statements prepared in accordance with Indian Accounting Standards (Ind AS). The Company has applied Ind AS 101, First-time Adoption of Indian Accounting Standards for transition from Previous GAAP to Ind AS. An explanation of how transition to Ind AS has affected the previously reported financial position, financial performance and cash flow of the Company is provided in Note 4.

These standalone or separate financial statements were approved by the Company's Board of Directors and authorized for issue on 30th May, 2022

2.2 Presentation of financial statements

The Balance Sheet, Statement of Changes in Equity and the Statement of Profit and Loss are prepared and presented in the format prescribed in the Division III to Schedule III to the Companies Act, 2013 ("the Act") applicable for Non-Banking Finance Companies ("NBFC"). The Statement of Cash Flows has been prepared and presented as per the requirements of Ind AS 7 "Statement of Cash Flows". The disclosure requirements with respect to items in the Balance Sheet, Statement of Changes in Equity and Statement of Profit and Loss, as prescribed in the Schedule III to the Act, are presented by way of notes forming part of the Financial Statements along with the other notes required to be disclosed under the notified Accounting Standards and regulations issued by the RBI.

2.3 Functional and presentation currency

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

FRG & COMPANY Reg. No. 23258N CHARTERED ACCOUNTANTS

INDEL MONEY LIMITED

2.4 Basis of measurement

The financial statements have been prepared on the historical cost basis except for certain financial instruments which are measured at fair values.

Certain accounting policies of the Company and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities. The Company has established policies and procedures with respect to the measurement of fair values.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, 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 takes 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. Fair value for measurement and/ or disclosure purposes in these financial statements is determined on such a basis, except for share based payment transactions that are within the scope of Ind AS 102, leasing transactions that are within the scope of Ind AS 116, and measurements that have some similarities to fair value but are not fair value, such value in use in Ind AS 36.

Fair value measurements under Ind AS are categorized into Level 1, 2, or 3 based on the degree to which the

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the Company can access at measurement date.
- Level 2 inputs are inputs, other than quoted prices included within level 1, that are observable for the asset or liability, either directly or indirectly and
- Level 3 inputs are unobservable inputs for the valuation of assets or liabilities.

2.5 Use of estimates, judgements and assumptions

The preparation of the financial statements in conformity with Indian Accounting Standards ("Ind AS") requires the Management to make estimates, judgements and assumptions. These estimates, judgements 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. Appropriate changes in estimates are made as the 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.

Following are areas that involved a higher degree of estimate and judgement or complexity in determining the carrying amount of some assets and liabilities.

a) ***Effective Interest Rate (EIR) Method***

The Company recognizes interest income / expense using a rate of return that represents the best estimate of a constant rate of return over the expected life of the loans given / taken. This estimation, by nature, requires an element of judgement regarding the expected behavior and life- cycle of the instruments, as well as expected changes to other fee income/expense that are integral parts of the instrument.

F R G & COMPANY ★ Reg. No. 23258N ★ CHARTERED ACCOUNTANTS

INDEL MONEY LIMITED *

b) ***Impairment of Financial Assets***

The measurement of impairment losses on loan assets and commitments, requires judgement, in estimating the amount and timing of future cash flows and recoverability of collateral values while determining the impairment losses and assessing a significant increase in credit risk.

The Company's Expected Credit Loss (ECL) calculation is the output of a complex model with a number of underlying assumptions regarding the choice of variable inputs and their interdependencies. Elements of the ECL model that are considered accounting judgements and estimates include:

The Company's criteria for assessing if there has been a significant increase in credit risk.

- The segmentation of financial assets when their ECL is assessed on a collective basis.
- Development of ECL model, including the various formulae and the choice of inputs.
- Selection of forward-looking macroeconomic scenarios and their probability weights, to derive the economic inputs into the ECL model.
- Management overlay used in circumstances where management judges that the existing inputs, assumptions and model techniques do not capture all the risk factors relevant to the Company's lending portfolios.

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

c) ***Employee Benefits***

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

d) ***Impact of COVID-19***

The COVID-19 outbreak and its effect on the economy has impacted our customers and our performance, and the future effects of the outbreak remain uncertain.

The outbreak necessitated government to respond at unprecedented levels to protect public health, local economies and livelihoods. There remains a risk of subsequent waves of infection, as evidenced by the recently emerged variants of the virus.

Economic forecasts are subject to a high degree of uncertainty in the current environment. Limitations of forecasts and economic models require a greater reliance on management judgement in addressing both the error inherent in economic forecasts and in assessing associated ECL outcomes.

The calculation of ECL under Ind AS 109 involves significant judgements, assumptions and estimates. The level of estimation uncertainty and judgement has increased during financial year as a result of the economic effects of the COVID-19 outbreak.

As a result of government and bank support measures, significant credit deterioration has not yet occurred. This delay increases uncertainty on the timing of the stress and the realisation of defaults. Management has applied COVID-19 specific adjustments to modelled outputs to reflect the temporary nature of ongoing government support, the uncertainty in relation to the timing of stress and the degree to which economic consensus has yet captured the range of economic uncertainty. As a result, ECL is higher than would be the case if it were based on the forecast economic scenarios alone.

FRG & COMPANY CHARTERED ACCOUNTANTS Reg. No. 23258N

INDEL MONEY LIMITED

The Company has developed various accounting estimates in these Financial Statements based on forecasts of economic conditions which reflect expectations and assumptions as at March 31, 2022 about future events that the management believe are reasonable in the circumstances. There is a considerable degree of judgement involved in preparing forecasts. The underlying assumptions are also subject to uncertainties which are often outside the control of the Company. Accordingly, actual economic conditions are likely to be different from those forecast since anticipated events frequently do not occur as expected, and the effect of those differences may significantly impact accounting estimates included in these financial statements.

The significant accounting estimates impacted by these forecasts and associated uncertainties are predominantly related to expected credit losses, fair value measurement, and recoverable amount assessments of non-financial assets.

e) ***Accounting for leases***

The Company evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgment. The Company uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate.

The Company determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the Company is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Company is reasonably certain not to exercise that option. In assessing whether the Company is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Company to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Company revises the lease term if there is a change in the non-cancellable period of a lease.

The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

f) ***Fair value measurement***

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using various valuation techniques. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgments include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

g) ***Business model objective of financial assets.***

Classification and measurement of financial assets depends on the results of the contractual cashflow characteristics and the business model objective. 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 amortized cost or fair value through other comprehensive income that are derecognised prior to their maturity to understand the reason for their disposal and whether the reasons are consistent with the objective of the business for which the asset was held. Monitoring is part of the Company's continuous assessment of whether the business model for which the remaining financial assets are held continues to be appropriate and if it is not appropriate whether there has been a change in business model and so a prospective change to the classification of those assets.

h) ***Other estimates***

FRG & COMPANY Reg. No. 23258N CHARTERED ACCOUNTANTS

INDEL MONEY LIMITED

These include provisions (other than loan portfolio), contingent liabilities, useful lives, depreciation method and residual value of property, plant and equipment and intangible assets etc.

3 SIGNIFICANT ACCOUNTING POLICIES

3.1 Revenue recognition

a) Interest income

Interest income is recognized in Statement of profit and loss using the Effective Interest Rate (EIR) method for all financial instruments measured at amortized cost, debt instruments measured at FVTOCI and debt instruments designated at FVTPL.

The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument. The calculation of the effective interest rate includes transaction costs and fees that are an integral part of the contract. Transaction costs include incremental costs that are directly attributable to the acquisition of financial asset.

If expectations regarding the cash flows on the financial asset are revised for reasons other than credit risk, the adjustment is recorded 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 amortized through interest income in the Statement of profit and loss.

The Company calculates interest income by applying the EIR to the gross carrying amount of financial assets other than credit-impaired assets.

When a financial asset becomes credit-impaired, the Company calculates interest income by applying the effective interest rate to the net amortized cost of the financial asset. If the financial asset cures and is no longer credit-impaired, the Company reverts to calculating interest income on a gross basis.

Additional interest and interest on trade advances, are recognized when they become measurable and when it is not unreasonable to expect their ultimate collection.

b) Dividend income

Dividend is recognised as income when the right to receive the dividend is established and the amount of dividend can be measured reliably.

c) Revenue from and rendering of services

Revenue (other than for Financial Instruments within the scope of Ind AS 109) is measured at an amount that reflects the considerations, to which an entity expects to be entitled in exchange for transferring goods or services to customer, excluding amounts collected on behalf of third parties.

The Company recognises revenue from contracts with customers based on a five-step model as set out in Ind AS 115.

Revenue from contract with customer for rendering services is recognised at a point in time when performance obligation is satisfied.

d) *Net gain/ (loss) on change in fair value*

The assets which are being measured at FVTPL are restated to their fair value as at the reporting date and any gain/ (loss) on change in fair value will be recognised as income/ expense in the Statement of Profit and Loss.

3.2 Financial Instruments

a) ***Recognition and measurement***

Financial assets and financial liabilities are recognized when the Company becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at FVTPL) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at FVTPL are recognized immediately in Statement of profit and loss.

FRG & COMPANY Reg. No. 23258N CHARTERED ACCOUNTANTS

INDEL MONEY LIMITED

b) ***Financial assets***

Classification and measurement

The Company classifies its financial assets into the following measurement categories: amortised cost; fair value through other comprehensive income; and fair value through profit or loss.

All recognised financial assets that are within the scope of Ind AS 109 are required to be subsequently measured at amortised cost or fair value on the basis of the entity's business model for managing the financial assets and the contractual cash flow characteristics of the financial assets.

Financial instruments measured at amortised cost

Debt instruments that meet the following criteria are measured at amortised cost (except for debt instruments that are designated as at fair value through profit or loss on initial recognition):

- the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest ("SPPI") on the principal amount outstanding.

For the purpose of SPPI test, principal is the fair value of the financial asset at initial recognition. The principal amount may change over the life of the financial asset (e.g. if there are repayments of principal). Interest consists of consideration for the time value of money, for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs, as well as a profit margin. The SPPI assessment is made in the currency in which the financial asset is denominated.

Contractual cash flows that are SPPI are consistent with a basic lending arrangement. Contractual terms that introduce exposure to risks or volatility in the contractual cash flows that are unrelated to a basic lending arrangement, such as exposure to changes in equity prices or commodity prices, do not give rise to contractual cash flows that are SPPI. An originated or an acquired financial asset can be a basic lending arrangement irrespective of whether it is a loan in its legal form.

An assessment of business models for managing financial assets is fundamental to the classification of a financial asset. The Company determines the business models at a level that reflects how financial assets are managed together to achieve a particular business objective. The Company's business model does not depend on management's intentions for an individual instrument, therefore the business model assessment is performed at a higher level of aggregation rather than on an instrument-by-instrument basis.

Debt instruments that are subsequently measured at amortised cost are subject to impairment.

Financial instruments measured at fair value through other comprehensive income ("FVTOCI")

Debt instruments that meet the following criteria are measured at fair value through other comprehensive income (except for debt instruments that are designated as at fair value through profit or loss on initial recognition):

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

Interest income is recognised in Statement of profit and loss for FVTOCI debt instruments. Other changes in fair value of FVTOCI financial assets are recognised in other comprehensive income. When the asset is disposed of, the cumulative gain or loss previously accumulated in reserve is transferred to Statement of Profit and Loss.

F.R.G & COMPANY Reg. No. 23258N CHARTERED ACCOUNTANTS

INDEL MONEY LIMITED

Financial instruments measured at fair value through Profit and Loss ("FVTPL")

Instruments that do not meet the amortised cost or FVTOCI criteria are measured at FVTPL. Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on re measurement recognised in the Statement of Profit and Loss. The gain or loss on disposal is recognised in the Statement of Profit and Loss. Interest income is recognised in the Statement of Profit and Loss for FVTPL debt instruments. Dividend on financial assets at FVTPL is recognised when the Company's right to receive dividend is established.

Investments in equity instruments at FVTOCI

On initial recognition, the Company can make an irrevocable election (on an instrument-by-instrument basis) to present the subsequent changes in fair value in other comprehensive income pertaining to investments in equity instruments. This election is not permitted if the equity investment is held for trading. These elected investments are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the 'Reserve for equity instruments through other comprehensive income'. The cumulative gain or loss is not reclassified to Statement of Profit and Loss on disposal of the investments. Dividends from these investments are recognised in the Statement of Profit and Loss when the Company's right to receive dividends is established.

Reclassifications

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.

Impairment of financial assets

Company recognises loss allowances using the Expected Credit Loss ("ECL") model for the financial assets which are not fair valued through profit and loss. ECL is calculated using a model which captures portfolio performance over a period of time. ECL is a probability-weighted estimate of credit losses. A credit loss is the difference between the cash flows that are due to an entity in accordance with the contract and the cash flows that the entity expects to receive discounted at the original EIR.

ECL is measured through a loss allowance at an amount equal to:

- 12-month ECL, i.e., ECL that result from those default events on the financial instrument that are possible within 12 months after the reporting date (referred to as Stage 1); or
- Lifetime ECL, i.e., lifetime ECL that result from all possible default events over the life of the financial instrument (referred to as Stage 2 and Stage 3).

A loss allowance for full lifetime ECL is required for a financial instrument if the credit risk on that financial instrument has increased significantly since initial recognition. For all other financial instruments, ECLs are measured at an amount equal to the 12-month ECL. The Company measures ECL on an individual basis, or on a collective basis for portfolios of loans that share similar economic risk characteristics. The measurement of the loss allowance is based on the present value of the asset's expected cash flows using the asset's original EIR, regardless of whether it is measured on an individual basis or a collective basis.

F R G & COMPANY ★ Reg. No. 23258N ★ CHARTERED ACCOUNTANTS

INDEL MONEY LIMITED ★

Key elements of ECL computation are outlined below:

- Probability of default ("PD") is an estimate of the likelihood that customer will 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 de-recognised and is still in the portfolio.
- Loss given default ("LGD") estimates the normalised loss which Company incurs post customer default. It is usually expressed as a percentage of the Exposure at default ("EAD"). Effective interest rate ("EIR") is the rate that discounts estimated future cash flows through the expected life of financial instrument. For calculating EIR any upfront fees need to be excluded from the loans and advance amount.

The Company uses historical information where available to determine PD. Considering the different products and schemes, the Company has bifurcated its loan portfolio into various pools. For certain pools where historical information is available, the PD is calculated considering fresh slippage of past years. For those pools where historical information is not available, the PD/ default rates as stated by external reporting agencies is considered.

Credit impaired financial assets

A financial asset is 'credit impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred. Credit-impaired financial assets are referred to as Stage 3 assets. Evidence of creditimpairment includes observable data about the following events:

- significant financial difficulty of the borrower or issuer;
- a breach of contract such as a default or past due event;
- the lender of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession that the lender would not otherwise consider;
- the disappearance of an active market for a security because of financial difficulties; or
- the purchase of a financial asset at a deep discount that reflects the incurred credit losses.

A loan is considered credit-impaired when a concession is granted to the borrower due to a deterioration in the borrower's financial condition, unless there is evidence that as a result of granting the concession the risk of not receiving the contractual cash flows has reduced significantly and there are no other indicators of impairment.

Definition of default

Critical to the determination of ECL is the definition of default. The definition of default is used in measuring the amount of ECL and in the determination of whether the loss allowance is based on 12-month or lifetime ECL, as default is a component of the probability of default ("PD") which affects both the measurement of ECLs and the identification of a significant increase in credit risk.

Default considered for computation of ECL computation is as per the applicable prudential regulatory norms.

Significant increase in credit risk

The Company monitors all financial assets, issued loan commitments and financial guarantee contracts that are subject to the impairment requirements to assess whether there has been a significant increase in credit risk since initial recognition. The Company's accounting policy is not to use the practical expedient that financial assets with 'low' credit risk at the reporting date are deemed not to have had a significant increase in credit risk. In assessing whether the credit risk on a financial instrument has increased significantly since initial recognition, the Company compares the risk of a default occurring on the financial instrument at the reporting date based on the remaining maturity of the instrument with the risk of a default occurring that was anticipated for the remaining maturity at the current reporting date when the financial instrument was first recognised. In making this assessment, the Company considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort, based on the Company's expert credit assessment.

FRG & COMPANY Reg. No. 23258N CHARTERED ACCOUNTANTS

INDEL MONEY LIMITED

Impairment Reserve

Where impairment allowance under Ind AS 109 is lower than the provisioning required under IRACP (including standard asset provisioning), the Company will appropriate the difference from their net profit or loss after tax to a separate 'Impairment Reserve'. The balance in the 'Impairment Reserve' shall not be reckoned for regulatory capital.

Modification and derecognition of financial assets

A modification of a financial asset occurs when the contractual terms governing the cash flows of a financial asset are renegotiated or otherwise modified between initial recognition and maturity of the financial asset. A modification affects the amount and/ or timing of the contractual cash flows either immediately or at a future date. In addition, the introduction or adjustment of existing covenants of an existing loan would constitute a modification even if these new or adjusted covenants do not yet affect the cash flows immediately but may affect the cash flows depending on whether the covenant is or is not met (e.g.: a change to the increase in the interest rate that arises when covenants are breached).

The Company renegotiates loans to customers in financial difficulty to maximise collection and minimise the risk of default. Loan forbearance is granted in cases where although the borrower made all reasonable efforts to pay under the original contractual terms, there is a high risk of default or default has already happened and the borrower is expected to be able to meet the revised terms. The revised terms in most of the cases include an extension of the maturity of the loan, changes to the timing of the cash flows of the loan (principal and interest repayment), reduction in the amount of cash flows due (principal and interest forgiveness) and amendments to covenants.

Substantial modification

When a financial asset is modified, the Company assesses whether this modification results in derecognition. In accordance with the Company's policy, a modification results in derecognition when it gives rise to substantially different terms. To determine if the modified terms are substantially different from the original contractual terms the Company considers the following:

Qualitative factors, such as contractual cash flows after modification are no longer SPPI, change in currency or change of counterparty, the extent of change in interest rates, maturity, covenants.

If these do not clearly indicate a substantial modification, then a quantitative assessment is performed to compare the present value of the remaining contractual cash flows under the original terms with the contractual cash flows under the revised terms, both amounts discounted at the original effective interest.

In the case where the financial asset is derecognised, the loss allowance for ECL is remeasured at the date of derecognition to determine the net carrying amount of the asset at that date. The difference between this revised carrying amount and the fair value of the new financial asset with the new terms will lead to a gain or loss on derecognition.

The new financial asset will have a loss allowance measured based on 12-month ECL except in the rare occasions where the new loan is considered to be originated-credit impaired. This applies only in the case where the fair value of the new loan is recognised at a significant discount to its revised par amount because there remains a high risk of default which has not been reduced by the modification. The Company monitors credit risk of modified financial assets by evaluating qualitative and quantitative information, such as if the borrower is in past due status under the new terms.

When the contractual terms of a financial asset are modified and the modification does not result in derecognition, the Company determines if the financial asset's credit risk has increased significantly since initial recognition.

F R G & COMPANY Reg. No. 23258N CHARTERED ACCOUNTANTS

INDEL MONEY LIMITED

Other modification

For financial assets modified, where modification did not result in derecognition, the estimate of PD reflects the Company's ability to collect the modified cash flows taking into account the Company's previous experience of similar forbearance action, as well as various behavioural indicators, including the borrower's payment performance against the modified contractual terms. If the credit risk remains significantly higher than what was expected at initial recognition the loss allowance will continue to be measured at an amount equal to lifetime ECL. The loss allowance on forborne loans will generally only be measured based on 12-month ECL when there is evidence of the borrower's improved repayment behaviour following modification leading to a reversal of the previous significant increase in credit risk.

Where a modification does not lead to derecognition the Company calculates the modification gain/ loss comparing the gross carrying amount before and after the modification (excluding the ECL allowance). Then the Company measures ECL for the modified asset, where the expected cash flows arising from the modified financial asset are included in calculating the expected cash shortfalls from the original asset.

Derecognition of financial assets

The Company derecognises a financial asset only when the contractual rights to the asset's cash flows expire (including expiry arising from a modification with substantially different terms), or when the financial asset and substantially all the risks and rewards of ownership of the asset are transferred to another entity. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain/loss that had been recognised in OCI and accumulated in equity is recognised in the Statement of Profit and Loss, with the exception of equity investment designated as measured at FVTOCI, where the cumulative gain/loss previously recognised in OCI is not subsequently reclassified to the Statement of Profit and Loss.

Write off

Loans and debt securities are written off when the Company has no reasonable expectations of recovering the financial asset (either in its entirety or a portion of it). This is the case when the Company determines that the borrower does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the writeoff. A write-off constitutes a derecognition event. The Company may apply enforcement activities to financial assets written off. Recoveries resulting from the Company's enforcement activities will result in impairment gains.

Financial Liabilities

Loans and debt securities are written off when the Company has no reasonable expectations of recovering the financial asset (either in its entirety or a portion of it). This is the case when the Company determines that the borrower does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the writeoff. A write-off constitutes a derecognition event. The Company may apply enforcement activities to financial assets written off. Recoveries resulting from the Company's enforcement activities will result in impairment gains.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs.

F R G & COMPANY * Reg. No. 23258N * CHARTERED ACCOUNTANTS

INDEL MONEY LIMITED *

*c) **Financial liabilities***

All financial liabilities are subsequently measured at amortised cost using the effective interest rate method. Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest rate method.

The effective interest rate method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the amortised cost of a financial liability.

Derecognition of financial liabilities

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in the Statement of Profit and Loss.

d) ***Financial Guarantee Contracts***

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due in accordance with the terms of a debt instrument.

Financial guarantee contracts issued by a Company are initially measured at their fair values and, if not designated as at FVTPL, are subsequently measured at the higher of:

- the amount of loss allowance determined in accordance with impairment requirements of Ind AS 109 - Financial Instruments; and
- the amount initially recognized less, when appropriate, the cumulative amount of income recognized in accordance with the principles of Ind AS 115 - Revenue from Contracts with Customers.

e) ***Derivative financial instruments***

The Company enters into derivative financial instruments, primarily foreign exchange forward contracts, currency swaps and interest rate swaps, to manage its borrowing exposure to foreign exchange and interest rate risks.

Derivatives embedded in non-derivative host contracts are treated as separate derivatives when their risks and characteristics are not closely related to those of the host contracts and the host contracts are not measured at FVTPL.

Derivatives are initially recognized at fair value at the date the contracts are entered into and are subsequently remeasured to their fair value at the end of each reporting period. The resulting gain/loss is recognized in Statement of profit and loss.

Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when fair value is negative.

f) ***Offsetting***

Financial assets and financial liabilities are generally reported gross in the balance sheet. Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realize the asset and settle the liability simultaneously.

The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the group or the counterparty.

F.R.G & COMPANY Reg. No. 23258N CHARTERED ACCOUNTANTS

INDEL MONEY LIMITED

3.3 Cash and bank balances

Cash comprises cash on hand 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.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short- term deposits, as defined above, net of outstanding bank overdrafts if any, as they are considered an integral part of the Company's cash management.

Cash and bank balances also include fixed deposits, margin money deposits, earmarked balances with banks and other bank balances which have restrictions on repatriation. Short term and liquid investments being subject to more than insignificant risk of change in value, are not included as part of cash and cash equivalents.

3.4 Property, plant and equipment

PPE is recognised when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably.

PPE are stated at cost of acquisition (including incidental expenses), less accumulated depreciation and accumulated impairment loss, 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.

Advances paid towards the acquisition of PPE outstanding at each balance sheet date are disclosed separately under other non-financial assets. Capital work in progress comprises the cost of PPE that are not ready for its intended use at the reporting date. Capital work-in-progress is stated at cost, net of impairment loss, if any.

Subsequent expenditure related to the asset are added to its carrying amount or recognised as a separate asset only if it increases the future benefits of the existing asset, beyond its previously assessed standards of performance and cost can be measured reliably. Other repairs and maintenance costs are expensed off as and when incurred.

Depreciation

Depreciation on property, plant and equipment is calculated using written down value method (WDV) to write down the cost of property and equipment to their residual values over their estimated useful lives which is in line with the estimated useful life as specified in Schedule II of the Companies Act, 2013.

The estimated useful lives are as follows:

Description of the asset	Estimated Useful Life (Years)
Computers (End user device)	3
Computers (Servers and networks)	6
Furniture and Fixtures	10
Vehicles (Other than Motorcycles, scooters and other mopeds)	8
Vehicles (Motorcycles, scooters and other mopeds)	10
Office Equipment	5
Plant and Machinery	15

F R G & COMPANY * Reg. No. 23258N * CHARTERED ACCOUNTANTS

INDEL MONEY LIMITED *

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate. Changes in the expected useful life are accounted for by changing the amortisation period or methodology, as appropriate, and treated as changes in accounting estimates.

An item of PPE is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of PPE is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the Statement of Profit and Loss.

3.5 Intangible assets

Intangible assets are recognised when it is probable that the future economic benefits that are attributable to the asset will flow to the enterprise and the cost of the asset can be measured reliably. Intangible assets are stated at original cost net of tax, less accumulated amortisation and cumulative impairment.

Intangible assets i.e., Software are amortised on written down value basis over the estimated useful life of 3 years.

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset are recognised in the Statement of Profit and Loss when the asset is derecognised.

3.6 Impairment of non-financial assets

At each balance sheet date, the Company assesses whether there is any indication that any property, plant and equipment and intangible assets with finite lives may be impaired. If any such impairment exists the recoverable amount of an asset is estimated to determine the extent of impairment, if any. Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Intangible assets not yet available for use, are tested for impairment annually at each balance sheet date, or earlier, if there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognized immediately in the statement of Profit and Loss.

3.7 Leases

The Company determines that a contract is or contains a lease if the contract conveys right to control the use of an identified asset for a period of time in exchange for a consideration.

Company as a lessee

At the inception of a contract which is or contains a lease, the Company recognizes lease liability at the present value of the future lease payments for non-cancellable period of a lease which is not short term in nature except for lease of low value items. The future lease payments for such non-cancellable period are discounted using the Company's incremental borrowing rate.

The Company elects to apply the practical expedient to not to separate non-lease component from lease component, in case of a contract containing lease. The Company accounts such contracts as a single lease component.

FRG & COMPANY Reg. No. 23258N CHARTERED ACCOUNTANTS

INDEL MONEY LIMITED

Lease payments include fixed payments, i.e., amounts expected to be payable by the Company under residual value guarantee, the exercise price of a purchase option if the Company is reasonably certain to exercise that option and payment of penalties for terminating the lease if the lease term considered reflects that the Company shall exercise termination option. The Company also recognizes a right of use asset which comprises of amount of initial measurement of the lease liability, any initial direct cost incurred by the Company and estimated dilapidation costs.

Right of use assets is amortized over the period of lease.

Payment made towards short term Leases (leases for which lease term is 12 months or lesser) and low value assets are recognized in the statement of Profit and Loss as rental expenses over the tenor of such leases.

Company as a lessor

At the inception of the lease the Company classifies each of its leases as either an operating lease or a finance lease. The Company recognizes lease payments received under operating leases as income on a straight-line basis over the lease term. In case of a finance lease, finance income is recognized over the lease term based on a pattern reflecting a constant periodic rate of return on the lessor's net investment in the lease. When the Company is an intermediate lessor it accounts for its interests in the head lease and the sub-lease separately. It assesses the lease classification of a sub-lease with reference to the right-of-use asset arising from the head lease, not with reference to the underlying asset. If a head lease is a short term lease to which the Company applies the exemption described above, then it classifies the sub-lease as an operating lease.

If an arrangement contains lease and non-lease components, the Company applies Ind AS 115 Revenue from contracts with customers to allocate the consideration in the contract.

3.8 Non-current asset held for sale

Non-current assets, or disposal groups comprising assets and liabilities are classified as held for sale if it is highly probable that they will be recovered primarily through sale rather than through continuing use.

Such assets, or disposal groups, are generally measured at the lower of their carrying amount and fair value less costs to sell.

Any resultant loss on a disposal group is allocated first to goodwill, and then to remaining assets and liabilities on pro rata basis, except that no loss is allocated to inventories, financial assets, deferred tax assets, employee benefit assets, and biological assets, which continue to be measured in accordance with the Company's other accounting policies. Losses on initial classification as held for sale and subsequent gains and losses on re-measurement are recognized in profit or loss. Once classified as held-for-sale, intangible assets, property, plant and equipment and investment properties are no longer amortized or depreciated.

3.9 Finance cost

Finance costs include interest expense computed by applying the effective interest rate on respective financial instruments measured at Amortized cost. Financial instruments include bank term loans, non-convertible debentures, subordinated debts, interest expense on lease liabilities computed by applying the Company's incremental borrowing rate and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Finance costs are charged to the Statement of profit and loss.

3.10 Employee Benefits

Short-term employee benefits

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits. Benefits such as salaries, wages etc. and the expected cost of ex-gratia/ bonus are recognized in the period in which the employee renders the related service. A liability is recognized for the amount expected to be paid when there is a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Long-term employee benefits

Defined contribution plans

Defined contribution plans are the post-employment plans under which the Company pays a fixed contribution to a fund and the Company's liability is limited to payment of such fixed contributions. Contributions to defined contribution plans are recognized as expense when employees have rendered services entitling them to such benefits.

The Company provides benefits such as, provident fund and pension schemes (both managed by other than the Company) to its employees which are treated as defined contribution plans.

Defined benefit plans

For defined benefit plans, the cost of providing benefits is determined using the Projected Unit Credit Method, with actuarial valuations being carried out at each balance sheet date. Remeasurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling and the return on plan assets (excluding interest), is reflected immediately in the balance sheet with a charge or credit recognized in other comprehensive income in the period in which they occur. Past service cost, both vested and unvested, is recognized as an expense at the earlier of (a) when the plan amendment or curtailment occurs; and (b) when the entity recognizes related restructuring costs or termination benefits.

The major defined benefit plans of the Company are as follows:

Gratuity

The Company provides for gratuity, a defined benefit retirement plan ('the Gratuity Plan') covering eligible employees. The Gratuity Plan provides a lump-sum payment to vested employees at retirement, death, in capacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment with the Company.

Liabilities with regard to the Gratuity Plan are determined by actuarial valuation, performed by an independent actuary, at each Balance Sheet date using the projected unit credit method. The Company's gratuity scheme is unfunded. The Company recognizes the obligation of a defined benefit plan in its Balance Sheet as a liability.

Gains and losses through remeasurements of the net defined benefit liability / (asset) are recognized in other comprehensive income. The effects of any plan amendments are recognized in net profit in the Statement of Profit and Loss.

Compensated absences

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related services are recognized as an actuarially determined liability at the present value of the defined benefit obligation at the balance sheet date.

3.11 Provisions

A provision is recognized if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

Any reimbursements with respect to liabilities/ provisions are recognized only when there is a virtual certainty that the said amounts will be received.

Present obligations arising under onerous contracts are recognized and measured as provisions. An onerous contract is considered to exist where the Company has a contract under which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received from the contract. The provision in such cases will be recognized at lower of cost of fulfilling the contract and any expected compensation for not fulfilling the contract.

F R G & COMPANY Reg. No. 23258N CHARTERED ACCOUNTANTS

INDEL MONEY LIMITED

3.12 Foreign Currency Translations

These financial statements are presented in Indian rupees, which is the functional currency of the Company. Transactions in foreign currencies, i.e., other than Indian rupees, are recorded at the exchange rate prevailing on the date of transaction.

Foreign currency denominated monetary assets and liabilities are re-measured into the functional currency at the exchange rate prevailing on the balance sheet date. Exchange differences are recognized in the statement of Profit and Loss except to the extent, exchange differences which are regarded as an adjustment to interest costs on foreign currency borrowings, are capitalized as part of borrowing costs.

3.13 Current and deferred tax

Income tax expense comprises current tax and deferred tax. Income tax expense is recognized in the statement of Profit and Loss except when they relate to items that are recognized outside profit and loss (whether in other comprehensive income or directly in equity), in which case tax is also recognized outside profit and loss, as appropriate. Current income taxes are determined based on respective taxable income based on tax rate enacted as at reporting date.

Deferred tax assets and liabilities are recognized for the future tax consequences of temporary differences between the carrying values of assets and liabilities and their respective tax bases, and unutilized business loss and depreciation carry-forwards and tax credits. Deferred tax assets are recognized to the extent that it is probable that future taxable income will be available against which the deductible temporary differences, unused tax losses, depreciation carryforwards and unused tax credits could be utilized.

Deferred tax assets and Liabilities are measured based on the tax rates that are expected to apply in the period when the asset is realized or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date. Current and deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

3.14 Investment in Subsidiaries

Investments in subsidiaries are measured at cost less accumulated impairment, if any.

3.15 Contingent liabilities and contingent assets

A contingent liability is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity or a present obligation that arises from past events but is not recognized because it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation or the amount of the obligation cannot be measured with sufficient reliability. It is disclosed in the financial statements. If the outflow of such obligation becomes probable, it is recognized as a provision.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity. Contingent assets are recognized only if there is a virtual certainty of realization. It is disclosed in the financial statements if it is probable only.

F R G & COMPANY Reg. No. 23258N CHARTERED ACCOUNTANTS

INDEL MONEY LIMITED

3.16 Earnings per share

Basic earnings per share are computed by dividing profit or loss attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the year. The Company did not have any potentially dilutive securities in any of the years' presented.

3.17 Statement of Cashflows

Cash flows are reported using the indirect method, whereby profit before 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, investing and financing activities of the Company are segregated.

3.18 Segment Reporting

Operating segments are reported in manner consistent with the internal reporting provided to the Chief Operating Decision Maker (CODM). The management assesses the financial performance and position of the Company and makes strategic decisions. The chief operating decision maker consists of the Directors of the Company.

The Company's primary business segments are reflected based on the principal business carried out, i.e., financing. All other activities of the Company revolve around the main business. As such, there are no separate reportable segments.

4 FIRST-TIME ADOPTION OF INDIAN ACCOUNTING STANDARDS

These financial statements of the Company for the year ended March 31, 2022 have been prepared in accordance with Ind AS. For the purposes of transition to Ind AS, the Company has followed the guidance prescribed in Ind AS 101, First-Time Adoption of Indian Accounting Standards, with April 1, 2020 as the transition date from the previous GAAP.

The transition to Ind AS has resulted in changes in the presentation of the financial statements, disclosures in the notes thereto and accounting policies and principles. The accounting policies set out in Note 3 have been applied in preparing the financial statements for the year ended March 31, 2022 and the comparative information. An explanation of how the transition from previous GAAP to Ind AS has affected the Company's Balance Sheet and Statement of Profit and Loss, is set out in Note #4.2 below.

4.1 Exemptions availed on first-time adoption to Ind AS

Ind AS 101 allows first-time adopters certain exemptions from the retrospective application of certain requirements under Ind AS. The Company has accordingly applied the following exemptions:

a. Property, plant and equipment and Intangible Assets

On transition to Ind AS, Company has elected to continue with the carrying value of all its property plant and equipment and intangible assets existing as at April 1, 2020, measured as per previous GAAP and used that carrying value as the deemed cost of the property plant and equipment.

FRG & COMPANY Reg. No. 23258N CHARTERED ACCOUNTANTS

INDEL MONEY LIMITED

b. Leases

The Company elects to apply the criteria for identifying whether a lease is or contains a lease based on the facts and circumstances existed as at April 1, 2019. The lease liability on transition date is arrived at by computing the present value of remaining lease payments discounted using the Company's incremental borrowing rate.

Right of use asset at transition date is measured at an amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments relating to the lease immediately prior the date of transition to Ind AS.

c. Business combinations

The Company elects to apply the requirements of Ind AS 103 from the date of transition, i.e., April 1, 2020 only.

4.2 **Reconciliation between Previous GAAP and Ind AS**

(i) Equity reconciliation

₹ in lakhs

Particulars	**Note**	**March 31, 2021**	**April 1, 2020**
As reported under previous GAAP		8,787.46	7,837.58
Application of EIR method on loan assets	(a)	(8.78)	(5.82)
Application of EIR method on borrowings	(b)	43.00	77.47
Expected credit loss provision on loans	(e)	68.93	64.24
Depreciation on ROU assets	(c)	(424.43)	-
Finance cost on lease liabilities	(c)	(235.32)	-
Rent expenses	(c)	463.83	-
Unwinding of discount on security deposits	(c)	20.80	-
Employee benefits	(d)	(31.98)	(92.17)
Deferred tax adjustments	(f)	77.87	1.79
Other adjustments		0.02	(0.01)
Equity under Ind AS		**8,761.40**	**7,883.08**

(ii) Total comprehensive income reconciliation

Particulars	**Note**	**For the year ended March 31, 2021**
Net profit under previous GAAP		949.88
Application of EIR method on loan assets	(a)	(2.96)
Unwinding of discount	(c)	20.80

F.R.G & COMPANY Reg. No. 23258N CHARTERED ACCOUNTANTS

INDEL MONEY LIMITED

Application of EIR method on borrowings	(b)	(34.47)
Interest expenses on lease liability	(c)	(235.32)
Depreciation on ROU assets	(c)	(424.43)
Expected loss provision on financial assets	(e)	4.69
Employee benefits	(d)	60.19
Rent expenses	(c)	463.83
Deferred tax adjustments	(f)	76.08
Other adjustments		0.03
Total comprehensive income under Ind AS		**878.32**

(iii) Reconciliation of Statement of cashflows

There are no material adjustments to the Statement of Cashflows as reported under the Previous GAAP.

Notes to reconciliation between previous GAAP and Ind AS

(a) Application of effective interest rate method on loans and advances given

As per the EIR method, the processing charges income cannot be recognised upon sanction of loan, but it should be spread over the life of the loan by using the effective interest rate.

As part of transition, the Company had reversed income of ₹5.82 lakhs to retained earnings and recognised a further income of ₹2.96 lakhs during 2020-21 as compared to previous GAAP figures.

(b) Application of effective interest rate method on borrowings

Due to application of this method, EIR was required to be computed on each borrowing. As part of transitional adjustment, processing charges expensed off amounting to ₹77.47 lakhs has been reversed and is being expensed off over the remaining term of loan using EIR method.

During 2020-21, an additional interest expense of ₹34.47 lakhs were recognised as per EIR method.

(c) Leases

As a transition adjustment, the Company had recognized right of use asset of ₹2491.45 lakhs and there was an addition of ₹1003.11 lakhs during the year 2020-21. The Company had also recognized lease liability to the extent of ₹2346.55 lakhs. Further lease liability has also created for ₹943.12 lakhs for the additions made during the said period.

The rent deposits of the Company has been discounted to its present value and difference of ₹144.9 lakhs on transition and ₹59.98 lakhs during 2020-21 had been taken while computing cost of ROU asset.

F R G & COMPANY ★ Reg. No. 23258N ★ CHARTERED ACCOUNTANTS

INDEL MONEY LIMITED ★

During the year 2020-21, depreciation of ₹424.44 lakhs has been provided on ROU assets. The interest on lease liability was ₹269.78 lakhs. As at year-end, the security deposit has been restated to its present value as at year-end. The unwinding of discount accounted for in 2020-21 in this regard was ₹20.8 lakhs.
The rent expenses incurred has been considered as the repayment of lease liability for the year.

(d) Employee Benefits

The Company had taken revised actuarial valuation reports for gratuity and leave encashment on transition date and recognised an additional liability of ₹92.17 lakhs. During the year 2020-21, the Company had also provided for an additional employee benefit expenses of ₹60.19 (net of actuarial gain).

(e) Expected credit loss on financial assets

The Company was creating provision on loans as per the income recognition and asset classification norms prescribed by RBI. On transition to Ind AS, Ind AS 109 gives specific guidance on accounting for impairment of financial assets. Consequently, RBI had directed that if the ECL provision requirements of Ind AS 109 to be recognised in the financial statements and any provision required in excess of ECL should be recognised by creating impairment reserve out of the profit or loss for the period.

Based on this, as part of transition, the Company had reversed provision created of ₹64.24 lakhs and a further reversal of ₹4.69 had been made during the year 2020-21.

(f) Deferred tax adjustments

Due to the transitional adjustments made, the Company had created the deferred tax asset amounting to ₹1.79 lakhs as at April 1, 2020. Further, due to the difference between the Previous GAAP and Ind AS, an additional benefit of ₹74.89 lakhs made in Profit or loss for the period ending on March 31, 2021. Deferred tax expense of ₹1.19 lakhs had made in other comprehensive income also.

FRG & COMPANY * Reg. No. 23258N * CHARTERED ACCOUNTANTS

INDEL MONEY LIMITED *

INDEL MONEY LIMITED
NOTES FORMING PART OF FINANCIAL STATEMENTS: 2021-22

	Particulars	As at		
		March 31, 2022	March 31, 2021	April 1, 2020
		₹ in lakhs		
5	**Cash and cash equivalents**			
	(a) Cash on hand	296.24	223.88	15.31
	(b) Balances with banks	7,583.91	495.70	613.27
		7,880.15	**719.58**	**628.58**
6	**Bank balances other than cash and cash equivalents**			
	(a)Term deposits with Banks	1,006.12	649.24	-
	(held as cash collateral for securitisation transactions and lien marked for overdraft balances)	**1,006.12**	**649.24**	**-**
7	**Receivables**			
	(i) Trade receivables	-	-	-
		-	-	-
	(ii) Other receivables			
	(a) Considered good - secured	5,197.79	3,852.37	1,618.27
	(b) Considered good - unsecured	335.01	187.31	35.93
		5,532.80	**4,039.68**	**1,654.20**
	Less: Allowance for impairment loss	-	-	-
		5,532.80	**4,039.68**	**1,654.20**
8	**Loans**			
	(A)			
	(i) Gold loan	42,275.76	30,988.37	29,582.92
	(ii) Business loan	6,874.13	7,290.22	3,079.04
	(iii) Personal loan	3,357.55	1,082.91	44.75
	(iv) Loans to related parties	-	514.00	916.52
		52,507.44	**39,875.50**	**33,623.23**
	Less: Impairment allowance	(140.15)	(68.73)	(51.88)
		52,367.29	**39,806.77**	**33,571.35**

F R G & COMPANY ★ Reg. No. 23258N ★ CHARTERED ACCOUNTANTS

INDEL MONEY LIMITED ★

INDEL MONEY LIMITED
NOTES FORMING PART OF FINANCIAL STATEMENTS: 2021-22

Particulars	As at March 31, 2022	As at March 31, 2021	As at April 1, 2020
	₹ in lakhs		
(B)			
I) Secured by Tangible assets			
(i) Gold loan	42,275.76	30,988.37	29,582.92
(ii) Business loan	3,133.50	5,705.95	2,424.66
(iii) Personal loan	-	-	-
(iv) Loans to related parties	-	514.00	916.52
	45,409.26	**37,208.32**	**32,924.10**
Less: Impairment allowance			
	45,409.26	**37,208.32**	**32,924.10**
II) Unsecured			
(i) Gold loan		-	-
(ii) Business loan	3,740.63	1,584.27	654.39
(iii) Personal loan	3,357.55	1,082.91	44.75
(iv) Loans to related parties		-	-
	7,098.18	**2,667.18**	**699.14**
Less: Impairment allowance			
	7,098.18	**2,667.18**	**699.14**
(C)			
(I) Loans in India			
i) Public sector		-	-
ii) Others	52,507.44	39,875.50	33,623.23
	52,507.44	**39,875.50**	**33,623.23**
(II) Loans outside India	-	-	-
	52,507.44	**39,875.50**	**33,623.23**
Less: Impairment allowance	(140.15)	(68.73)	(51.88)
	52,367.29	**39,806.77**	**33,571.35**
Note: All of the above loans are carried using amortised cost model considering the business model objective.			

F G & COMPANY * Reg. No. 23258N * CHARTERED ACCOUNTANTS

INDEL MONEY LIMITED

INDEL MONEY LIMITED
NOTES FORMING PART OF FINANCIAL STATEMENTS: 2021-22

	Particulars	As at March 31, 2022	As at March 31, 2021	As at April 1, 2020
		₹ in lakhs		
9	**Investments**			
	a) Investment in equity instruments			
	(i) Investment in subsidiary (carried at cost)			
	Unquoted			
	Indel Money Fin-Tech Private Limted	12.00	12.00	12.00
	No. of shares 1.20 lakhs (previous year - 1.20 lakhs)			
		12.00	**12.00**	**12.00**
10	**Other financial assets**			
	a) Security deposits	820.28	389.88	276.73
	b) Other financial assets	100.89	32.52	176.07
		921.17	**422.40**	**452.80**
11	**Current tax assets (Net)**			
	a) TDS receivable	893.20	233.70	204.30
		893.20	**233.70**	**204.30**
12	**Deferred tax assets (Net)**			
	a) Deferred tax assets	1,095.45	1,018.74	831.19
	b) Deferred tax liabilities	(859.12)	(831.18)	(723.56)
		236.33	**187.56**	**107.63**

(A) The balance of deferred tax assets comprises temporary differences attributable to:

(₹ in lakhs)

Particulars	As at April 1, 2021	Charged/ (credited) to profit or loss for the period	Recognised in Other Comprehensive Income	As at March 31, 2022
Difference between book base and tax based in respect of PPE, ROU assets and intangible assets	(701.71)	12.03	-	(689.68)
Application of EIR on financial assets	56.52	(6.50)	-	50.02
Application of EIR on financial liabilities	(10.83)	(24.45)	-	(35.28)
Deferred tax on lease liabilities	826.57	49.34	-	875.91
Employee Benefits	17.01	9.94	8.41	35.36
Others				
Deferred tax assets (net)	**187.56**	**40.36**	**8.41**	**236.33**

F R G & COMPANY ★ Reg. No. 23258N ★ CHARTERED ACCOUNTANTS

INDEL MONEY LIMITED

INDEL MONEY LIMITED
NOTES FORMING PART OF FINANCIAL STATEMENTS: 2021-22

Particulars		As at		
		March 31, 2022	March 31, 2021	April 1, 2020
			₹ in lakhs	
Particulars	**As at April 1, 2020**	**Charged/ (credited) to profit or loss for the period**	**Recognised in Other Comprehensive Income**	**As at March 31, 2021**
Difference between book base and tax based in respect of PPE, ROU assets and intangible assets	(601.60)	(100.11)	-	(701.71)
Application of EIR on financial assets	39.22	17.30	-	56.52
Application of EIR on financial liabilities	(19.50)	8.67	-	(10.83)
Deferred tax on lease liabilities	666.31	160.26	-	826.57
Employee Benefits	23.20	(5.00)	(1.19)	17.01
Others	-	-	-	-
Deferred tax assets (net)	**107.63**	**81.12**	**(1.19)**	**187.56**

Disclosure pursuant to Ind AS 12 Income Taxes

(₹ in lakhs)

Particulars	**March 31,2022**	**March 31,2021**
(a) Current tax	285.60	360.73
(b) Deferred tax	0.72	(81.13)
Total tax expenses in the Statement of Profit and Loss	286.32	279.60
Tax effect on other comprehensive income	8.41	1.19
Deferred tax credit recorded in equity	-	-
Tax losses on which deferred tax is not recognised	-	-

Reconciliation of estimated Income tax expense at tax rate to income tax expense reported in the Statement of profit and loss:

(₹ in lakhs)

Particulars	**March 31,2022**	**March 31,2021**
Profit before tax	497.55	1,154.36
Applicable income tax rate	25.17%	25.17%
Expected income tax expenses	**125.23**	**290.55**
Adjustment on account of:		
a) Expenses not allowable as per income tax	-	0.58
b) Effect of income exempt from tax	-	-
c) Non-creation deferred tax on temporary differences	-	-
d) Tax related to prior years	-	-
e) Deferred tax recognised in OCI	8.41	(1.19)
b) Others	152.68	(10.34)
Tax expense recognised during the year	**286.32**	**279.60**

INDEL MONEY LIMITED
NOTES FORMING PART OF FINANCIAL STATEMENTS: 2021-22

13. Property, plant and equipment

Description	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As at 01.04.2021	Additions	Deletion	As at 31.03.2022	As at 01.04.2021	For the Year	Depreciation on sale/Woff of Assets	As at 31.03.2022	As at 31.03.2022	As at 31.03.2021
Computer and accessories	112.03	102.88	(0.64)	214.27	40.15	60.92	(0.60)	100.47	113.80	71.88
Motor vehicles	36.09	32.03	(15.04)	53.08	7.72	9.52	(4.07)	13.17	39.91	28.37
Furniture and fixtures	617.67	309.76	-	927.43	149.63	175.12	-	324.75	602.68	468.04
Electrical machinery	74.34	23.10	-	97.44	13.73	16.89	-	30.62	66.82	60.61
Plant and machinery	30.38	11.68	-	42.06	5.81	6.64	-	12.45	29.61	24.57
Total	**870.51**	**479.45**	**(15.68)**	**1,334.28**	**217.04**	**269.09**	**(4.67)**	**481.46**	**852.82**	**653.47**

Description	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As at 01.04.2020	Additions	Deletion	As at 31.03.2021	As at 01.04.2020	For the Year	Depreciation on sale/Woff of Assets	As at 31.03.2021	As at 31.03.2021	As at 31.03.2020
Computer and accessories	77.60	34.55	(0.12)	112.03	-	40.15	-	40.15	71.88	77.60
Motor vehicles	21.05	15.04	-	36.09	-	7.72	-	7.72	28.37	21.05
Furniture and fixtures	517.16	115.93	(15.42)	617.67	-	151.46	(1.83)	149.63	468.04	517.16
Electrical machinery	52.47	21.87	-	74.34	-	13.73	-	13.73	60.61	52.47
Plant and machinery	29.37	1.01	-	30.38	-	5.81	-	5.81	24.57	29.37
Total	**697.65**	**188.40**	**(15.54)**	**870.51**	-	**218.87**	**(1.83)**	**217.04**	**653.47**	**697.65**

Notes:

(i) There are no property, plant and equipment which are acquired through business combination during the year (previous year - nil)

(ii) The Company has not revalued any of the assets during the year (previous year - nil)

(iii) All immovable properties held are in the name of the Company.

(iv) There are no capital work-in-progress during the period (previous year - Nil)

F R G & COMPANY * CHARTERED ACCOUNTANTS * Reg. No. 23258N

INDEL MONEY LIMITED *

INDEL MONEY LIMITED
NOTES FORMING PART OF FINANCIAL STATEMENTS: 2021-22

14. Right-of-use asset

Description	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As at 01.04.2021	Additions	Deletion	As at 31.03.2022	As at 01.04.2021	For the Year	Depreciation on sale/Woff of Assets	As at 31.03.2022	As at 31.03.2022	As at 31.03.2021
Building	3,494.56	713.61	-	4,208.17	424.44	510.65	-	935.09	3,273.08	3,070.12
Total	**3,070.12**	**713.61**	**-**	**4,208.17**	**424.44**	**510.65**	**-**	**935.09**	**3,273.08**	**3,070.12**

Description	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As at 01.04.2020	Additions	Deletion	As at 31.03.2021	As at 01.04.2020	For the Year	Depreciation on sale/Woff of Assets	As at 31.03.2021	As at 31.03.2021	As at 31.03.2020
Building	2,491.45	1,003.11	-	3,494.56	-	424.44	-	424.44	3,070.12	2,491.45
Total	**2,491.45**	**1,003.11**	**-**	**3,494.56**	**-**	**424.44**	**-**	**424.44**	**3,070.12**	**2,491.45**

Notes:
(i) There are no property, plant and equipment which are acquired through business combination during the year (previous year - nil)

15. Intangible Assets

Description	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As at 01.04.2021	Additions	Deletion	As at 31.03.2022	As at 01.04.2021	For the Year	Depreciation on sale/Woff of Assets	As at 31.03.2022	As at 31.03.2022	As at 31.03.2021
Computer Software	36.17	81.63	-	117.80	17.06	24.19	-	41.25	76.55	19.11
Total	19.11	**81.63**	**-**	**117.80**	**17.06**	**24.19**	**-**	**41.25**	**76.55**	**19.11**

Description	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As at 01.04.2020	Additions	Deletion	As at 31.03.2021	As at 01.04.2020	For the Year	Depreciation on sale/Woff of Assets	As at 31.03.2021	As at 31.03.2021	As at 31.03.2020
Computer Software	15.04	21.13	-	36.17	-	17.06	-	17.06	19.11	15.04
Total	15.04	**21.13**	**-**	**36.17**	**-**	**17.06**	**-**	**17.06**	**19.11**	**15.04**

Notes:
(i) There are no property, plant and equipment which are acquired through business combination during the year (previous year - nil)

F R G & COMPANY * CHARTERED ACCOUNTANTS * Reg. No. 23258N

INDEL MONEY LIMITED *

	Particulars	As at March 31, 2022	As at March 31, 2021	As at April 1, 2020
		₹ in lakhs		
16	**Other non-financial assets**			
	a) Prepaid expenses	56.11	28.95	27.66
	b) Advance for expenses	373.24	254.18	228.81
	c) Deposits with government authorities	197.56	125.82	39.00
	d) Investments in non-financial assets	0.95	0.95	0.95
	e) Others	-	-	-
		627.86	**409.90**	**296.42**
17	**Payables**			
	(i) Trade payables			
		-	-	-
	(ii) Other payables			
	(a) Sundry creditors	34.07	38.42	16.27
		34.07	**38.42**	**16.27**

17.1 Trade Payables Aging Schedule as at 31st March 2022

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
(i) MSME	-	-	-	-	-
(ii) Others	34.07	-	-	-	34.07
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-
Total	34.07	-	-	-	34.07

Trade Payables Aging Schedule as at 31st March 2021

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
(i) MSME	-	-	-	-	-
(ii) Others	38.42	-	-	-	38.42
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-
Total	38.42	-	-	-	38.42

FRG & COMPANY CHARTERED ACCOUNTANTS Reg. No. 23258N

INDEL MONEY LIMITED

INDEL MONEY LIMITED
NOTES FORMING PART OF FINANCIAL STATEMENTS: 2021-22

	Particulars	As at March 31, 2022	As at March 31, 2021	As at April 1, 2020
		₹ in lakhs		
18	**Debt Securities**			
	At amortised cost			
	Non-convertible Debentures (Secured)			
	- In India (Refer note (ii) below)	11,890.10	5,166.51	3,782.45
	- Outside India	-	-	-
	Non-convertible Debentures (Unsecured)			
	- In India (Refer note (ii) below)	4,059.30		
	- Outside India	-		
		15,949.40	**5,166.51**	**3,782.45**

Note:
(i) There are no debt securities measured at fair value through profit or loss (FVTPL) or designated as FVTPL.
(ii) The bonds are secured by paripassu floating charge on current assets, book debts and loans and advances.

Details of non-convertible debentures (secured) *(₹ in lakhs)*

From Balance Sheet date	As at March 31, 2022		As at March 31, 2021	
	Interest rate range	Amount	Interest rate range	Amount
A) Issued on private placement basis				
Repayable on maturity:				
Maturing within 1 year	10.25 - 11.25%	64.00	9.75 - 13.43%	953.64
Maturing between 1 year to 3 years	10.00 - 16.00%	1,243.86	10.00 - 13.43%	1,025.55
Maturing between 3 year to 5 years	9.75 - 14.78%	5,392.91	10.00 - 13.00%	3,187.32
Maturing beyond 5 years	11.50-12.25%	332.00	-	-
Total amortised cost		7,032.77		5,166.51

From Balance Sheet date	As at April 1, 2020	
	Interest rate range	Amount
A) Issued on private placement basis		
Repayable on maturity:		
Maturing within 1 year	10.50 - 11.75%	380.75
Maturing between 1 year to 3 years	9.50 - 13.43%	481.60
Maturing between 3 year to 5 years	9.50 - 13.43%	2,920.10
Maturing beyond 5 years	-	-
Total amortised cost		**3,782.45**

FRG & COMPANY Reg. No. 23258N CHARTERED ACCOUNTANTS

INDEL MONEY LIMITED

	Particulars	As at		
		March 31, 2022	March 31, 2021	April 1, 2020
		₹ in lakhs		
19	**Borrowings (Other than Debt Securities)**			
	At amortised cost			
	i) Secured			
	Term loans			
	- From Banks (Refer note (ii) below)	18,230.75	13,775.47	14,770.05
	Loans repayable on demand			
	- From Banks (Refer note (iii) below)	3,587.83	2,612.01	
	ii) Unsecured			
	- Unsecured loan from financial institutions	-	-	100.00
	- Lease liabilities	3,479.98	3,105.40	2,346.55
		25,298.56	**19,492.88**	**17,216.60**

Note:

(i) There is no borrowings measured at FVTPL or designated at FVTPL.

(ii) The term loans loan from bank are secured against Book Debt, Personal Guarantee of Directors and Corporate Guarantee of Holding Company.

(iii) The working capital facility of ₹3,587.83 lakhs (March 31, 2021 - ₹2612.01 lakhs; April 1, 2020 ₹2,378.24 lakhs are secured primarily by floating and 1st paripasu charge on entire receivables with a margin of 25% (excluding the specific charge of existing NCD holders). Further, it is collaterally secured by equitable mortgage of loan with commercial building and land owned by holding company, sister concerns and Directors and personal guarantee by holding company, sister concerns and Directors.

F R G & COMPANY Reg. No. 23258N CHARTERED ACCOUNTANTS

INDEL MONEY LIMITED

	Particulars	As at March 31, 2022	As at March 31, 2021	As at April 1, 2020
		₹ in lakhs		

Details of loans from Banks (Secured) (₹ in lakhs)

From Balance Sheet date	As at March 31, 2022		As at March 31, 2021	
	Interest rate range	Amount	Interest rate range	Amount
A) Repayable on demand				
Working capital facilities	9.45-12.80%	3,587.83	9.45-12.80%	2,612.01
B) Repayable in instalments				
Maturing within 1 year	9.45-15.00%	6,956.86	9.45-15.00%	7,563.23
Maturing between 1 year to 3 years	9.45-15.00%	7,969.91	9.45-15.00%	2,114.83
Maturing between 3 year to 5 years	14.50%	3,600.00	12.45-15.00%	1,419.10
Maturing beyond 5 years		-	14.50%	3,000.00
Total amortised cost		18,526.77		14,097.16

From Balance Sheet date	As at April 1, 2020	
	Interest rate range	Amount
A) Repayable on demand		
Working capital facilities	12.45-12.80%	2,478.24
B) Repayable in instalments		
Maturing within 1 year	12.25-15.00%	6,430.18
Maturing between 1 year to 3 years	12.25-15.00%	3,137.35
Maturing between 3 year to 5 years	-	-
Maturing beyond 5 years	14.50%	3,000.00
Total amortised cost		**12,567.54**

	Particulars	March 31, 2022	March 31, 2021	April 1, 2020
20	**Subordinated Liabilities**			
	At amortised cost			
	i) Unsecured			
	- Subordinate Bonds -Private Placement	19,020.70	14,758.05	9,963.70
		19,020.70	**14,758.05**	**9,963.70**

Details of Subordinate Bonds (Unsecured) (₹ in lakhs)

From Balance Sheet date	As at March 31, 2022		As at March 31, 2021	
	Interest rate range	Amount	Interest rate range	Amount
A) Issued on private placement basis				
Repayable on maturity:				
Maturing within 1 year	11.00-14.87%	2,748.75	11.00-14.87%	1,551.80
Maturing between 1 year to 3 years	11.00-14.87%	4,774.20	11.00-14.87%	7,453.95
Maturing between 3 year to 5 years	11.00-14.87%	10,354.15	11.00-14.87%	5,752.30
Maturing beyond 5 years	11.00-14.87%	1,143.60	-	-
Total amortised cost		**19,020.70**		14,758.05

G & COMPANY Reg. No. 23258N CHARTERED ACCOUNTANTS

INDEL MONEY LIMITED

INDEL MONEY LIMITED
NOTES FORMING PART OF FINANCIAL STATEMENTS: 2021-22

	Particulars	As at March 31, 2022	As at March 31, 2021	As at April 1, 2020
		₹ in lakhs		

From Balance Sheet date	As at April 1, 2020 Interest rate range	As at April 1, 2020 Amount
A) Issued on private placement basis		
Repayable on maturity:		
Maturing within 1 year		-
Maturing between 1 year to 3 years	11.00-14.87.00%	4,249.20
Maturing between 3 year to 5 years	11.00-14.87.00%	4,756.55
Maturing beyond 5 years	11.00-14.87.00%	957.95
Total amortised cost		**9,963.70**

	Particulars	March 31, 2022	March 31, 2021	April 1, 2020
21	**Other financial liabilities**			
	a) Interest accrued but not due on borrowings	2,665.39	1,743.01	951.47
	b) Refundable security deposits from staff	86.68	67.86	54.96
	c) Other payables	378.89	91.40	135.12
		3,130.96	**1,902.27**	**1,141.55**
22	**Provisions**			
	a) Provision for employee benefits			
	- Gratuity	115.79	55.25	45.83
	- Leave encashment	24.68	12.31	46.34
		140.47	**67.56**	**92.17**
23	**Other non-financial liabilities**			
	a) Statutory dues payable	57.57	36.45	35.60
		57.57	**36.45**	**35.60**
24	**Equity share capital**			
	Authorised:			
	1250.00 lakhs equity shares of ₹10 each	12,500.00	8,500.00	8,500.00
	(March 31, 2021 - 850.00 lakhs; April 1, 2020 - 850.00 lakhs)	**12,500.00**	**8,500.00**	**8,500.00**
	Issued, subscribed, called-up and paid-up			
	931.47 lakhs equity shares of ₹10 each	9,314.70	8,214.70	8,214.70
	(March 31, 2021 - 821.47 lakhs; April 1, 2020 - 821.47 lakhs)	**9,314.70**	**8,214.70**	**8,214.70**

F R G & COMPANY Reg. No. 23258N CHARTERED ACCOUNTANTS

INDEL MONEY LIMITED

Particulars	As at March 31, 2022	As at March 31, 2021	As at April 1, 2020
	₹ in lakhs		

a) Reconciliation of number of shares

Equity shares	As at March 31, 2022		As at March 31, 2021	
	No. of shares (in lakhs)	₹ in lakhs	No. of shares (in lakhs)	₹ in lakhs
Balance at the beginning of the year	821.47	8,214.70	821.47	8,214.70
Add: Issue during the year	110.00	1,100.00	-	-
Less: Buyback during the year	-	-	-	-
Balance at the end of the year	**931.47**	**9,314.70**	**821.47**	**8,214.70**

Equity shares	As at April 1, 2020	
	No. of shares (in lakhs)	₹ in lakhs
Balance at the beginning of the year	821.47	8,214.70
Add: Issue during the year	-	-
Less: Buyback during the year	-	-
Balance at the end of the year	**821.47**	**8,214.70**

(b) Rights, preferences and restrictions attached to shares

The company has one class of equity shares having a par value of ₹10 per share. Each shareholder is eligible for one vote per share held. The dividend, if any, proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

(c) Shares held by the holding company

Particulars	March 31, 2022	March 31, 2021	April 1, 2020
Indel Corporation Private Limited			
- Number of shares (in lakhs)	931.47	821.47	821.47
- Percentage of holding	100.00%	100.00%	100.00%

(d) Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company

Particulars	March 31, 2022	March 31, 2021	April 1, 2020
Indel Corporation Private Limited			
- Number of shares (in lakhs)	931.47	821.47	821.47
- Percentage of holding	100.00%	100.00%	100.00%

(e) Shares held by the Promoters

Particulars	March 31, 2022	March 31, 2021	April 1, 2020
Indel Corporation Private Limited			
- Number of shares (in lakhs)	931.47	821.47	821.47
- Percentage of holding	100.00%	100.00%	100.00%

FRG & COMPANY Reg. No. 23258N CHARTERED ACCOUNTANTS

INDEL MONEY LIMITED

INDEL MONEY LIMITED
NOTES FORMING PART OF FINANCIAL STATEMENTS: 2021-22

	Particulars	As at March 31, 2022	As at March 31, 2021	As at April 1, 2020
		₹ in lakhs		
25	**Other equity**			
	a) Reserve fund			
	Balance at the beginning of the year	15.06	15.06	15.06
	Additions to / (transfers made) during the year	-	-	-
	Balance at the end of the year	**15.06**	**15.06**	**15.06**
	b) Impairment reserve			
	Balance at the beginning of the year	68.95	64.24	-
	Transition adjustments	-	-	64.24
	Additions to / (transfers made) during the year	120.81	4.71	-
	Balance at the end of the year	**189.76**	**68.95**	**64.24**
	c) Retained Earnings			
	Balance at the beginning of the year	462.69	(410.92)	(392.18)
	Transition adjustments	0.00	-	(18.74)
	Net profit/ (loss) for the year	211.23	874.76	-
	Remeasurement gain/ (loss) on defined benefit plan	(24.99)	3.56	
	Additions to / (transfers made) during the year	(120.81)	(4.71)	-
	Balance at the end of the year	**528.12**	**462.69**	**(410.92)**
	d) Other Comprehensive Income			
	Balance at the beginning of the year	3.56	-	-
	Transition adjustments	-	-	-
	Remeasurement gain/ (loss) on defined benefit plan	(24.99)	3.56	-
	Balance at the end of the year	**(21.43)**	**3.56**	**-**
	Total (a) + (b) + (c)	**732.94**	**546.70**	**(331.62)**

Description of the nature and purpose of Other Equity

(a) Reserve Fund

Reserve fund represents reserve fund created pursuant to Section 45-IC of the RBI Act, 1934 through transfer of specified percentage of net profit every year before any dividend is declared.

The reserve fund can be utilized only for limited purposes as specified by RBI from time to time and every such utilization shall be reported to the RBI within specified period of time from the date of such utilization.

(b) Impairment reserve

The impairment reserve is created when the impairment allowance under Ind AS 109 is lower than the 'provisioning required under income recognition and asset classification norms. The difference between these will be appropriated to the impairment reserve from the net profit or loss after tax. This will not reckoned for the purpose of regulatory capital and no withdrawal is permitted withou any prior approval from RBI

F R G & COMPANY Reg. No. 23258N CHARTERED ACCOUNTANTS

INDEL MONEY LIMITED

Particulars	As at		
	March 31, 2022	March 31, 2021	April 1, 2020
	₹ in lakhs		

(c) Retained earnings

Retained earnings or accumulated surplus represents total of all profits retained since Company's inception.

Retained earnings are credited with current year profits, reduced by losses, if any, dividend payouts, transfers to General reserve or any such other appropriations to specific reserves.

FRG & COMPANY Reg. No. 23258N CHARTERED ACCOUNTANTS

INDEL MONEY LIMITED

INDEL MONEY LIMITED
NOTES FORMING PART OF FINANCIAL STATEMENTS: 2021-22

	Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
		₹ in lakhs	
26	**Interest income**		
	On financial instruments measured at amortised cost		
	a) Interest on loans and advances	12,174.44	9,396.98
	b) Interest income from investments		-
	c) Interest income from term deposits from banks	56.79	27.57
	d) Other interest income	-	8.35
		12,231.23	**9,432.90**
	Note: There are no assets measured at FVTOCI/ FVTPL		
27	**Fees and commission income**		
	a) Service charges and other fees on loan transactions	34.08	17.27
	b) Collection fee related to transferred assets under securitisation transactions	5.00	5.25
		39.08	**22.52**
28	**Other income**		
	a) Other income	30.13	11.00
		30.13	**11.00**
29	**Finance costs**		
	On financial liabilities measured at amortised cost		
	a) Interest on borrowings	2,692.35	2,329.70
	b) Interest on debts securities	1,398.10	515.36
	c) Interest on subordinated liabilities	2,313.69	1,601.97
	d) Interest on lease liabilities	301.07	269.78
	e) Other borrowing costs	-	-
		6,705.21	**4,716.81**
30	**Impairment of financial instruments**		
	On financial instruments measured at amortised cost		
	a) Baddebts written off	54.90	28.63
	b) Loans	71.42	16.85
		126.32	**45.48**
31	**Employee benefit expenses**		
	a) Salaries and wages	2,173.03	1,473.27
	b) Contribution to provident fund and other funds	125.90	87.48
	c) Staff welfare expenses	477.19	234.03
		2,776.12	**1,794.78**

F R G & COMPANY Reg. No. 23258N CHARTERED ACCOUNTANTS

INDEL MONEY LIMITED

INDEL MONEY LIMITED
NOTES FORMING PART OF FINANCIAL STATEMENTS: 2021-22

	Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
		₹ in lakhs	
32	**Depreciation, amortisation and impairment**		
	a) Depreciation on property, plant and equipment	269.10	218.87
	b) Amortisation on intangible assets	24.19	17.06
	c) Depreciation on right-of-use assets	510.65	424.44
		803.94	**660.37**
33	**Other expenses**		
	Advertisement	212.17	142.82
	Audit fees	5.84	3.69
	Annual maintenance charges	26.67	25.63
	Business promotion expenses	138.19	182.92
	Insurance charges	45.01	41.78
	Legal and professional charges	211.55	165.75
	Membership and subscriptions	20.00	8.96
	Miscellaneous expenses	7.02	35.20
	Postage and courier	29.71	10.09
	Transportation expenses	0.05	2.14
	Office maintenance expenses	46.98	47.26
	Electricity charges	55.31	42.90
	Printing and stationery	66.56	32.87
	Rates and taxes	76.52	46.60
	Directors' sitting fee	16.50	14.00
	Directors remuneration	24.00	24.00
	Repairs and maintenance	69.41	74.16
	Communication expenses	72.59	57.99
	Travelling and conveyance	195.75	112.06
	Rent	57.85	-
	Vehicle expenses	3.90	11.54
	Prior period expense	8.70	-
	Loss on sale of property, plant and equipment	1.02	12.26
		1,391.30	**1,094.62**
34	**Earnings per share**		
	Profit/ (loss) for the year (₹ in lakhs)	211.23	874.76
	Weighted average number of equity shares outstanding (in lakhs)	821.47	821.47
	Basic and diluted earnings per share (₹)	0.26	1.06
	Face value per equity share (₹)	10.00	10.00

F R G & COMPANY Reg. No. 23258N CHARTERED ACCOUNTANTS

INDEL MONEY LIMITED

INDEL MONEY LIMITED
NOTES FORMING PART OF FINANCIAL STATEMENTS: 2021-22

35 **Payment to Auditors**

₹ in lakhs

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
For Statutory Audit (inclusive of taxes)	4.00	2.94
For Tax Audit	0.50	0.50
GST	0.81	0.62
Total	**5.31**	**4.06**

36 **Contingent liablities and contingent Assets**

Particulars	As at March 31, 2022	As at March 31, 2021	As at April 1, 2020
a) Claims against the Company not acknowledged as debt	-	-	-
b) Guarantees- Counter guarantees provided to Banks	-	-	-
c) Other money for which the company is contingently liable	-	-	-
Total	-	-	-

37 **Operating segments**

Primary segment

Operating segments are defined as components of an enterprise for which discrete financial information is available that is revaluated regularly by the chief operating decision maker, in deciding how to allocate resources and assessing performance. The Company has only one reportable business segment "Financial services".

Secondary segment (by geography)

The Company's economic environment is similar and it is having operations in India only. Therefore, the Company has only one reportable geographical segment. There are no operations outside India and hence there is no external revenue or assets which require disclosure.
No revenue from transactions with a single external customer amounted to 10% or more of the Company's total revenue in year ended March 31, 2022 (previous year - nil)

38 **Employee Benefits**

In accordance with Ind AS - 19 Employee Benefits, specified under Section 133 of the Companies Act, 2013 the following disclosures are made:

The Company recognised ₹125.9 lakhs (2020-21: ₹87.48 lakhs) for Provident Fund contributions in the Statement of Profit and Loss. The contributions payable to these plans by the Company are at rates specified in the rules of the schemes.

Defined Benefit Plans

The Company has an unfunded gratuity plan for qualifying employees. The benefit payable is calculated as per the Payment of Gratuity Act, 1972. The benefit vests upon completion of five years of continuous service and once vested, it is payable to employees on retirement or on termination of employment. In case of death while in service, the gratuity is payable irrespective of vesting.

Actuarial gains and losses in respect of defined benefit plans are recognised in the financial statements through other comprehensive income.

Through its defined benefit plans the company is exposed to a number of risks, the most significant of which are detailed below:

Interest risk:
The plan liabilities are calculated using a discount rate set with references to government bond yields. Any decrease in interest rate will increase the plan liability.
Longevity risk
The present value of defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.
Salary risk
The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

The following table set out the unfunded status of the defined benefit schemes and the amount recognised in financial statements.

FRG & COMPANY Reg. No. 23258N CHARTERED ACCOUNTANTS

INDEL MONEY LIMITED

(a) Amount recognised in the Profit or loss for the period

(₹ in lakhs)

Particulars	For the year ended	
	March 31, 2022	March 31, 2021
Current service cost	30.02	16.09
Past service cost	-	-
Net interest on net defined benefit liability	3.23	2.57
Amount recognised in Profit or loss for the year	**33.25**	**18.66**

(b) Amount recognised in other comprehensive income

(₹ in lakhs)

Particulars	For the year ended	
	March 31, 2022	March 31, 2021
Remeasurement (gains)/ losses		
a) Actuarial (gains)/losses arising from changes in		
- Change in demographic assumptions		1.36
- Change in financial assumptions	13.57	(1.07)
- Experience adjustment	19.83	(5.04)
b) Return on plan asset excluding considered in net		
Amount recognised in other comprehensive	**33.40**	**(4.75)**

(c) Changes in present value of defined benefit obligation

(₹ in lakhs)

Particulars	For the year ended	
	March 31, 2022	March 31, 2021
Opening defined benefit obligation	55.25	45.84
Current service cost	30.02	16.09
Past service cost		-
Interest cost	3.23	2.57
Actuarial (gains)/losses	33.40	(4.75)
Benefits paid	(6.11)	(4.50)
Closing defined benefit obligation	**115.79**	**55.25**

(d) Net defined benefit liability/ (asset)

(₹ in lakhs)

Particulars	As at		
	March 31, 2022	March 31, 2021	April 1, 2020
Present value of defined benefit obligation	115.79	55.25	45.84
Fair value of plan assets	-	-	-
Net defined benefit liability/ (asset)	**115.79**	**55.25**	**45.84**
- Current	8.25	6.86	5.89
- Non-current	107.54	48.39	39.95

(e) The Principal actuarial assumptions used in determining gratuity liability is as follows.

Particulars	March 31, 2022	March 31, 2021
Discount rate	5.85%	5.85%
Salary increase	8.00%	8.00%
Attrition rates (based on age)		
- Upto 30 years	38.00%	38.00%
- 31- 44 years	15.00%	15.00%
- Above 44 years	7.00%	7.00%
Mortality Rate	IALM 2012-14	IALM 2012-14

FRG & COMPANY * CHARTERED ACCOUNTANTS * Reg. No. 23258N

INDEL MONEY LIMITED

Sensitivity analysis

Gratuity is a lump sum plan and the cost of providing these benefits is typically less sensitive to small changes in demographic assumptions. The key actuarial assumptions to which the benefit obligation results are particularly sensitive to are discount rate, future salary escalation rate and attrition rate. The following tables summarizes the impact on the reported defined benefit obligation at the end of the reporting period arising on account of an increase or decrease in the reported assumption by 100 basis points. These sensitivities have been calculated to show the movement in defined benefit obligation in isolation and assuming there are no other changes in market conditions at the accounting date. There have been no changes from the previous periods in the methods and assumptions used in preparing the sensitivity analysis.

(₹ in lakhs)

Particulars	March 31, 2022	March 31, 2021
Discount rate		
- 100 bps increase	105.82	(50.93)
- 100 bps decrease	127.44	60.26
Salary growth rate		
- 100 bps increase	126.58	60.10
- 100 bps decrease	106.13	(50.98)

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligations as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumption may be correlated.

The weighted average duration of the defined benefit obligation is estimated as 14.54 years (previous year – 15.05 years).

The payout pattern of defined benefit obligation (undiscounted) estimated as at year-end is given below:

Particulars	March 31, 2022	March 31, 2021
Expected cashflow due		
- within 1 year	8.25	6.86
- 2 to 5 years	44.08	21.18
- 6 to 10 years	47.39	20.99
- More than 10 years	141.14	51.77

39 **Capital management**

The Reserve Bank of India vide its circular reference RBI/2019-20/170 DOR (NBFC).CC.PD.No.109/22.10.106/2019-20 dated 13 March 2020 outlined the regulatory guidance in relation to Ind AS financial statements from financial year 2019-20 onwards. This included guidance for computation of 'owned funds' , 'net owned funds' and 'regulatory capital'. Accordingly, effective from the current financial year, the 'regulatory capital' has been computed in accordance with these requirements read with the requirements of the Master Direction DNBR. PD.008/03.10.119/2016-17 dated September 01, 2016 (as amended).

The Company's capital management strategy is to effectively determine, raise and deploy capital so as to create value for its shareholders. The same is

done through a mix of either equity and/or convertible and/or combination of short term /long term debt as may be appropriate.

The company determines the amount of capital required on the basis of operations, capital expenditure and strategic investment plans. The capital structure is monitored on the basis of net debt to equity and maturity profile of overall debt portfolio.

The Company is subject to the capital adequacy requirements of the Reserve Bank of India (RBI). Under RBI's capital adequacy guidelines, the Company is required to maintain a capital adequacy ratio consisting of Tier I and Tier II Capital. The total of Tier II Capital at any point of time, shall not exceed 100 percent of Tier I Capital. The minimum capital ratio as prescribed by RBI guidelines and applicable to the Company, consisting of Tier I and Tier II capital, shall not be less than 15 percent of its aggregate risk weighted assets on-balance sheet and of risk adjusted value of off-balance sheet.

The Company has complied with all regulatory requirements related capital and capital adequacy ratios as prescribed by RBI

Regulatory capital and analytical ratios ₹ in lakhs

Particulars	March 31, 2022	March 31, 2021
Tier I capital	10,047.64	8,761.40
Tier II capital (limited to Tier I capital)	5,023.82	4,380.70
Total regulatory capital	15,071.46	13,142.10
Aggregate of Risk weighted assets	63,454.01	48,295.64
Tier I capital ratio	15.83%	18.14%
Tier II capital ratio	7.92%	9.07%
Capital to risk-weighted assets ratio	23.75%	27.21%
Liquidity coverage ratio		

FRG & COMPANY Reg. No. 23258N CHARTERED ACCOUNTANTS

INDEL MONEY LIMITED

"Tier I Capital" means owned fund as reduced by investment in shares of other non-banking financial companies and in shares, debentures, bonds, outstanding loans and advances including hire purchase and lease finance made to and deposits with subsidiaries and companies in the same group exceeding, in aggregate, ten per cent of the owned fund.

"Owned fund" means paid up equity capital, preference shares which are compulsorily convertible into equity, free reserves, balance in share premium account and capital reserves representing surplus arising out of sale proceeds of asset, excluding reserves created by revaluation of asset, as reduced by accumulated loss balance, book value of intangible assets and deferred revenue expenditure, if any.

"Tier II capital" includes the following -
(a) preference shares other than those which are compulsorily convertible into equity
(b) revaluation reserves at discounted rate of fifty five percent
(c) General provisions (including that for Standard Assets) and loss reserves to the extent these are not attributable to actual diminution in value or identifiable potential loss in any specific asset and are available to meet unexpected losses, to the extent of one and one fourth percent of risk weighted assets. 12 month expected credit loss (ECL) allowances for financial instruments i.e. where the credit risk has not increased significantly since initial recognition, shall be included under general provisions and loss reserves in Tier II capital within the limits specified by extant regulations. Lifetime ECL shall not be reckoned for regulatory capital (numerator) while it shall be reduced from the risk weighted assets
(d) hybrid debt capital instruments; and
(e) subordinated debt to the extend aggregate does not exceed Tier I capital.

Aggregate Risk Weighted Assets -
Under RBI Guidelines, degrees of credit risk expressed as percentage weightages have been assigned to each of the on-balance sheet assets and off-balance sheet assets. Hence, the value of each of the on-balance sheet assets and off- balance sheet assets requires to be multiplied by the relevant risk weights to arrive at risk adjusted value of assets. The aggregate shall be taken into account for reckoning the minimum capital ratio.

40 Leases

I) Company as a Lessee

As a lessee, the Company's lease asset class primarily consist of buildings or part thereof taken on lease for office premises used for operating activities.

For transition, the Company has elected not to apply the requirements of Ind AS 116 to leases which are expiring within 12 months from the date of transition by class of asset and leases for which the underlying asset is of low value on a lease-by-lease basis. The Company has also used the practical expedient provided by the standard when applying Ind AS 116 to leases previously classified as operating leases under AS 19 and therefore, has not reassessed whether a contract, is or contains a lease, at the date of initial application, relied on its assessment of whether leases are onerous, applying Ind AS 37 immediately before the date of initial application as an alternative to performing an impairment review, excluded initial direct costs from measuring the right-of-use asset at the date of initial application and used hindsight when determining the lease term if the contract contains options to extend or terminate the lease. The Company has used a single discount rate to a portfolio of leases with similar characteristics.

The weighted average incremental borrowing rate of 9.45% has been applied to lease liabilities recognized in the balance sheet at the date of initial application.

On application of Ind AS 116, the nature of expenses has changed from lease rent in previous periods to depreciation cost for the right-of-use asset, and finance cost for interest accrued on lease liability.

The Company has followed modified retrospective approach for transition to Ind AS 116 wherein the Company had computed the Right of use asset at transition date at an amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments relating to the lease immediately prior the date of transition to Ind AS. Accordingly, as a transition adjustment, the Company had recognized right of use asset of ₹2491.45 lakhs (after prepayment adjustment) and lease liability of ₹2346.55 lakhs.

Expense relating to leases on which short-term lease exemption was availed is ₹ 57.85(previous year: ₹Nil). The expense relating to leases of low-value assets during the year ended March 31, 2021, is Nil (previous year Nil)

None of the lease contains any variable lease payments or taken under sale and leaseback arrangements.

FRG & COMPANY Reg. No. 23258N CHARTERED ACCOUNTANTS

INDEL MONEY LIMITED

INDEL MONEY LIMITED
NOTES FORMING PART OF FINANCIAL STATEMENTS: 2021-22

Movement in lease liabilities

₹ in lakhs

Particulars	March 31, 2022	March 31, 2021
Opening balance	3,105.40	2,346.55
Add: Additions during the year	671.50	943.12
Add: Finance cost	301.08	235.32
Less: Repayment made during the period	(598.00)	(419.59)
Less: Termination/ modification adjustments	-	-
Closing balance	**3,479.98**	**3,105.40**

Maturity analysis of lease liabilities (undiscounted values)

₹ in lakhs

Particulars	March 31, 2022	March 31, 2021
Upto 1 year	678.75	571.46
1 year - 5 years	2,636.02	2,334.75
More than 5 years	1,621.84	1,489.03
Total	**4,936.61**	**4,395.24**

41 **Debenture Redemption Reserve**

Pursuant to Regulation 16 of the SEBI Debt Regulations and Section 71(4) of the Companies Act, 2013 states that where debentures are issued by any company, the company shall create a debenture redemption reserve out of the profits of the company available for payment of dividend. Rule 18(7) of the Companies (Share Capital and Debentures) Rules, 2014, as amended by Companies (Share Capital and Debentures) Amendment Rules, 2019, listed NBFC is not required to create a DRR in case of public issue of debentures. The rules further mandate that the company which is coming with a Public Issue shall deposit or invest, as the case may be, before the 30th day of April of each year a sum which shall not be less than 15% of the amount of its debentures maturing during the year ending on the 31st day of March of the next year in any one or more prescribed methods.

Accordingly, your Company is not required to create a DRR for the Public NCDs. The Company maintained liquid assets amounting to Rs. 87.78 lakhs in the form of Deposits with Scheduled Banks, which represents 15% of amount of its public issue of debentures maturing during the financial year 2022-23.

42 **Fraud**

During the FY 2021-22 there were instances of fraud on the Company by employees where gold loan related misappropriations have occurred amounting to Rs.94.65 lacs ((Previous Year Rs.NIL) of which the Company has recovered Rs 1.98 lacs during the year itself).

43 **Pending Litigations**

The Company's pending litigations comprise of claims by the Company on the customers to recover its dues. The Company has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed the contingent liabilities where applicable, in its financial statements. The Company does not expect the outcome of these proceedings to have a material adverse effect on its financial statements of the Company as at March 31, 2022 (previous year - nil)

44 **Financial risk management framework**

In the course of its business, the Company is exposed to certain financial risks namely credit risk, interest risk, currency risk & liquidity risk. The Company's primary focus is to achieve better predictability of financial markets and seek to minimize potential adverse effects on its financial performance.

The financial risks are managed in accordance with the Company's risk management policy which has been approved by its Board of Directors.

Board of Directors of the Company have established Asset and Liability Management Committee (ALCO), which is responsible for developing and monitoring risk management policies for its business. The credit risk is managed through credit norms established based on historical experience.

44.1 ***Market risk***

Market the risk that the fair value or future cash flows of financial instruments will fluctuate due to changes in market variables such as interest rates, foreign exchange rates, etc. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while maximizing the return.

a) Pricing risk

The Company does not have any asset which is exposed to the pricing risk

b) Currency risk

The Company does not have any asset which is exposed to the currency risk since the Company does not deal in foreign currency

c) Interest rate risk

The company uses a mix of cash and borrowings to manage the liquidity & fund requirements of its day-to-day operations. Further, certain interest bearing liabilities carry variable interest rates

INDEL MONEY LIMITED

F R G & COMPANY Reg. No. 23258N CHARTERED ACCOUNTANTS

INDEL MONEY LIMITED
NOTES FORMING PART OF FINANCIAL STATEMENTS: 2021-22

44.2 ***Credit Risk Management***

Credit risk is the risk that the Company will incur a loss because its customers fail to discharge their contractual obligations. The Company has a comprehensive framework for monitoring credit quality of its retail and other loans primarily based on Days past due monitoring at period end. Repayment by individual customers and portfolio is tracked regularly and required steps for recovery are taken through follow ups and legal recourse.

Credit Quality of Financial Loans and Investments

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

₹ in lakhs

Particulars	March 31, 2022	March 31, 2021
Gross carrying amount of loans	52,367.29	39,806.77
No dues	-	-
30 days past due	323.61	183.57
31-90 days past due	1,586.48	353.08
Impaired (more than 90 days past due)	846.47	204.79

The Company reviews the credit quality of its loans based on the ageing of the loan at the period end. Since the company is into retail lending business, there is no significant credit risk of any individual customer that may impact company adversely, and hence the Company has calculated its ECL allowances on a collective basis.

Inputs considered in the ECL model

In assessing the impairment of financial loans under Expected Credit Loss (ECL) Model, the assets have been segmented into three stages. The three stages reflect the general pattern of credit deterioration of a financial instrument. The differences in accounting between stages, relate to the recognition of expected credit losses and the measurement of interest income.

The Company categorizes loan assets into stages primarily based on the Days Past Due status.

Stage 1 : 0-30 days past due

Stage 2 : 31-90 days past due

Stage 3 : More than 90 days past due

RBI COVID-19 Regulatory Package

In accordance with the Reserve Bank of India (RBI) notification no. RBI/2019-20/186 DOR.No.BP. BC.47/21.04.048/2019-20 dated 27th March, 2020, RBI/2019-20/220 DOR.No.BP.BC.63/21.04.048/2020-21 dated April 17, 2020 and Press Release: 2019-2020/2392 dated 22 May 2020 relating to 'COVID-19 - Regulatory Package', the Company, as per its Board approved policy and ICAI advisories, has granted moratorium upto six months on the payment of installments which became due between 01 March 2020 and 31 August 2020 to all eligible borrowers. This relaxation did not automatically trigger a significant increase in credit risk. The Company continued to recognize interest income during the moratorium period and in the absence of other credit risk indicators, the granting of a moratorium period did not result in accounts becoming past due and automatically triggering Stage 2 or Stage 3 classification criteria and accordingly, the staging of such accounts of borrowers as at 31 March 2021 is based on day past due status considering the benefit of moratorium period.

Impact of COVID-19

The COVID 19 pandemic had significantly increased the credit risk relating to the loans and advances from the historical loss expectations. The management had given due care and made forward looking estimates to ECL model so as to cover the additional risk due to the pandemic.

Estimations and assumptions considered in the ECL model

The Company has made the following assumptions in the ECL Model:

a) The Company is primarily engaged in the gold loan business and the average loan duration is less than 1 year also. Therefore, the Company does not made any segregation between 12 month ECL and life-time ECL while computing the ECL allowance.

b) Since the Company has no assets which are classified as NPA (more than 90 days past due), there is not asset under credit impaired category.

c) The Company had started business certain new geographical locations wherein the historical loss details are not available. The loss rates for similar geographical location is considered as a forward looking estimate.

Concentration of credit risk

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

In order to avoid excessive concentrations of risk, the Company's policies and procedures include specific guidelines to focus on spreading its lending portfolio across various products/states/customer base with a cap on maximum limit of exposure for an individual/Group. Accordingly, the Company does not have concentration risk.

Reg. No. 23258N

44.3 ***Liquidity risk***

Liquidity risk refers to the risk that the Company cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements.

The Company consistently generated sufficient cash flows from operations to meet its financial obligations as and when they fall due.
The Company has well defined Asset Liability Management (ALM) framework with an appropriate organisational structure to regularly monitor and manage maturity profiles of financial assets and financial liabilities including debt financing plans, cash and cash equivalent instruments to ensure liquidity.

Maturity pattern of financial liabilities

₹ in lakhs

Particulars	0-12 months	Beyond 12 months	Total
As at March 31, 2022			
(a) Payables	34.07	-	34.07
(b) Debt securities	11,138.69	4,810.71	15,949.40
(c) Borrowings (Other than Debt Securities)	10,940.20	14,358.36	25,298.56
(d) Lease liabilities (at undiscounted values)	678.75	4,257.86	4,936.61
(e) Deposits	-	-	-
(f) Subordinated Liabilities	2,752.35	16,268.35	19,020.70
(g) Other financial liabilities	1,848.07	1,282.89	3,130.96
	27,392.13	**40,978.17**	**68,370.30**
As at March 31, 2021			
(a) Payables	38.42	-	38.42
(b) Debt securities	3,870.86	1,295.65	5,166.51
(c) Borrowings (Other than Debt Securities)	9,996.69	6,212.24	16,208.93
(d) Lease liabilities (at undiscounted values)	571.46	3,823.78	4,395.24
(e) Deposits	-	-	-
(f) Subordinated Liabilities	1,551.80	13,206.25	14,758.05
(g) Other financial liabilities	1,219.09	683.18	1,902.27
	17,248.32	**25,221.10**	**42,469.42**

45 **Financial instruments**

The significant accounting policies, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognized, in respect of each class of financial asset, financial liability and equity instrument are disclosed in Note #2 to the financial statements.

45.1 ***Classification of financial assets and liabilities***

The fair values of the financial assets / liabilities represent the price that would be received to sell the financial asset or paid to transfer the financial liability in an orderly transaction between market participants at the measurement date.

The following methods and assumptions were used to estimate the fair values:
1. Fair value of trade receivables, cash, loans, other financial assets, trade payables and other financial liabilities, approximate their carrying amounts largely due to short term maturities of these instruments.
2. Financial instruments with fixed and variable interest rates are evaluated by the Company based on parameters such as interest rates and individual credit worthiness of the counterparty. Based on this evaluation, allowances are taken to account for expected losses of these financial assets. Accordingly, fair value of such instruments is not materially different from their carrying amounts.

The fair values of security deposits were calculated based on cash flows discounted using current lending rate. The fair values are classified as Level 3 in the fair value hierarchy due to the inclusion of unobservable inputs including counter party credit risk.

The Company does not have any financial instruments which are held for trading and no financial instruments are required to be accounted using fair value through profit or loss. Further, the Company has no instruments which are accounted for using hedge accounting model as specified under Ind AS 109 Financial Instruments.

₹ in lakhs

Particulars	Non-current	Current	Total
As at March 31, 2022			
Financial assets at amortised cost			
(a) Cash and cash equivalents	-	7,880.15	7,880.15
(b) Bank balances other than cash and cash equivalents	1,006.12		1,006.12
(c) Receivables	-	5,532.80	5,532.80
(d) Loans	4,474.78	[illegible]	52,367.29
(f) Investments	12.00		12.00
(g) Other financial assets	820.28	100.89	921.17

	6,313.18	**61,406.35**	**67,719.53**
Financial liabilities at amortised cost			
(a) Payables	-	34.07	34.07
(b) Debt securities	4,810.71	11,138.69	15,949.40
(c) Borrowings (Other than Debt Securities)	14,358.36	10,940.20	25,298.56
(d) Deposits	-	-	-
(e) Subordinated Liabilities	16,268.35	2,752.35	19,020.70
(f) Other financial liabilities	1,282.89	1,848.07	3,130.96
	36,720.31	**26,713.38**	**63,433.69**
As at March 31, 2021			
Financial assets at amortised cost			
(a) Cash and cash equivalents	-	719.58	719.58
(b) Bank balances other than cash and cash equivalents	649.24	-	649.24
(c) Receivables	-	4,039.68	4,039.68
(d) Loans	3,214.49	36,592.28	39,806.77
(f) Investments	12.00	-	12.00
(g) Other financial assets	389.88	32.52	422.40
	4,265.61	**41,384.06**	**45,649.67**
Financial liabilities at amortised cost			
(a) Payables	-	38.42	38.42
(b) Debt securities	1,295.65	3,870.86	5,166.51
(c) Borrowings (Other than Debt Securities)	9,177.88	10,315.00	19,492.88
(d) Deposits	-	-	-
(e) Subordinated Liabilities	13,206.25	1,551.80	14,758.05
(f) Other financial liabilities	683.18	1,219.09	1,902.27
	24,362.96	**16,995.17**	**41,358.13**

45.2 ***Fair value hierarchy***

The fair value hierarchy is based on inputs to valuation techniques that are used to measure fair value that are either observable or unobservable and consists of the following three levels:

- Level 1 - Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 - Inputs are other than quoted prices included within Level 1 that are observable for the asset or liability, directly (i.e., as prices) or indirectly (i.e., derived from prices).

F R G & COMPANY ★ Reg. No. 23258N ★ CHARTERED ACCOUNTANTS

INDEL MONEY LIMITED ★

- Level 3 - Inputs are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

The fair value of loan assets has been arrived at by using level 3 inputs at initial recognition and subsequently measured using amortized cost model. There are no financial instruments which are carried at fair value as at the Balance Sheet date.

46 Additional disclosures required under Schedule III

46.1 *Loans and advances to promoters, KMPs, Directors and related parties*

Details of loans to promoters, KMPs, Directors and other related parties during the period are as follows:

Type of borrower	As at March 31, 2022		As at March 31, 2021	
	Amount outstanding	% of total	Amount outstanding	% of total
Repayment terms are fixed				
a) Promoters	-		-	
b) Directors	-		-	
c) KMPs	-		-	
d) Related parties	-		514.00	100.00%
Repayable on demand				
a) Promoters	-	-	-	-
b) Directors	-	-	-	-
c) KMPs	-	-	-	-
d) Related parties	-	-	-	-
without specifying any terms or period of repayment				
a) Promoters	-	-	-	-
b) Directors	-	-	-	-
c) KMPs	-	-	-	-
d) Related parties	-	-	-	-

46.2 *Transactions related to Crypo-currency*

The company has not traded or invested in Crypto currency or Virtual Currency during the period (previous year - Nil)

46.3 *Fund received from other persons/ entities for lending/ investing/ providing guarantee*

The company has not received any funds from any person/entities, for the purpose of directly or indirectly lending/investing/providing guarantee/security to another person/entity, by or on behalf of the person/entity from whom such amount is received during the period in contravention of the Act or RBI guidelines.

The company has not advanced/loaned/invested funds to any person/entity for the purpose of directly or indirectly lending/ investing/ providing guarantee/ security to a third person/entity, by or on behalf of the company in contravention of the Act.

46.4 *Utilisation of borrowings*

The Company had utilised the borrowings availed during the period for the purposes specified.

46.5 *Periodical reports submitted to bank on current assets*

The Company has taken loans from banks/ Financial Institutions (FI) on the basis of security of assets like loans receivable.

The periodic returns or statements of current assets filed by the Company with banks or financial institutions are in agreement with the books of accounts.

46.6 *Disclosure pursuant to section 186 of the Companies Act, 2013*

The Company has not given any loans/ advances/ guarantees to any related person/ entities in contravention of section 186 of the Companies Act, 2013.

46.7 *Details of Corporate guarantees given by the Company*

The Company has not given any corporate guarantee in respect of any loan during the period

46.8 *Revaluation of assets*

The Company has not revalued its Property, Plant and Equipment (including Right-of-Use Assets)/ Intangible Assets during the period (previous year - Nil)

46.9 *Property under the Benami Transactions (Prohibition) Act, 1988*

The company is not holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988)

F R G & COMPANY Reg. No. 23258N CHARTERED ACCOUNTANTS

INDEL MONEY LIMITED

46.10 *Willful defaulter*
The company is not wilful defaulters under guidelines on wilful defaulters issued by the Reserve Bank of India.

46.11 *Relationship with struck of companies*
The company has no relationship and transactions with struck off companies

46.12 *Delay in registration of charges*
The company has not made any delay in registration of Charges during the period.

46.13 *Layers of investment*
The company has complied with the number of layers prescribed under section 2(87) of the companies Act 2013

46.14 *Compromises and Arrangements*
The company has not entered in scheme of arrangement under section 230 to 237 of Companies Act 2013 during the period.

46.15 *Transactions not recorded in the books disclosed under income tax*
There are no transactions not recorded in the books of accounts, which are disclosed during the Income tax assessment/search/survey.

F R G & COMPANY * Reg. No. 23258N * CHARTERED ACCOUNTANTS

INDEL MONEY LIMITED *

INDEL MONEY LIMITED
NOTES FORMING PART OF FINANCIAL STATEMENTS: 2021-22

47 RELATED PARTY DISCLOSURE

A Enterprise where control exists

Related Parties	**Name of related parties**
Holding Company :	Indel Corporation Private Limited
B **Subsidiary Company**	Indel Money Fin-Tech Private Limited
C **Fellow Subsidiary Company:**	Indel Automotives Private Limited M Star Hotels Private Limited
D **Individual and relatives of Individual**	Mr.Gopalakrishna Mohanan, Managing Director Mr.Umesh Mohanan, Director Mr. Salil Venu, Director Mrs. Kavitha Menon, Director Mrs. Usha Devi Mohanan
E **Partnership Firm in which Director is a partner**	Mind Story
F **Companies/Firm in which Individual and relatives of Individual exercise control/significant influence**	M Star Satelite Communications Private Limited M Star Hotel Heritage Private Limited Wind flower Consultancy

Disclosure of transactions between the Company and related parties and outstanding balance as at the year

A **Transaction with Holding Company**

(i)

Indel Corporation Private Limited	**As at**	
	March 31,2022	**March 31,2021**
Opening Balance	112.47	157.43
Expenses incurred	10.71	9.42
Empenses reimbursed	(9.50)	(9.88)
Rental/Maintenance Expenses	60.44	49.14
Rental/Maintenance Expenses paid	(61.90)	(49.14)
Rent Deposit	385.00	110.00
Advance Paid	1,733.48	760.50
Advance returned	(1,672.80)	(915.00)
Amount Due from/(to) related party	**557.90**	**112.47**

B **Subsidiary Company**

(i)

Indel Money Fin-Tech Private Limited	**As at**	
	March 31,2022	**March 31,2021**
Opening Balance	12.26	11.84
Advances given	0.49	0.43
Amount Due from/(to) related party	**12.76**	**12.26**

C **Fellow subsidary company:**

(i)

Indel Automotives Private Limited	**As at**	
	March 31,2022	**March 31,2021**
Opening Balance	331.42	325.35
TDS receivable	-	10.16
Interest Accrued	15.32	56.67
Loan repayment	(320.00)	-
Interest received	(16.59)	(60.76)
Amount Due from/(to) related party	**10.16**	**331.42**

(ii)

M Star Hotels Private Limited	**As at**	
	March 31,2022	**March 31,2021**
Opening Balance	1.02	-
TDS receivable	-	1.02
Amount Due from/(to) related party	1.02	1.02

INDEL MONEY LIMITED
NOTES FORMING PART OF FINANCIAL STATEMENTS: 2021-22

D Transactions with Individual exercise control over the company

(i)

Mohananan Gopalakrishnan	As at March 31,2022	As at March 31,2021
Opening Balance	(0.46)	(0.34)
Interest on Bond accrued	(3.12)	(3.26)
Interest paid	2.96	3.14
Directors Remuneration paid	12.00	12.00
Amount Due from/(to) related party	**(0.62)**	**(0.46)**

(ii)

Umesh Mohanan	As at March 31,2022	As at March 31,2021
Opening Balance	(0.35)	1.82
Salary paid	120.00	30.00
Expenses reimbursed	(18.33)	(1.82)
Interest on Bond accrued	(3.80)	(2.77)
Interest paid	2.70	2.42
Advance Paid	119.00	150.00
Amount Received	(94.91)	(150.00)
Amount Due from/(to) related party	**22.65**	**(0.35)**

(iii)

Salil Venu	As at March 31,2022	As at March 31,2020
Directors Remuneration paid	9.00	9.00
Amount Due from/(to) related party	-	-

(iv)

Kavitha Menon	As at March 31,2022	As at March 31,2020
Directors Remuneration paid	3.00	3.00
Amount Due from/(to) related party	-	-

(v)

Usha Devi Mohanan	As at March 31,2022	As at March 31,2020
Opening Balance	(12.89)	(8.52)
Interest on Bond accrued	(5.65)	(4.91)
Interest paid	1.05	0.54
Amount Due from/(to) related party	**(17.49)**	**(12.89)**

E Partnership Firm in which Director is a partner

(i)

Mind Story	As at March 31,2022	As at March 31,2020
Opening Balance	3.14	-
Expenses incurred	16.52	13.51
Empenses reimbursed	(18.27)	(10.38)
Amount Due from/(to) related party	**1.39**	**3.14**

F Companies in which Individual and relatives of Individual exercise control/significant influence

(i)

M Star Satellite Communications Private Limited	As at March 31,2022	As at March 31,2020
Opening Balance	232.66	451.84
TDS Receivable	(7.59)	5.27
Interest accrued	30.12	48.16
Interest Received	(68.78)	(41.61)
Amount repaid	(194.00)	(231.00)
Amount Due from/(to) related party	**(7.59)**	**232.66**

F R G & COMPANY Reg. No. 23258... CHARTERED

INDEL MONEY LIMITED

(iii)

M Star Heritage Hotels Private Limited	As at	
	March 31,2022	March 31,2020
Opening balance	0.11	0.11
Amount	-	-
Amount Due from/(to) related party	**0.11**	**0.11**

(iv)

Wind Flower Consultancy	As at	
	March 31,2022	March 31,2020
Consultation Fee	39.92	39.92
Amount Due from/(to) related party	-	-

48 **Balance confirmations**

Balances of Loan from Financials Institutions -Term Loan are subject to confrimation and reconcilations.

49 **Regrouping of comparative period information**

The information relating to comparative periods have been regrouped /reclassified /restated to conform to the classification of the current year which are required in accordance with Ind AS.

F R G & COMPANY ★ Reg. No. 23258N ★ CHARTERED ACCOUNTANTS

INDEL MONEY LIMITED

50 **Disclosure required as per Reserve Bank of India Notification No. DNBS.CC.PD.No. 265/03.10.01/2011-12 dated March 21,2012**

Particulars	March 31, 2022	March 31, 2021
Loan granted against collateral of gold jewellery	42,275.76	30,988.37
Total Asset of the Company	73,679.37	50,223.54
Percentage of loans granted against collateral of gold jewellery to Total Assets	57.38%	61.70%

51 **(as required in terms of paragraph 13 of Non-Banking Financial (Non- Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank Directions,2007)**

Liability Side

₹ in lakhs

Particulars	March 31, 2022	March 31, 2021
1) Loans and Advances availed by the non- banking financial company inclusive of interest acrrued thereon but not paid		
a)Debentures: Secured	15,949.40	5,166.51
Subodinated Bonds :Unsecured	19,020.70	14,758.05
(other than falling with in the meaning of public deposits)	-	-
b) Deferred Credits	-	-
c) Term Loans	19,206.57	13,775.47
d) Inter -Corporate Loans and Borrowings	-	-
e) Commercial Paper	-	-
f) Other Loans (Cash Credit and lease liabilities)	6,091.99	5,717.41

Asset Side

₹ in lakhs

Particulars	March 31, 2022	March 31, 2021
2) Break -up of loans and advances including bill receivables (other than those included in (4) below):		
a) Secured	45,269.11	37,139.59
b) Unsecured	7,098.18	2,667.18
(3) Break-up of Leased Assets and stock on hire and other assets counting towards AFC activities:		
(i) Lease assets including lease rentals under sundry debtors:	-	-
(a) Financial lease	-	-
(b) Operating lease	-	-
(ii) Stock on hire including hire charges under sundry debtors	-	-
(a) Assets on hire	-	-
(b) Repossessed Assets	-	-
(iii) Other loans counting towards AFC activities	-	-
(a) Loans where assets have been repossessed	-	-
(b) Loans other than (a) above	-	-
(4) Break-up of Investments :		
Current Investments:		
1. Quoted:		
(i) Shares : (a) Equity	-	-
(b) Preference	-	-
(ii) Debentures and Bonds	-	-
(iii) Units of mutual funds	-	-
(iv) Government Securities	-	-
(v) Others (please specify)	-	-
2. Unquoted:	-	-
(i) Shares : (a) Equity	-	-
(b) Preference	-	-
(ii) Debentures and Bonds	-	-
(iii) Units of mutual funds	-	-
(iv) Government Securities	-	-
(v) Others (please specify)	-	-
Long Term investments:		
1. Quoted:		

F R G & COMPANY Reg. No. 23258N CHARTERED ACCOUNTANTS

INDEL MONEY LIMITED

(i) Shares : (a) Equity	-	-
(b) Preference	-	-
(ii) Debentures and Bonds	-	-
(iii) Units of mutual funds	-	-
(iv) Government Securities	-	-
(v) Others (please specify)	-	-
2. Unquoted:	-	-
(i) Shares : (a) Equity	12.00	12.00
(b) Preference	-	-
(ii) Debentures and Bonds	-	-
(iii) Units of mutual funds	-	-
(iv) Government Securities	-	-
(v) Others (Gold Ring & Gold audit kit)	0.95	0.95

5. Borrower Group Wise Classifaction of assets financial as in (2) and (3) above

₹ in lakhs

Category	Amount net of provisions		
	Secured	Unsecured	Total
1.Related Parties			-
(a) Subsidiaries	-	-	-
(b) Companies in the same group	514.00	-	514.00
(c)Other Related Parties	-	-	-
			-
2.Other than related parties (net of provisions)	36,625.59	2,667.18	39,292.77
Total	**37,139.59**	**2,667.18**	**39,806.77**

6. Investor group wise classification of all investments (Current and long term) in shares and securites (both quoted and unquoted)

Category	Market Value/Break up or Fair Value or NAV	Book Value (Net of Provisional)
1.Related Parties		
(a) Subsidiaries	12	1,00,000
(b) Companies in the same group	-	-
(c) Other Related Parties	-	-
2.Other than related parties	-	-
Total	12	1,00,000

7.Other Information

Particulars	Amount
(i) Gross Non- Performing Asset	
(a) Related Parties	-
(b) Other than Related Parties	-
(ii) Net Non -Performing Asset	
(a) Related Parties	-
(b) Other than Related Parties	-
(iii) Asset acquired in satisfaction of debt	-

EXPOSURES

₹ in lakhs

Exposure to Real Estate Sector	2021-22	2020-21
Category		
a) Direct Exposure	-	-
i) Residential Mortgages-		
that is or will be occupied by the borrower or that is rented; (indvidual housing loans upto	-	-

F.R.G & COMPANY Reg. No. 23258N CHARTERED ACCOUNTANTS

INDEL MONEY LIMITED

ii) Commercial Real Estate -		
Office buildings, retail space, multipurpose commercial premises,multi -famliy residential buildings multi-tenanted commercial premises, industrial;or warehouse space,hotels,		2,914
iii) Investments in Mortgage Backed securities (MBS) other securitised exposure		
a) Residential	-	-
b)Commercial Real Estate	-	-
b) Indirect Exposure		
Fund -Based and Non-Fund Basedexposures on National Housing Bank and (NHB)	-	-
and Housing Finance Companies (HFCs)	-	-

Notes on accounts form part of standalone financial statements
As per our report of even date attached
For FRG & Company
Chartered Accountants
(Registration No. 23258N)

Rajesh Tiwari
(Partner)
Membership No. 128959
Place : Kochi
Date : 30-May-2022

F R G & COMPANY
Reg. No. 23258N
CHARTERED ACCOUNTANTS

For and on behalf of the board
Indel Money Limited
(formerly known as "Indel Money Private Limited)

Mohanan Gopalakrishanan
Managing Director
DIN No.02456142

Umesh Mohanan
Director
DIN No. 02455902

Hanna P Nazir
Company Secretary
Membership No. A51727
Place : Kochi
Date : 30-May-2022

Narayanan Pisharath
Chief Financial Officer

INDEL MONEY LIMITED

F R G & COMPANY
CHARTERED ACCOUNTANTS

7th Floor, Wing B, Supreme Business Park,
Behind Lake Castle Building, Hiranandani
Gardens, Powai Mumbai 400 076.
Contact No.9004054208
e-mail: tiwarirajeshp@gmail.com

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF

INDEL MONEY LIMITED
(formerly known as Indel Money Private Limited),

Report on Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of **Indel Money Limited** (hereinafter referred to as "**the Holding Company**") and its subsidiary (the Holding Company and its subsidiary together referred to as "the Group"), comprising of Consolidated Balance Sheet as at 31st March, 2022, and the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year then ended, and notes to the consolidated financial statements, including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31 March 2022, of its consolidated loss and other comprehensive loss, consolidated changes in equity and consolidated cash flows for the year then ended.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the current year. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

F R G & COMPANY Reg. No. 23256N CHARTERED ACCOUNTANTS

Sr.No.	Key Audit Matter	Auditor's Response
1	**Expected Credit Loss under IND AS 109 "Financial Instruments"** The Company recognizes Expected Credit Losses (ECL) on loan assets under IND AS 109 "Financial Instruments" based on the Expected Credit Loss model developed by the Company. The estimation of expected credit loss on financial instruments involves significant judgement and estimates. Key estimates involve determining Exposure at Default (EAD), Probability at Default (PD) and Loss Given Default (LGD) using historical information. Hence, we have considered the estimation of ECL as a Key Audit Matter.	Assessed the accounting policy for impairment of financial assets and its compliance with IND AS 109. • Obtained an understanding of the Company's Expected Credit Loss (ECL) calculation and the underlying assumptions. • Tested the key controls over the assessment and identification of significant increase in credit risk and staging of assets. • Sample testing of the accuracy and appropriateness of information used in the estimation of Probability of Default (PD) and Loss Given Default (LGD). • Tested the arithmetical accuracy of the computation of PD and LGD and also performed analytical procedures to verify the reasonableness of the computation. • Assessed the disclosure made in relation to IND AS 109 for ECL allowance. Further, we also assessed whether the disclosure of key judgements and assumptions are adequate.
2	**IT Systems and Controls** The Company uses Information Technology (IT) application for financial accounts and reporting process. Any gap in the financial accounting and reporting process may result in a misstatement, hence we have identified IT systems and controls over financial reporting as a Key Audit Matter.	Understood the IT systems and controls over key financial accounting and reporting systems. • Tested the general IT controls for design and operating effectiveness. • Understood the changes made in the IT environment during the year and ascertained its effect on the financial statements controls and accounts. • We also assessed, through sample tests, the information generated from these systems which were relied upon for our audit.

Other Information

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

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

F R G & COMPANY
Reg. No.
23258N
CHARTERED ACCOUNTANTS

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

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

The Holding Company's management and Board of Directors are responsible for preparation and presentation of these consolidated financial statements in terms of requirements of the Act that give a true and fair view of the consolidated state of affairs, consolidated loss and consolidated cash flows of the Group 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 Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with provisions of the Act for safeguarding of assets of each company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective management and Board of Directors of the companies included in the Group 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 management 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 are responsible for overseeing the financial reporting process of each Company.

Auditor's Responsibilities for audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the 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 the 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 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

F R G & COMPANY
Reg. No. 23258N
CHARTERED ACCOUNTANTS

also responsible for expressing our opinion on the internal financial controls with reference to consolidated financial statements and the operating effectiveness of such controls based on our audit.

- Evaluate the appropriateness of accounting policies used and reasonableness of accounting estimates and related disclosures made by management.

- Conclude on appropriateness of management's use of the going concern basis of accounting in preparing 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 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 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 information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for direction, supervision and performance of the audit of financial information of such entities.

We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

We communicate with those charged with governance of the Holding Company and its subsidiary included in the consolidated financial statements 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 auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

As required by Section 143 (3) of the Act, based on our audit and on consideration of reports of the auditor on the separate financial statements and the other financial information of the subsidiary as noted in the 'Other Matters' paragraphs, we report, to the extent applicable, that:

F R G & COMPANY
Reg. No. 23258N
CHARTERED ACCOUNTANTS

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 relating to preparation of the consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the auditor;

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 on the basis of the reports of the statutory auditors of its subsidiary companies, none of the directors of the Group companies 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 adequacy of the internal financial controls over financial reporting of the concerned entities and the operating effectiveness of such controls, refer to our separate Report in 'Annexure A';

g) With respect to the matters to be included in the Audit Report under Section 197(16): In our opinion and according to the information and explanations given to us, during the current year, no remuneration has been paid by the Group to its directors; and

h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us and based on consideration of the reports of the auditor on the respective financial statements as also the other financial information of the said subsidiary, as noted in the foregoing 'Other Matters' paragraph-

   i. The consolidated financial statements disclose the impact of pending litigation on the consolidated financial position of the Group. (Refer Note 43 to the consolidated financial statements);

   ii. The Group did not have any material foreseeable losses on long-term contracts including derivative contracts;

   iii. There were no amounts which are required to be transferred to the Investor Education and Protection Fund by the Group.

   iv. (a) The respective Managements of the Holding and its subsidiary which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the auditor of such subsidiary respectively that, to the best of their knowledge and belief, as disclosed in the notes to the accounts, 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 Holding or any of such subsidiary to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary

F R G & COMPANY
Reg. No.
23258N
CHARTERED ACCOUNTANTS

shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding or any of such subsidiary ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(b) The respective Managements of the Holding and its subsidiary which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the auditor of such subsidiary respectively that, to the best of their knowledge and belief, as disclosed in the notes to accounts, no funds have been received by the Holding or any of such subsidiary from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding or any of such subsidiary shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

(c) On the basis of above representations, nothing has come to our notice that has caused us to believe that the above representations contained any material mis-statement.

v. The Group has not declared or paid any dividend during the year; and

vi. Pursuant to Ministry of Corporate Affairs notification dated 24.03.2021 read with notification dated 01.04.2021 requirement of reporting by the auditor on use of accounting software for maintaining its books of account with audit trail (edit log) facility is not applicable for the financial year 2021-2022.

For FRG & Company
Chartered Accountants
Firm Registration No: 023258N

CA. Rajesh Tiwari
Partner
Membership No: 128959
Date : 30th May, 2022
Place : Kochi
UDIN: 22128959ANYNFS9879

FRG & COMPANY
Reg. No. 23258N
CHARTERED ACCOUNTANTS

ANNEXURE 'A' TO INDEPENDENT AUDITOR'S REPORT

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

We have audited the internal financial controls over financial reporting of Indel Money Limited ('the Company') as of 31st March 2022 in conjunction with our audit of the consolidated financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring orderly and efficient conduct of its business, including adherence to Company's policies, safeguarding of its assets, prevention and detection of frauds and errors, accuracy and completeness of the accounting records, and timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

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

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

Meaning of Internal Financial Controls over Financial Reporting

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

F R G & COMPANY
Reg. No.
23258N
CHARTERED ACCOUNTANTS

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For FRG & Company
Chartered Accountants
Firm Registration No: 023258N

FRG & COMPANY
Reg. No. 23258N
CHARTERED ACCOUNTANTS

CA. Rajesh Tiwari
Partner
Membership No: 128959
Date : 30th May, 2022
Place : Kochi
UDIN: 22128959ANYNFS9879

INDEL MONEY LIMITED

(formerly known as "Indel Money Private Limited")

Office No.301, Floor No 3, Sai Arcade N.S Road, Mulund West, Mumbai - 400 080

Consolidated Balance Sheet

(₹ in lakhs)

	Note No.	As at March 31, 2022	As at March 31, 2021	As at April 1, 2020
ASSETS				
(1) Financial Assets				
(a) Cash and cash equivalents	5	7,880.18	719.58	628.64
(b) Bank balances other than cash and cash equivalents	6	1,006.12	649.24	-
(c) Receivables				
(i) Trade receivables	7(i)	-	-	-
(ii) Other receivables	7(ii)	5,532.80	4,039.68	1,654.20
(d) Loans	8	52,367.29	39,806.77	33,571.35
(f) Investments		-	-	-
(g) Other financial assets	9	908.41	410.14	440.96
(2) Non-financial Assets				
(a) Current tax assets (Net)	10	893.20	233.70	204.30
(b) Deferred Tax Asset (Net)	11	236.33	187.56	107.63
(c) Property, plant and equipment	12	852.82	653.47	697.65
(d) Right-of-use Asset	13	3,273.08	3,070.12	2,491.45
(f) Intangible assets	14	76.55	19.11	15.04
(g) Other non-financial assets	15	627.86	409.90	296.42
TOTAL ASSETS		73,654.64	50,199.28	40,107.65
LIABILITIES AND EQUITY				
LIABILITIES				
(1) Financial Liabilities				
(a) Payables				
(i) Trade payables	16(i)			
(i) Total outstanding dues of micro and small enterprises		-	-	-
(ii) Total outstanding dues of creditors other than micro and small enterprises		-	-	-
(ii) Other payables	16(ii)			
(i) Total outstanding dues of micro and small enterprises		-	-	-
(ii) Total outstanding dues of creditors other than micro and small enterprises		34.37	38.72	16.57
(b) Debt securities	17	15,949.40	5,166.51	3,782.45
(c) Borrowings (Other than Debt Securities)	18	25,298.56	19,492.88	17,216.60
(d) Deposits		-	-	-
(e) Subordinated Liabilities	19	19,020.70	14,758.05	9,963.70
(f) Other financial liabilities	20	3,130.96	1,902.27	1,141.55
(2) Non-financial Liabilities				
(a) Provisions	21	140.47	67.56	92.17
(b) Other non-financial liabilities	22	57.57	36.45	35.60
EQUITY				
(a) Equity share capital	23	9,314.70	8,214.70	8,214.70
(b) Other equity	24	707.91	522.14	(355.69)
TOTAL LIABILITIES AND EQUITY		73,654.64	50,199.28	40,107.65

Notes form an integral part of these finacials statements.

As per our report of even date attached

For FRG & Company

Chartered Accountants

(Registration No. 23258N)

Rajesh Tiwari

(Partner)

Membership No. 128959

Place : Kochi

Date : 30th May, 2022

UDIN : 22128959ANYNFS9879

FRG & COMPANY Reg. No. 23258N CHARTERED ACCOUNTANTS

For and on behalf of the board

Indel Money Limited (formarly known as Indel Money Private Limited)

Mohanan Gopalakrishanan

Managing Director

DIN No.02456142

Umesh Mohanan

Director

DIN No. 02455902

Hanna P Nazir

Company Secretary

Membership No. A51727

Place : Kochi

Date : 30th May, 2022

INDEL MONEY LIMITED

Narayanan Rishikesh

Chief Financial Officer

INDEL MONEY LIMITED

(formerly known as "Indel Money Private Limited")

Office No.301, Floor No.3, Sai Arcade N.S Road, Mulund West, Mumbai - 400 080

Consolidated Statement of Profit and Loss

(₹ in lakhs)

		Note No.	For the year ended March 31, 2022	For the year ended March 31, 2021
	Revenue from operations			
(i)	Interest income	25	12,231.23	9,432.90
(ii)	Dividend income		-	-
(iii)	Fees and commission income	26	39.08	22.52
(iv)	Net gain on fair value changes		-	-
(v)	Sale of products		-	-
(vi)	Sale of services		-	-
(I)	**Total revenue from operations**		12,270.31	9,455.42
(II)	Other income	27	30.13	11.00
(III)	**Total income (I) + (II)**		12,300.44	9,466.42
	Expenses			
(i)	Finance costs	28	6,705.21	4,716.81
(ii)	Fees and commission expenses		-	-
(iii)	Net loss on fair value change		-	-
(iv)	Impairment of financial instruments	29	126.32	45.48
(v)	Employee benefit expenses	30	2,776.12	1,794.78
(vi)	Depreciation, amortisation and impairment	31	803.94	660.37
(vii)	Other expenses	32	1,391.77	1,095.11
(IV)	Total expenses		11,803.36	8,312.55
(V)	Profit/ (loss) before tax (III - IV)		497.08	1,153.87
(VI)	Tax expenses			
	(i) Current tax		285.60	360.73
	(ii) Deferred tax		0.72	(81.13)
(VII)	**Profit/ (loss) for the period (V) - (VI)**		210.76	874.27
(VIII)	OTHER COMPREHENSIVE INCOME			
(A)	*(i) Items that will not be reclassified to profit or loss*			
	Remeasurement gain/ loss on defined benefit plan		(33.40)	4.75
	(ii) Income tax relating to items the above		8.41	(1.19)
	TOTAL OTHER COMPREHENSIVE INCOME		(24.99)	3.56
(IX)	TOTAL COMPREHENSIVE INCOME FOR THE PERIOD (VII + VIII)		185.77	877.83
(X)	Earnings per share	33		
	Basic (₹)		0.26	1.06
	Diluted (₹)		0.26	1.06
	Face value per share (₹)		10.00	10.00

Notes form an integral part of these finacials statements.

As per our report of even date attached

For FRG & Company

Chartered Accountants

(Registration No. 23258N)

Rajesh Tiwari

(Partner)

Membership No. 128959

Place : Kochi

Date : 30th May, 2022

UDIN : 22128959ANYNFS9879

FRG & COMPANY Reg. No. 23258N CHARTERED ACCOUNTANTS

For and on behalf of the board

Indel Money Limited (formarly known as Indel Money Private Limited)

Mohanan Gopalakrishanan
Managing Director
DIN No.02456142

Umesh Mohanan
Director
DIN No. 02455902

Hanna P Nazir
Company Secretary
Membership No. A51727
Place : Kochi
Date : 30th May, 2022

INDEL MONEY LIMITED

Narayanan Pisharath
Chief Financial Officer

INDEL MONEY LIMITED

(formerly known as "Indel Money Private Limited")

Office No.301, Floor No.3, Sai Arcade N.S Road, Mulund West, Mumbai - 400 080

Consolidated Statement of Cash Flows

(₹ in lakhs)

	For the year ended	
	March 31, 2022	March 31, 2021
I. CASHFLOWS FROM OPERATING ACTIVITIES		
Profit before tax	497.08	1,153.87
Depreciation, amortisation and impairment	803.94	660.37
Impairment of financial instruments	126.32	45.48
Finance costs	6,705.21	4,716.81
Loss on Sale of Fixed Asset		
Provision for gratuity	33.25	15.29
Provision for compensated absences	12.37	(34.02)
Operating profit before working capital changes	8,178.17	6,557.80
(Increase)/ decrease in receivables	(1,493.12)	(2,385.48)
(Increase)/ decrease in other bank balances	(356.88)	(649.24)
(Increase)/ decrease in loans	(12,686.84)	(6,280.90)
(Increase)/ decrease in other financial assets	(540.39)	(42.62)
(Increase)/ decrease in other non-financial assets	(217.96)	(113.48)
Increase/ (decrease) in payables	(4.35)	22.15
Increase/ (decrease) in provisions	(6.11)	(1.13)
Increase/ (decrease) in other financial liabilities	341.07	(30.82)
Increase/ (decrease) in other non-financial liabilities	18.28	40.20
Cash generated from/ (used in) operations	(6,768.12)	(2,883.52)
Finance costs paid	(5,817.59)	(3,925.27)
Income tax paid	(986.18)	(390.12)
Net cash from/ (used in) operating activities	(13,571.89)	(7,198.91)
II. CASHFLOWS FROM INVESTING ACTIVITIES		
Payments for property, plant and equipment and intangible assets	(557.22)	(495.46)
Proceeds from sale of property, plant and equipment	9.98	1.45
Net cash from/ (used in) investing activities	(547.24)	(494.01)
III. CASHFLOWS FROM INVESTING ACTIVITIES		
Increase/ (decrease) in share capital	1,100.00	-
Increase/ (decrease) in debt securities	10,782.89	1,384.06
Increase/ (decrease) in borrowings (other than debt securities)	5,134.18	1,605.47
Increase/ (decrease) in subordinated liabilities	4,262.65	4,794.35
Net cash from/ (used in) financing activities	21,279.72	7,783.88
IV. Net increase/ (decrease) in cash and cash equivalents (I + II + III)	7,160.59	90.96
V. Cash and cash equivalents at the beginning	719.59	628.62
VI. Cash and cash equivalents at the end	7,880.18	719.58

Notes form an integral part of these finacials statements.

As per our report of even date attached

For FRG & Company
Chartered Accountants
(Registration No. 23258N)

Rajesh Tiwari
(Partner)
Membership No. 128959
Place : Kochi
Date : 30th May, 2022
UDIN : 22128959ANYNFS9879

FRG & COMPANY Reg. No. 23258N CHARTERED ACCOUNTANTS

For and on behalf of the board
Indel Money Limited (formarly known as Indel Money Private Limited)

Mohanan Gopalakrishanan
Managing Director
DIN No.02456142

Umesh Mohanan
Director
DIN No. 02455902

Hanna P Nazir
Company Secretary
Membership No. A51727
Place : Kochi
Date : 30th May, 2022

INDEL MONEY LIMITED

Narayanan Pisharatl
Chief Financial Office

INDEL MONEY LIMITED

(formerly known as "Indel Money Private Limited")

Office No.301, Floor No.3, Sai Arcade N.S Road, Mulund West, Mumbai - 400 080

Consolidated Statement of Changes in Equity

(₹ in lakhs)

A. EQUITY SHARE CAPITAL

(1) Current reporting period

Balance as at April 1, 2021	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the year	Balance as at March 31, 2022
8,214.70	-	8,214.70	1,100.00	9,314.70
8,214.70	-	8,214.70	1,100.00	9,314.70

(1) Previous reporting period

Balance as at April 1, 2020	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the year	Balance as at March 31, 2021
8,214.70	-	8,214.70	-	8,214.70
8,214.70	-	8,214.70	-	8,214.70

B. OTHER EQUITY

(a) Current reporting period

Particulars	Reserves and Surplus			Items of other comprehensive income	Total other equity
	Retained Earnings	Reserve Fund	Impairment Reserve	Remeasurement gain/loss on defined benefit plan	
Balance as at April 1, 2021	458.65	15.06	68.94	3.56	546.21
Total comprehensive income	210.76	-	-	(24.99)	185.77
Transfer to/ from retained earnings	(120.81)	-	120.81	-	-
Dividend	-	-	-	-	-
Balance as at March 31, 2022	548.60	15.06	189.75	(21.43)	731.98

(b) Previous reporting period

Particulars	Reserves and Surplus			Items of other comprehensive income	Total other equity
	Retained Earnings	Reserve Fund	Impairment Reserve	Remeasurement gain/loss on defined benefit plan	
Balance as at April 1, 2020	(392.18)	15.06	-	-	(377.12)
Ind AS transition adjustments	(18.74)	-	64.24	-	45.50
Restated balance as at April 1, 2020	(410.92)	15.06	64.24	-	(331.62)
Total comprehensive income	874.27	-	-	3.56	877.83
Transfer to/ from retained earnings	(4.70)	-	4.70	-	-
Dividend	-	-	-	-	-
Balance as at March 31, 2021	458.65	15.06	68.94	3.56	546.21

Notes form an integral part of these finacials statements.

As per our report of even date attached

For FRG & Company

Chartered Accountants

(Registration No. 23258N)

Rajesh Tiwari

(Partner)

Membership No. 128959

Place : Kochi

Date : 30th May, 2022

UDIN : 22128959ANYNFS9879

For and on behalf of the board

Indel Money Limited (formarly known as Indel Money Private Limited)

Mohanan Gopalakrishanan

Managing Director

DIN No.02456142

Umesh Mohanan

Director

DIN No. 02455902

Hanna P Nazir

Company Secretary

Membership No. A51727

Place : Kochi

Date : 30th May, 2022

Narayanan Pisharath

Chief Financial Officer

FRG & COMPANY ★ Reg. No. 23258N ★ CHARTERED ACCOUNTANTS

INDEL MONEY LIMITED *

5. Borrower Group Wise Classifaction of assets financial as in (2) and (3) above

₹ in lakhs

Category	Amount net of provisions		
	Secured	Unsecured	Total
1.Related Parties			-
(a) Subsidiaries	-	-	-
(b) Companies in the same group	514.00	-	514.00
(c)Other Related Parties	-	-	-
			-
2.Other than related parties (net of provisions)	36,625.59	2,667.18	39,292.77
Total	37,139.59	2,667.18	39,806.77

6. Investor group wise classification of all investments (Current and long term) in shares and securites (both quoted and unquoted)

Category	Market Value/Break up or Fair Value or NAV	Book Value (Net of Provisional)
1.Related Parties		
(a) Subsidiaries	-	1,00,000
(b) Companies in the same group	-	-
(c) Other Related Parties	-	-
2 Other than related parties	-	-
Total	-	1,00,000

7.Other Information

Particulars	Amount
(i) Gross Non- Performing Asset	
(a) Related Parties	-
(b) Other than Related Parties	-
(ii) Net Non -Performing Asset	
(a) Related Parties	-
(b) Other than Related Parties	-
(iii) Asset acquired in satisfaction of debt	-

EXPOSURES

₹ in lakhs

Exposure to Real Estate Sector	2021-22	2020-21
Category		
a) Direct Exposure	-	-
i) Residential Mortgages-		
Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented; (indvidual housing loans upto Rs. 15 lakhs may be shown seperately)	-	-
ii) Commercial Real Estate -		
Lending secured by mortgages on commercial real estates (Office buildings, retail space, multipurpose commercial premises,multi -famliy residential buildings multi-tenanted commercial premises, industrial;or warehouse space,hotels, land acquisitions, develpoment and construction etc) Exposure would also include Non-Fund Based(NFB) Limits		2,914
iii) Investments in Mortgage Backed securities (MBS) other securitised exposure		
a) Residential	-	-
b)Commercial Real Estate	-	-
b) Indirect Exposure		
Fund -Based and Non-Fund Basedexposures on National Housing Bank and (NHB)	-	-
and Housing Finance Companies (HFCs)	-	-

Notes form an integral part of these finacials statements
As per our report of even date attached
For FRG & Company
Chartered Accountants
(Registration No. 23258N)

Rajesh Tiwari
(Partner)
Membership No. 128959
Place : Kochi
Date : 30th May, 2022
UDIN : 22128959ANYNFS9879

For and on behalf of the board
Indel Money Limited (formerly known as Indel Money Private Limited)

Mohanan Gopalakrishanan
Managing Director
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Hanna P Nazir
Company Secretary
Membership No. A51727
Place : Kochi
Date : 30th May, 2022

Narayanan Pisharath
Chief Financial Officer

INDEL MONEY LIMITED

FRG & COMPANY Reg. No. 23258N CHARTERED ACCOUNTANTS

1 **CORPORATE INFORMATION**

Indel Money Limited (formerly known as Indel Money Private Limited) ('the Company') was incorporated on September 11, 1986, in Mumbai, India. The Company is a Non-Deposit taking Non-Banking Financial Company which provides a wide range of fund based and fee-based services including gold loans, money transfer facilities etc. The Company had converted into a public limited company with effect from September 5, 2021. The Company is registered with Reserve Bank of India.

2 **BASIS OF PREPARATION AND PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS**

2.1 **Basis of preparation**

These consolidated financial statements of the Company have been prepared in accordance with the Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules 2015 as amended and notified under Section 133 of the Companies Act, 2013 ("the Act"), in conformity with the accounting principles generally accepted in India and other relevant provisions of the Act. Any application guidance/ clarifications/ directions issued by RBI or other regulators are implemented as and when they are issued/ applicable.

The Company's financial statements up to and for the year ended 31 March 2021 were prepared in accordance with the Generally Accepted Accounting Principles in India (IGAAP) under the historical cost convention as a going concern and on accrual basis. unless otherwise stated, and in accordance with the provisions of the Companies Act, 2013, the Accounting Standards specified under section 133 of the Companies Act, 2013 ("the Act") read with rule 7 of the Companies (Accounts) Rules 2014 (as amended) and prudential norms for income recognition, assets classification and provisioning for non-performing assets as well as contingency provision for standard assets as prescribed by The Reserve Bank of India (RBI) for NBFCs to the extent applicable, collectively referred as "Previous GAAP".

These are the Company's first consolidated financial statements prepared in accordance with Indian Accounting Standards (Ind AS). The Company has applied Ind AS 101, First-time Adoption of Indian Accounting Standards for transition from Previous GAAP to Ind AS. An explanation of how transition to Ind AS has affected the previously reported financial position, financial performance and cash flow of the Company is provided in Note 4.

The Consolidated Financial Statements of the Indel Money Limited Group comprises the Financial Statements of Indel Money Limited ('the holding Company') and Indel Money Fin-Tech Private Limited ('the subsidiary). Reference in these notes to the 'Group' shall mean to include Indel Money Limited and its subsidiary, unless otherwise stated.

Principles of Consolidation:

1. Details of the companies which are included in the consolidation and the Holding Company's holdings therein are as under:

Name of the Entity	Relation	Equity percentage Holding 31-03-2022	Equity percentage Holding 31-03-2021
Indel Fin-Tech Private Limited	Subsidiary	100.00%	100.00%

The aforesaid company is incorporated in India and its financial statements are drawn up to the same reporting date as that of the holding Company i.e. March 31, 2022.

INDEL MONEY LIMITED *

Subsidiary

Subsidiary is entity over which the Group has control. The Group controls an entity when the Group 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 to direct the relevant activities of the entity. Subsidiary is fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

The Group combines the financial statements of the parent and its subsidiary company line-by-line adding together like items of assets, liabilities, equity, income and expenses. The intra group balances and intra group transactions between the entities within the Group are fully eliminated.

Non-controlling interests in the results and equity of subsidiary is shown separately in the consolidated statement of profit or loss, consolidated statement of changes in equity and balance sheet respectively.

2.2 Presentation of financial statements

The Consolidated Balance Sheet, Consolidated Statement of Changes in Equity and the Consolidated Statement of Profit and Loss are prepared and presented in the format prescribed in the Division III to Schedule III to the Companies Act, 2013 ("the Act") applicable for Non-Banking Finance Companies ("NBFC"). The Consolidated Statement of Cash Flows has been prepared and presented as per the requirements of Ind AS 7 "Statement of Cash Flows". The disclosure requirements with respect to items in the Consolidated Balance Sheet, Consolidated Statement of Changes in Equity and Consolidated Statement of Profit and Loss, as prescribed in the Schedule III to the Act, are presented by way of notes forming part of the Consolidated Financial Statements along with the other notes required to be disclosed under the notified Accounting Standards and regulations issued by the RBI.

2.3 Functional and presentation currency

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

2.4 Basis of measurement

The Consolidated financial statements have been prepared on the historical cost basis except for certain financial instruments which are measured at fair values.

Certain accounting policies of the Company and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities. The Company has established policies and procedures with respect to the measurement of fair values.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, 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 takes 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. Fair value for measurement and/ or disclosure purposes in these financial statements is determined on such a basis, except for share based payment transactions that are within the scope of Ind AS 102, leasing transactions that are within the scope of Ind AS 116, and measurements that have some similarities to fair value but are not fair value, such value in use in Ind AS 36.

Fair value measurements under Ind AS are categorized into Level 1, 2, or 3 based on the degree to which the inputs to the fair

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the Company can access at measurement date.
- Level 2 inputs are inputs, other than quoted prices included within level 1, that are observable for the asset or liability, either directly or indirectly and
- Level 3 inputs are unobservable inputs for the valuation of assets or liabilities.

INDEL MONEY LIMITED

2.5 **Use of estimates, judgements and assumptions**

The preparation of the consolidated financial statements in conformity with Indian Accounting Standards ("Ind AS") requires the Management to make estimates, judgements and assumptions. These estimates, judgements 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 consolidated 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. Appropriate changes in estimates are made as the Management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the consolidated financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the consolidated financial statements.

Following are areas that involved a higher degree of estimate and judgement or complexity in determining the carrying amount of some assets and liabilities.

a) ***Effective Interest Rate (EIR) Method***

The Company recognizes interest income / expense using a rate of return that represents the best estimate of a constant rate of return over the expected life of the loans given / taken. This estimation, by nature, requires an element of judgement regarding the expected behavior and life- cycle of the instruments, as well as expected changes to other fee income/expense that are integral parts of the instrument.

b) ***Impairment of Financial Assets***

The measurement of impairment losses on loan assets and commitments, requires judgement, in estimating the amount and timing of future cash flows and recoverability of collateral values while determining the impairment losses and assessing a significant increase in credit risk.

The Company's Expected Credit Loss (ECL) calculation is the output of a complex model with a number of underlying assumptions regarding the choice of variable inputs and their interdependencies. Elements of the ECL model that are considered accounting judgements and estimates include:

The Company's criteria for assessing if there has been a significant increase in credit risk.

- The segmentation of financial assets when their ECL is assessed on a collective basis.
- Development of ECL model, including the various formulae and the choice of inputs.
- Selection of forward-looking macroeconomic scenarios and their probability weights, to derive the economic inputs into the ECL model.
- Management overlay used in circumstances where management judges that the existing inputs, assumptions and model techniques do not capture all the risk factors relevant to the Company's lending portfolios.

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

c) ***Employee Benefits***

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

d) ***Impact of COVID-19***

The COVID-19 outbreak and its effect on the economy has impacted our customers and our performance, and the future effects of the outbreak remain uncertain.

The outbreak necessitated government to respond at unprecedented levels to protect public health, local economies and livelihoods. There remains a risk of subsequent waves of infection, as evidenced by the recently emerged variants of the virus.

Economic forecasts are subject to a high degree of uncertainty in the current environment. Limitations of forecasts and economic models require a greater reliance on management judgement in addressing both the error inherent in economic forecasts and in assessing associated ECL outcomes.

The calculation of ECL under Ind AS 109 involves significant judgements, assumptions and estimates. The level of estimation uncertainty and judgement has increased during financial year as a result of the economic effects of the COVID-19 outbreak.

As a result of government and bank support measures, significant credit deterioration has not yet occurred. This delay increases uncertainty on the timing of the stress and the realisation of defaults. Management has applied COVID-19 specific adjustments to modelled outputs to reflect the temporary nature of ongoing government support, the uncertainty in relation to the timing of stress and the degree to which economic consensus has yet captured the range of economic uncertainty. As a result, ECL is higher than would be the case if it were based on the forecast economic scenarios alone.

The Company has developed various accounting estimates in these Financial Statements based on forecasts of economic conditions which reflect expectations and assumptions as at March 31, 2022 about future events that the management believe are reasonable in the circumstances. There is a considerable degree of judgement involved in preparing forecasts. The underlying assumptions are also subject to uncertainties which are often outside the control of the Company. Accordingly, actual economic conditions are likely to be different from those forecast since anticipated events frequently do not occur as expected, and the effect of those differences may significantly impact accounting estimates included in these financial statements.

The significant accounting estimates impacted by these forecasts and associated uncertainties are predominantly related to expected credit losses, fair value measurement, and recoverable amount assessments of non-financial assets.

e) ***Accounting for leases***

The Company evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgment. The Company uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate.

The Company determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the Company is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Company is reasonably certain not to exercise that option. In assessing whether the Company is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Company to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Company revises the lease term if there is a change in the non-cancellable period of a lease.

The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

f) ***Fair value measurement***

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using various valuation techniques. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgments include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

INDEL MONEY LIMITED

g) ***Business model objective of financial assets.***
Classification and measurement of financial assets depends on the results of the contractual cashflow characteristics and the business model objective. 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 amortized cost or fair value through other comprehensive income that are derecognised prior to their maturity to understand the reason for their disposal and whether the reasons are consistent with the objective of the business for which the asset was held. Monitoring is part of the Company's continuous assessment of whether the business model for which the remaining financial assets are held continues to be appropriate and if it is not appropriate whether there has been a change in business model and so a prospective change to the classification of those assets.

h) ***Other estimates***
These include provisions (other than loan portfolio), contingent liabilities, useful lives, depreciation method and residual value of property, plant and equipment and intangible assets etc.

3 SIGNIFICANT ACCOUNTING POLICIES

3.1 Revenue recognition

a) Interest income
Interest income is recognized in Statement of profit and loss using the Effective Interest Rate (EIR) method for all financial instruments measured at amortized cost, debt instruments measured at FVTOCI and debt instruments designated at FVTPL.

The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument. The calculation of the effective interest rate includes transaction costs and fees that are an integral part of the contract. Transaction costs include incremental costs that are directly attributable to the acquisition of financial asset.

If expectations regarding the cash flows on the financial asset are revised for reasons other than credit risk, the adjustment is recorded 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 amortized through interest income in the Statement of profit and loss.

The Company calculates interest income by applying the EIR to the gross carrying amount of financial assets other than credit-impaired assets.

When a financial asset becomes credit-impaired, the Company calculates interest income by applying the effective interest rate to the net amortized cost of the financial asset. If the financial asset cures and is no longer credit-impaired, the Company reverts to calculating interest income on a gross basis.

Additional interest and interest on trade advances, are recognized when they become measurable and when it is not unreasonable to expect their ultimate collection.

b) Dividend income
Dividend is recognised as income when the right to receive the dividend is established and the amount of dividend can be measured reliably.

c) Revenue from and rendering of services
Revenue (other than for Financial Instruments within the scope of Ind AS 109) is measured at an amount that reflects the considerations, to which an entity expects to be entitled in exchange for transferring goods or services to customer, excluding amounts collected on behalf of third parties.

The Company recognises revenue from contracts with customers based on a five-step model as set out in Ind AS 115.

Revenue from contract with customer for rendering services is recognised at a point in time when performance obligation is satisfied.

INDEL MONEY LIMITED *

d) *Net gain/ (loss) on change in fair value*

The assets which are being measured at FVTPL are restated to their fair value as at the reporting date and any gain/ (loss) on change in fair value will be recognised as income/ expense in the Statement of Profit and Loss.

3.2 Financial Instruments

a) ***Recognition and measurement***

Financial assets and financial liabilities are recognized when the Company becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at FVTPL) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at FVTPL are recognized immediately in Statement of profit and loss.

b) ***Financial assets***

Classification and measurement

The Company classifies its financial assets into the following measurement categories: amortised cost; fair value through other comprehensive income; and fair value through profit or loss.

All recognised financial assets that are within the scope of Ind AS 109 are required to be subsequently measured at amortised cost or fair value on the basis of the entity's business model for managing the financial assets and the contractual cash flow characteristics of the financial assets.

Financial instruments measured at amortised cost

Debt instruments that meet the following criteria are measured at amortised cost (except for debt instruments that are designated as at fair value through profit or loss on initial recognition):

- the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and

- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest ("SPPI") on the principal amount outstanding.

For the purpose of SPPI test, principal is the fair value of the financial asset at initial recognition. The principal amount may change over the life of the financial asset (e.g. if there are repayments of principal). Interest consists of consideration for the time value of money, for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs, as well as a profit margin. The SPPI assessment is made in the currency in which the financial asset is denominated.

Contractual cash flows that are SPPI are consistent with a basic lending arrangement. Contractual terms that introduce exposure to risks or volatility in the contractual cash flows that are unrelated to a basic lending arrangement, such as exposure to changes in equity prices or commodity prices, do not give rise to contractual cash flows that are SPPI. An originated or an acquired financial asset can be a basic lending arrangement irrespective of whether it is a loan in its legal form.

An assessment of business models for managing financial assets is fundamental to the classification of a financial asset. The Company determines the business models at a level that reflects how financial assets are managed together to achieve a particular business objective. The Company's business model does not depend on management's intentions for an individual instrument, therefore the business model assessment is performed at a higher level of aggregation rather than on an instrument-by-instrument basis.

Debt instruments that are subsequently measured at amortised cost are subject to impairment.

INDEL MONEY LIMITED

Financial instruments measured at fair value through other comprehensive income ("FVTOCI")

Debt instruments that meet the following criteria are measured at fair value through other comprehensive income (except for debt instruments that are designated as at fair value through profit or loss on initial recognition):

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

Interest income is recognised in Statement of profit and loss for FVTOCI debt instruments. Other changes in fair value of FVTOCI financial assets are recognised in other comprehensive income. When the asset is disposed of, the cumulative gain or loss previously accumulated in reserve is transferred to Statement of Profit and Loss.

Financial instruments measured at fair value through Profit and Loss ("FVTPL")

Instruments that do not meet the amortised cost or FVTOCI criteria are measured at FVTPL. Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on re-measurement recognised in the Statement of Profit and Loss. The gain or loss on disposal is recognised in the Statement of Profit and Loss. Interest income is recognised in the Statement of Profit and Loss for FVTPL debt instruments. Dividend on financial assets at FVTPL is recognised when the Company's right to receive dividend is established.

Investments in equity instruments at FVTOCI

On initial recognition, the Company can make an irrevocable election (on an instrument-by-instrument basis) to present the subsequent changes in fair value in other comprehensive income pertaining to investments in equity instruments. This election is not permitted if the equity investment is held for trading. These elected investments are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the 'Reserve for equity instruments through other comprehensive income'. The cumulative gain or loss is not reclassified to Statement of Profit and Loss on disposal of the investments. Dividends from these investments are recognised in the Statement of Profit and Loss when the Company's right to receive dividends is established.

Reclassifications

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.

Impairment of financial assets

Company recognises loss allowances using the Expected Credit Loss ("ECL") model for the financial assets which are not fair valued through profit and loss. ECL is calculated using a model which captures portfolio performance over a period of time. ECL is a probability-weighted estimate of credit losses. A credit loss is the difference between the cash flows that are due to an entity in accordance with the contract and the cash flows that the entity expects to receive discounted at the original EIR.

ECL is measured through a loss allowance at an amount equal to:

- 12-month ECL, i.e., ECL that result from those default events on the financial instrument that are possible within 12 months after the reporting date (referred to as Stage 1); or
- Lifetime ECL, i.e., lifetime ECL that result from all possible default events over the life of the financial instrument (referred to as Stage 2 and Stage 3).

INDEL MONEY LIMITED

A loss allowance for full lifetime ECL is required for a financial instrument if the credit risk on that financial instrument has increased significantly since initial recognition. For all other financial instruments, ECLs are measured at an amount equal to the 12-month ECL. The Company measures ECL on an individual basis, or on a collective basis for portfolios of loans that share similar economic risk characteristics. The measurement of the loss allowance is based on the present value of the asset's expected cash flows using the asset's original EIR, regardless of whether it is measured on an individual basis or a collective basis.

Key elements of ECL computation are outlined below:

- Probability of default ("PD") is an estimate of the likelihood that customer will 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 de-recognised and is still in the portfolio.
- Loss given default ("LGD") estimates the normalised loss which Company incurs post customer default. It is usually expressed as a percentage of the Exposure at default ("EAD"). Effective interest rate ("EIR") is the rate that discounts estimated future cash flows through the expected life of financial instrument. For calculating EIR any upfront fees need to be excluded from the loans and advance amount.

The Company uses historical information where available to determine PD. Considering the different products and schemes, the Company has bifurcated its loan portfolio into various pools. For certain pools where historical information is available, the PD is calculated considering fresh slippage of past years. For those pools where historical information is not available, the PD/ default rates as stated by external reporting agencies is considered.

Credit impaired financial assets

A financial asset is 'credit impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred. Credit-impaired financial assets are referred to as Stage 3 assets. Evidence of creditimpairment includes observable data about the following events:

- significant financial difficulty of the borrower or issuer;
- a breach of contract such as a default or past due event;
- the lender of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession that the lender would not otherwise consider;
- the disappearance of an active market for a security because of financial difficulties; or
- the purchase of a financial asset at a deep discount that reflects the incurred credit losses.

A loan is considered credit-impaired when a concession is granted to the borrower due to a deterioration in the borrower's financial condition, unless there is evidence that as a result of granting the concession the risk of not receiving the contractual cash flows has reduced significantly and there are no other indicators of impairment.

Definition of default

Critical to the determination of ECL is the definition of default. The definition of default is used in measuring the amount of ECL and in the determination of whether the loss allowance is based on 12-month or lifetime ECL, as default is a component of the probability of default ("PD") which affects both the measurement of ECLs and the identification of a significant increase in credit risk.

Default considered for computation of ECL computation is as per the applicable prudential regulatory norms.

INDEL MONEY LIMITED

Significant increase in credit risk

The Company monitors all financial assets, issued loan commitments and financial guarantee contracts that are subject to the impairment requirements to assess whether there has been a significant increase in credit risk since initial recognition. The Company's accounting policy is not to use the practical expedient that financial assets with 'low' credit risk at the reporting date are deemed not to have had a significant increase in credit risk. In assessing whether the credit risk on a financial instrument has increased significantly since initial recognition, the Company compares the risk of a default occurring on the financial instrument at the reporting date based on the remaining maturity of the instrument with the risk of a default occurring that was anticipated for the remaining maturity at the current reporting date when the financial instrument was first recognised. In making this assessment, the Company considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort, based on the Company's expert credit assessment.

Impairment Reserve

Where impairment allowance under Ind AS 109 is lower than the provisioning required under IRACP (including standard asset provisioning), the Company will appropriate the difference from their net profit or loss after tax to a separate 'Impairment Reserve'. The balance in the 'Impairment Reserve' shall not be reckoned for regulatory capital.

Modification and derecognition of financial assets

A modification of a financial asset occurs when the contractual terms governing the cash flows of a financial asset are renegotiated or otherwise modified between initial recognition and maturity of the financial asset. A modification affects the amount and/ or timing of the contractual cash flows either immediately or at a future date. In addition, the introduction or adjustment of existing covenants of an existing loan would constitute a modification even if these new or adjusted covenants do not yet affect the cash flows immediately but may affect the cash flows depending on whether the covenant is or is not met (e.g.: a change to the increase in the interest rate that arises when covenants are breached).

The Company renegotiates loans to customers in financial difficulty to maximise collection and minimise the risk of default. Loan forbearance is granted in cases where although the borrower made all reasonable efforts to pay under the original contractual terms, there is a high risk of default or default has already happened and the borrower is expected to be able to meet the revised terms. The revised terms in most of the cases include an extension of the maturity of the loan, changes to the timing of the cash flows of the loan (principal and interest repayment), reduction in the amount of cash flows due (principal and interest forgiveness) and amendments to covenants.

Substantial modification

When a financial asset is modified, the Company assesses whether this modification results in derecognition. In accordance with the Company's policy, a modification results in derecognition when it gives rise to substantially different terms. To determine if the modified terms are substantially different from the original contractual terms the Company considers the following:

Qualitative factors, such as contractual cash flows after modification are no longer SPPI, change in currency or change of counterparty, the extent of change in interest rates, maturity, covenants.

If these do not clearly indicate a substantial modification, then a quantitative assessment is performed to compare the present value of the remaining contractual cash flows under the original terms with the contractual cash flows under the revised terms, both amounts discounted at the original effective interest.

In the case where the financial asset is derecognised, the loss allowance for ECL is remeasured at the date of derecognition to determine the net carrying amount of the asset at that date. The difference between this revised carrying amount and the fair value of the new financial asset with the new terms will lead to a gain or loss on derecognition.

INDEL MONEY LIMITED *

The new financial asset will have a loss allowance measured based on 12-month ECL except in the rare occasions where the new loan is considered to be originated-credit impaired. This applies only in the case where the fair value of the new loan is recognised at a significant discount to its revised par amount because there remains a high risk of default which has not been reduced by the modification. The Company monitors credit risk of modified financial assets by evaluating qualitative and quantitative information, such as if the borrower is in past due status under the new terms.

When the contractual terms of a financial asset are modified and the modification does not result in derecognition, the Company determines if the financial asset's credit risk has increased significantly since initial recognition.

Other modification

For financial assets modified, where modification did not result in derecognition, the estimate of PD reflects the Company's ability to collect the modified cash flows taking into account the Company's previous experience of similar forbearance action, as well as various behavioural indicators, including the borrower's payment performance against the modified contractual terms. If the credit risk remains significantly higher than what was expected at initial recognition the loss allowance will continue to be measured at an amount equal to lifetime ECL. The loss allowance on forborne loans will generally only be measured based on 12-month ECL when there is evidence of the borrower's improved repayment behaviour following modification leading to a reversal of the previous significant increase in credit risk.

Where a modification does not lead to derecognition the Company calculates the modification gain/ loss comparing the gross carrying amount before and after the modification (excluding the ECL allowance). Then the Company measures ECL for the modified asset, where the expected cash flows arising from the modified financial asset are included in calculating the expected cash shortfalls from the original asset.

Derecognition of financial assets

The Company derecognises a financial asset only when the contractual rights to the asset's cash flows expire (including expiry arising from a modification with substantially different terms), or when the financial asset and substantially all the risks and rewards of ownership of the asset are transferred to another entity. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain/loss that had been recognised in OCI and accumulated in equity is recognised in the Statement of Profit and Loss, with the exception of equity investment designated as measured at FVTOCI, where the cumulative gain/loss previously recognised in OCI is not subsequently reclassified to the Statement of Profit and Loss.

Write off

Loans and debt securities are written off when the Company has no reasonable expectations of recovering the financial asset (either in its entirety or a portion of it). This is the case when the Company determines that the borrower does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the writeoff. A write-off constitutes a derecognition event. The Company may apply enforcement activities to financial assets written off. Recoveries resulting from the Company's enforcement activities will result in impairment gains.

INDEL MONEY LIMITED *

Financial Liabilities

Loans and debt securities are written off when the Company has no reasonable expectations of recovering the financial asset (either in its entirety or a portion of it). This is the case when the Company determines that the borrower does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the writeoff. A write-off constitutes a derecognition event. The Company may apply enforcement activities to financial assets written off. Recoveries resulting from the Company's enforcement activities will result in impairment gains.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs.

c) ***Financial liabilities***

All financial liabilities are subsequently measured at amortised cost using the effective interest rate method. Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest rate method.

The effective interest rate method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the amortised cost of a financial liability.

Derecognition of financial liabilities

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in the Statement of Profit and Loss.

d) ***Financial Guarantee Contracts***

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due in accordance with the terms of a debt instrument.

Financial guarantee contracts issued by a Company are initially measured at their fair values and, if not designated as at FVTPL, are subsequently measured at the higher of:

- the amount of loss allowance determined in accordance with impairment requirements of Ind AS 109 - Financial Instruments; and
- the amount initially recognized less, when appropriate, the cumulative amount of income recognized in accordance with the principles of Ind AS 115 - Revenue from Contracts with Customers.

e) ***Derivative financial instruments***

The Company enters into derivative financial instruments, primarily foreign exchange forward contracts, currency swaps and interest rate swaps, to manage its borrowing exposure to foreign exchange and interest rate risks.

Derivatives embedded in non-derivative host contracts are treated as separate derivatives when their risks and characteristics are not closely related to those of the host contracts and the host contracts are not measured at FVTPL.

Derivatives are initially recognized at fair value at the date the contracts are entered into and are subsequently remeasured to their fair value at the end of each reporting period. The resulting gain/loss is recognized in Statement of profit and loss.

Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when fair value is negative.

INDEL MONEY LIMITED

f) ***Offsetting***

Financial assets and financial liabilities are generally reported gross in the balance sheet. Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realize the asset and settle the liability simultaneously.

The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the group or the counterparty.

3.3 Cash and bank balances

Cash comprises cash on hand 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.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short- term deposits, as defined above, net of outstanding bank overdrafts if any, as they are considered an integral part of the Company's cash management.

Cash and bank balances also include fixed deposits, margin money deposits, earmarked balances with banks and other bank balances which have restrictions on repatriation. Short term and liquid investments being subject to more than insignificant risk of change in value, are not included as part of cash and cash equivalents.

3.4 Property, plant and equipment

PPE is recognised when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably.

PPE are stated at cost of acquisition (including incidental expenses), less accumulated depreciation and accumulated impairment loss, 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.

Advances paid towards the acquisition of PPE outstanding at each balance sheet date are disclosed separately under other non-financial assets. Capital work in progress comprises the cost of PPE that are not ready for its intended use at the reporting date. Capital work-in-progress is stated at cost, net of impairment loss, if any.

Subsequent expenditure related to the asset are added to its carrying amount or recognised as a separate asset only if it increases the future benefits of the existing asset, beyond its previously assessed standards of performance and cost can be measured reliably. Other repairs and maintenance costs are expensed off as and when incurred.

<u>*Depreciation*</u>

Depreciation on property, plant and equipment is calculated using written down value method (WDV) to write down the cost of property and equipment to their residual values over their estimated useful lives which is in line with the estimated useful life as specified in Schedule II of the Companies Act, 2013.

The estimated useful lives are as follows:

Description of the asset	Estimated Useful Life (Years)
Computers (End user device)	3
Computers (Servers and networks)	6
Furniture and Fixtures	10
Vehicles (Other than Motorcycles, scooters and other mopeds)	8

Description of the asset	Estimated Useful Life (Years)
Vehicles (Motorcycles, scooters and other mopeds)	10
Office Equipment	5
Plant and Machinery	15

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate. Changes in the expected useful life are accounted for by changing the amortisation period or methodology, as appropriate, and treated as changes in accounting estimates.

An item of PPE is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of PPE is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the Statement of Profit and Loss.

3.5 Intangible assets

Intangible assets are recognised when it is probable that the future economic benefits that are attributable to the asset will flow to the enterprise and the cost of the asset can be measured reliably. Intangible assets are stated at original cost net of tax, less accumulated amortisation and cumulative impairment.

Intangible assets i.e., Software are amortised on written down value basis over the estimated useful life of 3 years.

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset are recognised in the Statement of Profit and Loss when the asset is derecognised.

3.7 Impairment of non-financial assets

At each balance sheet date, the Company assesses whether there is any indication that any property, plant and equipment and intangible assets with finite lives may be impaired. If any such impairment exists the recoverable amount of an asset is estimated to determine the extent of impairment, if any. Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Intangible assets not yet available for use, are tested for impairment annually at each balance sheet date, or earlier, if there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognized immediately in the statement of Profit and Loss.

3.8 Leases

The Company determines that a contract is or contains a lease if the contract conveys right to control the use of an identified asset for a period of time in exchange for a consideration.

Company as a lessee

At the inception of a contract which is or contains a lease, the Company recognizes lease liability at the present value of the future lease payments for non-cancellable period of a lease which is not short term in nature except for lease of low value items. The future lease payments for such non-cancellable period are discounted using the Company's incremental borrowing rate.

INDEL MONEY LIMITED

The Company elects to apply the practical expedient to not to separate non-lease component from lease component, in case of a contract containing lease. The Company accounts such contracts as a single lease component.

Lease payments include fixed payments, i.e., amounts expected to be payable by the Company under residual value guarantee, the exercise price of a purchase option if the Company is reasonably certain to exercise that option and payment of penalties for terminating the lease if the lease term considered reflects that the Company shall exercise termination option. The Company also recognizes a right of use asset which comprises of amount of initial measurement of the lease liability, any initial direct cost incurred by the Company and estimated dilapidation costs.

Right of use assets is amortized over the period of lease.

Payment made towards short term Leases (leases for which lease term is 12 months or lesser) and low value assets are recognized in the statement of Profit and Loss as rental expenses over the tenor of such leases.

Company as a lessor

At the inception of the lease the Company classifies each of its leases as either an operating lease or a finance lease. The Company recognizes lease payments received under operating leases as income on a straight-line basis over the lease term. In case of a finance lease, finance income is recognized over the lease term based on a pattern reflecting a constant periodic rate of return on the lessor's net investment in the lease. When the Company is an intermediate lessor it accounts for its interests in the head lease and the sub-lease separately. It assesses the lease classification of a sub-lease with reference to the right-of-use asset arising from the head lease, not with reference to the underlying asset. If a head lease is a short term lease to which the Company applies the exemption described above, then it classifies the sub-lease as an operating lease.

If an arrangement contains lease and non-lease components, the Company applies Ind AS 115 Revenue from contracts with customers to allocate the consideration in the contract.

3.9 Non-current asset held for sale

Non-current assets, or disposal groups comprising assets and liabilities are classified as held for sale if it is highly probable that they will be recovered primarily through sale rather than through continuing use.

Such assets, or disposal groups, are generally measured at the lower of their carrying amount and fair value less costs to sell.

Any resultant loss on a disposal group is allocated first to goodwill, and then to remaining assets and liabilities on pro rata basis, except that no loss is allocated to inventories, financial assets, deferred tax assets, employee benefit assets, and biological assets, which continue to be measured in accordance with the Company's other accounting policies. Losses on initial classification as held for sale and subsequent gains and losses on re-measurement are recognized in profit or loss. Once classified as held-for-sale, intangible assets, property, plant and equipment and investment properties are no longer amortized or depreciated.

3.10 Finance cost

Finance costs include interest expense computed by applying the effective interest rate on respective financial instruments measured at Amortized cost. Financial instruments include bank term loans, non- convertible debentures, subordinated debts, interest expense on lease liabilities computed by applying the Company's incremental borrowing rate and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Finance costs are charged to the Statement of profit and loss.

INDEL MONEY LIMITED

3.11 Employee Benefits

Short-term employee benefits

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits. Benefits such as salaries, wages etc. and the expected cost of ex-gratia/ bonus are recognized in the period in which the employee renders the related service. A liability is recognized for the amount expected to be paid when there is a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Long-term employee benefits

Defined contribution plans

Defined contribution plans are the post-employment plans under which the Company pays a fixed contribution to a fund and the Company's liability is limited to payment of such fixed contributions. Contributions to defined contribution plans are recognized as expense when employees have rendered services entitling them to such benefits.

The Company provides benefits such as, provident fund and pension schemes (both managed by other than the Company) to its employees which are treated as defined contribution plans.

Defined benefit plans

For defined benefit plans, the cost of providing benefits is determined using the Projected Unit Credit Method, with actuarial valuations being carried out at each balance sheet date. Remeasurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling and the return on plan assets (excluding interest), is reflected immediately in the balance sheet with a charge or credit recognized in other comprehensive income in the period in which they occur. Past service cost, both vested and unvested, is recognized as an expense at the earlier of (a) when the plan amendment or curtailment occurs; and (b) when the entity recognizes related restructuring costs or termination benefits.

The major defined benefit plans of the Company are as follows:

Gratuity

The Company provides for gratuity, a defined benefit retirement plan ('the Gratuity Plan') covering eligible employees. The Gratuity Plan provides a lump-sum payment to vested employees at retirement, death, in capacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment with the Company.

Liabilities with regard to the Gratuity Plan are determined by actuarial valuation, performed by an independent actuary, at each Balance Sheet date using the projected unit credit method. The Company's gratuity scheme is unfunded. The Company recognizes the obligation of a defined benefit plan in its Balance Sheet as a liability.

Gains and losses through remeasurements of the net defined benefit liability / (asset) are recognized in other comprehensive income. The effects of any plan amendments are recognized in net profit in the Statement of Profit and Loss.

Compensated absences

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related services are recognized as an actuarially determined liability at the present value of the defined benefit obligation at the balance sheet date.

3.12 Provisions

A provision is recognized if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

INDEL MONEY LIMITED

Any reimbursements with respect to liabilities/ provisions are recognized only when there is a virtual certainty that the said amounts will be received.

Present obligations arising under onerous contracts are recognized and measured as provisions. An onerous contract is considered to exist where the Company has a contract under which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received from the contract. The provision in such cases will be recognized at lower of cost of fulfilling the contract and any expected compensation for not fulfilling the contract.

3.13 Foreign Currency Translations

These financial statements are presented in Indian rupees, which is the functional currency of the Company. Transactions in foreign currencies, i.e., other than Indian rupees, are recorded at the exchange rate prevailing on the date of transaction.

Foreign currency denominated monetary assets and liabilities are re-measured into the functional currency at the exchange rate prevailing on the balance sheet date. Exchange differences are recognized in the statement of Profit and Loss except to the extent, exchange differences which are regarded as an adjustment to interest costs on foreign currency borrowings, are capitalized as part of borrowing costs.

3.14 Current and deferred tax

Income tax expense comprises current tax and deferred tax. Income tax expense is recognized in the statement of Profit and Loss except when they relate to items that are recognized outside profit and loss (whether in other comprehensive income or directly in equity), in which case tax is also recognized outside profit and loss, as appropriate. Current income taxes are determined based on respective taxable income based on tax rate enacted as at reporting date.

Deferred tax assets and liabilities are recognized for the future tax consequences of temporary differences between the carrying values of assets and liabilities and their respective tax bases, and unutilized business loss and depreciation carry-forwards and tax credits. Deferred tax assets are recognized to the extent that it is probable that future taxable income will be available against which the deductible temporary differences, unused tax losses, depreciation carryforwards and unused tax credits could be utilized.

Deferred tax assets and Liabilities are measured based on the tax rates that are expected to apply in the period when the asset is realized or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date. Current and deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

3.15 Investment in Subsidiaries

Investments in subsidiaries are measured at cost less accumulated impairment, if any.

3.16 Contingent liabilities and contingent assets

A contingent liability is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity or a present obligation that arises from past events but is not recognized because it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation or the amount of the obligation cannot be measured with sufficient reliability. It is disclosed in the financial statements. If the outflow of such obligation becomes probable, it is recognized as a provision.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity. Contingent assets are recognized only if there is a virtual certainty of realization. It is disclosed in the financial statements if it is probable only.

INDEL MONEY LIMITED *

3.17 Earnings per share

Basic earnings per share are computed by dividing profit or loss attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the year. The Company did not have any potentially dilutive securities in any of the years' presented.

3.18 Statement of Cashflows

Cash flows are reported using the indirect method, whereby profit before 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, investing and financing activities of the Company are segregated.

3.19 Segment Reporting

Operating segments are reported in manner consistent with the internal reporting provided to the Chief Operating Decision Maker (CODM). The management assesses the financial performance and position of the Company and makes strategic decisions. The chief operating decision maker consists of the Directors of the Company.

The Company's primary business segments are reflected based on the principal business carried out, i.e., financing. All other activities of the Company revolve around the main business. As such, there are no separate reportable segments.

4 FIRST-TIME ADOPTION OF INDIAN ACCOUNTING STANDARDS

These financial statements of the Company for the year ended March 31, 2022 have been prepared in accordance with Ind AS. For the purposes of transition to Ind AS, the Company has followed the guidance prescribed in Ind AS 101, First-Time Adoption of Indian Accounting Standards, with April 1, 2020 as the transition date from the previous GAAP.

The transition to Ind AS has resulted in changes in the presentation of the financial statements, disclosures in the notes thereto and accounting policies and principles. The accounting policies set out in Note 3 have been applied in preparing the financial statements for the year ended March 31, 2022 and the comparative information. An explanation of how the transition from previous GAAP to Ind AS has affected the Company's Balance Sheet and Statement of Profit and Loss, is set out in Note #4.2 below.

INDEL MONEY LIMITED *

4.1 **Exemptions availed on first-time adoption to Ind AS**

Ind AS 101 allows first-time adopters certain exemptions from the retrospective application of certain requirements under Ind AS. The Company has accordingly applied the following exemptions:

a. Property, plant and equipment and Intangible Assets

On transition to Ind AS, Company has elected to continue with the carrying value of all its property plant and equipment and intangible assets existing as at April 1, 2020, measured as per previous GAAP and used that carrying value as the deemed cost of the property plant and equipment.

b. Leases

The Company elects to apply the criteria for identifying whether a lease is or contains a lease based on the facts and circumstances existed as at April 1, 2019. The lease liability on transition date is arrived at by computing the present value of remaining lease payments discounted using the Company's incremental borrowing rate.

Right of use asset at transition date is measured at an amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments relating to the lease immediately prior the date of transition to Ind AS.

c. Business combinations

The Company elects to apply the requirements of Ind AS 103 from the date of transition, i.e., April 1, 2020 only.

4.2 **Reconciliation between Previous GAAP and Ind AS**

(i) Equity reconciliation

₹ in lakhs

Particulars	Note	March 31, 2021	April 1, 2020
As reported under previous GAAP		8,787.46	7,837.58
Application of EIR method on loan assets	(a)	(8.78)	(5.82)
Application of EIR method on borrowings	(b)	43.00	77.47
Expected credit loss provision on loans	(e)	68.93	64.24
Depreciation on ROU assets	(c)	(424.43)	-
Finance cost on lease liabilities	(c)	(235.32)	-
Rent expenses	(c)	463.83	-
Unwinding of discount on security deposits	(c)	20.80	-
Employee benefits	(d)	(31.98)	(92.17)
Deferred tax adjustments	(f)	77.87	1.79
Other adjustments		0.02	(0.01)
Equity under Ind AS		**8,761.40**	**7,883.08**

INDEL MONEY LIMITED

(ii) Total comprehensive income reconciliation

Particulars	Note	For the year ended March 31, 2021
Net profit under previous GAAP		949.88
Application of EIR method on loan assets	(a)	(2.96)
Unwinding of discount	(c)	20.80
Application of EIR method on borrowings	(b)	(34.47)
Interest expenses on lease liability	(c)	(235.32)
Depreciation on ROU assets	(c)	(424.43)
Expected loss provision on financial assets	(e)	4.69
Employee benefits	(d)	60.19
Rent expenses	(c)	463.83
Deferred tax adjustments	(f)	76.08
Other adjustments		0.03
Total comprehensive income under Ind AS		**878.32**

(iii) Reconciliation of Statement of cashflows

There are no material adjustments to the Statement of Cashflows as reported under the Previous GAAP.

Notes to reconciliation between previous GAAP and Ind AS

(a) Application of effective interest rate method on loans and advances given

As per the EIR method, the processing charges income cannot be recognised upon sanction of loan, but it should be spread over the life of the loan by using the effective interest rate.

As part of transition, the Company had reversed income of ₹5.82 lakhs to retained earnings and recognised a further income of ₹2.96 lakhs during 2020-21 as compared to previous GAAP figures.

(b) Application of effective interest rate method on borrowings

Due to application of this method, EIR was required to be computed on each borrowing. As part of transitional adjustment, processing charges expensed off amounting to ₹77.47 lakhs has been reversed and is being expensed off over the remaining term of loan using EIR method.

During 2020-21, an additional interest expense of ₹34.47 lakhs were recognised as per EIR method.

(c) Leases

As a transition adjustment, the Company had recognized right of use asset of ₹2491.45 lakhs and there was an addition of ₹1003.11 lakhs during the year 2020-21. The Company had also recognized lease liability to the extent of ₹2346.55 lakhs. Further lease liability has also created for ₹943.12 lakhs for the additions made during the said period.

The rent deposits of the Company has been discounted to its present value and difference of ₹144.9 lakhs on transition and ₹59.98 lakhs during 2020-21 had been taken while computing cost of ROU asset.

INDEL MONEY LIMITED

During the year 2020-21, depreciation of ₹424.44 lakhs has been provided on ROU assets. The interest on lease liability was ₹269.78 lakhs. As at year-end, the security deposit has been restated to its present value as at year-end. The unwinding of discount accounted for in 2020-21 in this regard was ₹20.8 lakhs.

The rent expenses incurred has been considered as the repayment of lease liability for the year.

(d) Employee Benefits

The Company had taken revised actuarial valuation reports for gratuity and leave encashment on transition date and recognised an additional liability of ₹92.17 lakhs. During the year 2020-21, the Company had also provided for an additional employee benefit expenses of ₹60.19 (net of actuarial gain).

(e) Expected credit loss on financial assets

The Company was creating provision on loans as per the income recognition and asset classification norms prescribed by RBI. On transition to Ind AS, Ind AS 109 gives specific guidance on accounting for impairment of financial assets. Consequently, RBI had directed that if the ECL provision requirements of Ind AS 109 to be recognised in the financial statements and any provision required in excess of ECL should be recognised by creating impairment reserve out of the profit or loss for the period.

Based on this, as part of transition, the Company had reversed provision created of ₹64.24 lakhs and a further reversal of ₹4.69 had been made during the year 2020-21.

(f) Deferred tax adjustments

Due to the transitional adjustments made, the Company had created the deferred tax asset amounting to ₹1.79 lakhs as at April 1, 2020. Further, due to the difference between the Previous GAAP and Ind AS, an additional benefit of ₹74.89 lakhs made in Profit or loss for the period ending on March 31, 2021. Deferred tax expense of ₹1.19 lakhs had made in other comprehensive income also.

INDEL MONEY LIMITED

	Particulars	As at		
		March 31, 2022	March 31, 2021	April 1, 2020
		₹ in lakhs		
5	**Cash and cash equivalents**			
	(a) Cash on hand	296.24	223.88	15.31
	(b) Balances with banks	7,583.94	495.70	613.33
		7,880.18	719.58	628.64
6	**Bank balances other than cash and cash equivalents**			
	(a)Term deposits with Banks	1,006.12	649.24	-
	(held as cash collateral for securitisation transactions and lien marked for overdraft balances)	1,006.12	649.24	-
7	**Receivables**			
	(i) Trade receivables	-	-	-
		-	-	-
	(ii) Other receivables			
	(a) Considered good - secured	5,197.79	3,852.37	1,618.27
	(b) Considered good - unsecured	335.01	187.31	35.93
		5,532.80	4,039.68	1,654.20
	Less: Allowance for impairment loss	-	-	-
		5,532.80	4,039.68	1,654.20
8	**Loans**			
	(A)			
	(i) Gold loan	42,275.76	30,988.37	29,582.92
	(ii) Business loan	6,874.13	7,290.22	3,079.04
	(iii) Personal loan	3,357.55	1,082.91	44.75
	(iv) Loans to related parties	-	514.00	916.52
		52,507.44	39,875.50	33,623.23
	Less: Impairment allowance	(140.15)	(68.73)	(51.88)
		52,367.29	39,806.77	33,571.35
	(B)			
	I) Secured by Tangible assets			
	(i) Gold loan	42,275.76	30,988.37	29,582.92
	(ii) Business loan	3,133.50	5,705.95	2,424.66
	(iii) Personal loan	-	-	-
	(iv) Loans to related parties	-	514.00	916.52
		45,409.26	37,208.32	32,924.10
	Less: Impairment allowance			
		45,409.26	37,208.32	32,924.10

INDEL MONEY LIMITED

	Particulars	As at March 31, 2022	As at March 31, 2021	As at April 1, 2020
	II) Unsecured			
	(i) Gold loan		-	-
	(ii) Business loan	3,740.63	1,584.27	654.39
	(iii) Personal loan	3,357.55	1,082.91	44.75
	(iv) Loans to related parties		-	-
		7,098.18	**2,667.18**	**699.14**
	Less: Impairment allowance			
		7,098.18	**2,667.18**	**699.14**
	(C)			
	(I) Loans in India			
	i) Public sector		-	-
	ii) Others	52,507.44	39,875.50	33,623.23
		52,507.44	**39,875.50**	**33,623.23**
	(II) Loans outside India	-	-	-
		52,507.44	**39,875.50**	**33,623.23**
	Less: Impairment allowance	(140.15)	(68.73)	(51.88)
		52,367.29	**39,806.77**	**33,571.35**
	Note: All of the above loans are carried using amortised cost model considering the business model objective.			
9	**Other financial assets**			
	a) Security deposits	820.28	389.88	276.73
	b) Other financial assets	**88.13**	**20.26**	**164.23**
		908.41	**410.14**	**440.96**
10	**Current tax assets (Net)**			
	a) TDS receivable	893.20	233.70	204.30
		893.20	**233.70**	**204.30**
11	**Deferred tax assets (Net)**			
	a) Deferred tax assets	1,095.45	1,018.74	831.19
	b) Deferred tax liabilities	(859.12)	(831.18)	(723.56)
		236.33	**187.56**	**107.63**

INDEL MONEY LIMITED

Particulars	As at		
	March 31, 2022	March 31, 2021	April 1, 2020

(A) The balance of deferred tax assets comprises temporary differences attributable to:

(₹ in lakhs)

Particulars	As at April 1, 2021	Charged/ (credited) to profit or loss for the period	Recognised in Other Comprehensive Income	As at March 31, 2022
Difference between book base and tax based in respect of PPE, ROU assets and intangible assets	(701.71)	12.03	-	(689.68)
Application of EIR on financial assets	56.52	(6.50)	-	50.02
Application of EIR on financial liabilities	(10.83)	(24.45)	-	(35.28)
Deferred tax on lease liabilities	826.57	49.34	-	875.91
Employee Benefits	17.01	9.94	8.41	35.36
Others				
Deferred tax assets (net)	**187.56**	**40.36**	**8.41**	**236.33**

Particulars	As at April 1, 2020	Charged/ (credited) to profit or loss for the period	Recognised in Other Comprehensive Income	As at March 31, 2021
Difference between book base and tax based in respect of PPE, ROU assets and intangible assets	(601.60)	(100.11)	-	(701.71)
Application of EIR on financial assets	39.22	17.30	-	56.52
Application of EIR on financial liabilities	(19.50)	8.67	-	(10.83)
Deferred tax on lease liabilities	666.31	160.26	-	826.57
Employee Benefits	23.20	(5.00)	(1.19)	17.01
Others	-	-	-	-
Deferred tax assets (net)	**107.63**	**81.12**	**(1.19)**	**187.56**

Disclosure pursuant to Ind AS 12 Income Taxes

(₹ in lakhs)

Particulars	March 31,2022	March 31,2021
(a) Current tax	285.60	360.73
(b) Deferred tax	0.72	(81.13)
Total tax expenses in the Statement of Profit and Loss	286.32	279.60
Tax effect on other comprehensive income	8.41	1.19
Deferred tax credit recorded in equity	-	-
Tax losses on which deferred tax is not recognised	-	-

INDEL MONEY LIMITED

	Particulars	As at		
		March 31, 2022	March 31, 2021	April 1, 2020
	Reconciliation of estimated Income tax expense at tax rate to income tax expense reported in the Statement of profit and loss:			
		(₹ in lakhs)		
	Particulars	**March 31,2022**	**March 31,2021**	
	Profit before tax	497.08	1,153.87	
	Applicable income tax rate	25.17%	25.17%	
	Expected income tax expenses	**125.12**	**290.43**	
	Adjustment on account of:			
	a) Expenses not allowable as per income tax	-	0.58	
	b) Effect of income exempt from tax	-	-	
	c) Non-creation deferred tax on temporary differences	-	-	
	d) Tax related to prior years	-	-	
	e) Deferred tax recognised in OCI	8.41	(1.19)	
	b) Others	152.79	(10.22)	
	Tax expense recognised during the year	**286.32**	**279.60**	
15	**Other non-financial assets**			
	a) Prepaid expenses	56.11	28.95	27.66
	b) Advance for expenses	373.24	254.18	228.81
	c) Deposits with government authorities	197.56	125.82	39.00
	d) Investments in non-financial assets	0.95	0.95	0.95
	e) Others	-	-	-
		627.86	**409.90**	**296.42**
16	**Payables**			
	(i) Trade payables			
		-	-	-
	(ii) Other payables			
	(a) Sundry creditors	**34.37**	**38.72**	**16.57**
		34.37	**38.72**	**16.57**
17	**Debt Securities**			
	At amortised cost			
	Non-convertible Debentures (Secured)			
	- In India (Refer note (ii) below)	11,890.10	5,166.51	3,782.45
	- Outside India	-	-	-

INDEL MONEY LIMITED

	Particulars	As at March 31, 2022	As at March 31, 2021	As at April 1, 2020
	Non-convertible Debentures (Unsecured)			
	- In India (Refer note (ii) below)	4,059.30		
	- Outside India	-		
		15,949.40	5,166.51	3,782.45

Note:

(i) There are no debt securities measured at fair value through profit or loss (FVTPL) or designated as FVTPL.

(ii) The bonds are secured by paripassu floating charge on current assets, book debts and loans and advances.

Details of non-convertible debentures (secured) *(₹ in lakhs)*

From Balance Sheet date	As at March 31, 2022 Interest rate range	As at March 31, 2022 Amount	As at March 31, 2021 Interest rate range	As at March 31, 2021 Amount
A) Issued on private placement basis				
Repayable on maturity:				
Maturing within 1 year	10.25 - 11.25%	64.00	9.75 - 13.43%	953.64
Maturing between 1 year to 3 years	10.00 - 16.00%	1,243.86	10.00 - 13.43%	1,025.55
Maturing between 3 year to 5 years	9.75 - 14.78%	5,392.91	10.00 - 13.00%	3,187.32
Maturing beyond 5 years	11.50-12.25%	332.00	-	-
Total amortised cost		7,032.77		5,166.51

From Balance Sheet date	As at April 1, 2020 Interest rate range	As at April 1, 2020 Amount
A) Issued on private placement basis		
Repayable on maturity:		
Maturing within 1 year	10.50 - 11.75%	380.75
Maturing between 1 year to 3 years	9.50 - 13.43%	481.60
Maturing between 3 year to 5 years	9.50 - 13.43%	2,920.10
Maturing beyond 5 years	-	-
Total amortised cost		**3,782.45**

	Particulars	March 31, 2022	March 31, 2021	April 1, 2020
18	**Borrowings (Other than Debt Securities)**			
	At amortised cost			
	i) Secured			
	Term loans			
	- From Banks (Refer note (ii) below)	18,230.75	13,775.47	14,770.05
	Loans repayable on demand			
	- From Banks (Refer note (iii) below)	3,587.83	2,612.01	

INDEL MONEY LIMITED

Particulars	As at March 31, 2022	As at March 31, 2021	As at April 1, 2020
ii) Unsecured			
- Unsecured loan from financial institutions	-	-	100.00
- Lease liabilities	3,479.98	3,105.40	2,346.55
	25,298.56	**19,492.88**	**17,216.60**

Note:

(i) There is no borrowings measured at FVTPL or designated at FVTPL.

(ii) The term loans loan from bank are secured against Book Debt, Personal Guarantee of Directors and Corporate Guarantee of Holding Company.

(iii) The working capital facility of ₹3,587.83 lakhs (March 31, 2021 - ₹2612.01 lakhs; April 1, 2020 ₹2,378.24 lakhs are secured primarily by floating and 1st paripasu charge on entire receivables with a margin of 25% (excluding the specific charge of existing NCD holders). Further, it is collaterally secured by equitable mortgage of loan with commercial building and land owned by holding company, sister concerns and Directors and personal guarantee by holding company, sister concerns and Directors.

Details of loans from Banks (Secured) *(₹ in lakhs)*

From Balance Sheet date	As at March 31, 2022		As at March 31, 2021	
	Interest rate range	Amount	Interest rate range	Amount
A) Repayable on demand				
Working capital facilities	9.45-12.80%	3,587.83	9.45-12.80%	2,612.01
B) Repayable in instalments				
Maturing within 1 year	9.45-15.00%	6,956.86	9.45-15.00%	7,563.23
Maturing between 1 year to 3 years	9.45-15.00%	7,969.91	9.45-15.00%	2,114.83
Maturing between 3 year to 5 years	14.50%	3,600.00	12.45-15.00%	1,419.10
Maturing beyond 5 years		-	14.50%	3,000.00
Total amortised cost		18,526.77		14,097.16

From Balance Sheet date	As at April 1, 2020	
	Interest rate range	Amount
A) Repayable on demand		
Working capital facilities	12.45-12.80%	2,478.24
B) Repayable in instalments		
Maturing within 1 year	12.25-15.00%	6,430.18
Maturing between 1 year to 3 years	12.25-15.00%	3,137.35
Maturing between 3 year to 5 years	-	-
Maturing beyond 5 years	14.50%	3,000.00
Total amortised cost		**12,567.54**

INDEL MONEY LIMITED

	Particulars	As at March 31, 2022	As at March 31, 2021	As at April 1, 2020
19	**Subordinated Liabilities**			
	At amortised cost			
	i) Unsecured			
	- Subordinate Bonds -Private Placement	19,020.70	14,758.05	9,963.70
		19,020.70	**14,758.05**	**9,963.70**

Details of Subordinate Bonds (Unsecured) *(₹ in lakhs)*

From Balance Sheet date	As at March 31, 2022 Interest rate range	As at March 31, 2022 Amount	As at March 31, 2021 Interest rate range	As at March 31, 2021 Amount
A) Issued on private placement basis				
Repayable on maturity:				
Maturing within 1 year	11.00-14.87%	2,748.75	11.00-14.87%	1,551.80
Maturing between 1 year to 3 years	11.00-14.87%	4,774.20	11.00-14.87%	7,453.95
Maturing between 3 year to 5 years	11.00-14.87%	10,354.15	11.00-14.87%	5,752.30
Maturing beyond 5 years	11.00-14.87%	1,143.60	-	-
Total amortised cost		**19,020.70**		14,758.05

From Balance Sheet date	As at April 1, 2020 Interest rate range	As at April 1, 2020 Amount
A) Issued on private placement basis		
Repayable on maturity:		
Maturing within 1 year		-
Maturing between 1 year to 3 years	11.00-14.87.00%	4,249.20
Maturing between 3 year to 5 years	11.00-14.87.00%	4,756.55
Maturing beyond 5 years	11.00-14.87.00%	957.95
Total amortised cost		**9,963.70**

	Particulars	March 31, 2022	March 31, 2021	April 1, 2020
20	**Other financial liabilities**			
	a) Interest accrued but not due on borrowings	2,665.39	1,743.01	951.47
	b) Refundable security deposits from staff	86.68	67.86	54.96
	c) Other payables	378.89	91.40	135.12
		3,130.96	**1,902.27**	**1,141.55**
21	**Provisions**			
	a) Provision for employee benefits			
	- Gratuity	115.79	55.25	45.83
	- Leave encashment	24.68	12.31	46.34
		140.47	**67.56**	**92.17**

INDEL MONEY LIMITED

	Particulars	As at March 31, 2022	As at March 31, 2021	As at April 1, 2020
22	**Other non-financial liabilities**			
	a) Statutory dues payable	57.57	36.45	35.60
		57.57	**36.45**	**35.60**
23	**Equity share capital**			
	Authorised:			
	1250.00 lakhs equity shares of ₹10 each	12,500.00	8,500.00	8,500.00
	(March 31, 2021 - 850.00 lakhs; April 1, 2020 - 850.00 lakhs)	**12,500.00**	**8,500.00**	**8,500.00**
	Issued, subscribed, called-up and paid-up			
	931.47 lakhs equity shares of ₹10 each	9,314.70	8,214.70	8,214.70
	(March 31, 2021 - 821.47 lakhs; April 1, 2020 - 821.47 lakhs)	**9,314.70**	**8,214.70**	**8,214.70**

a) Reconciliation of number of shares

Equity shares	As at March 31, 2022		As at March 31, 2021	
	No. of shares (in lakhs)	₹ in lakhs	No. of shares (in lakhs)	₹ in lakhs
Balance at the beginning of the year	821.47	8,214.70	821.47	8,214.70
Add: Issue during the year	110.00	1,100.00	-	-
Less: Buyback during the year	-	-	-	-
Balance at the end of the year	**931.47**	**9,314.70**	**821.47**	**8,214.70**

Equity shares	As at April 1, 2020	
	No. of shares (in lakhs)	₹ in lakhs
Balance at the beginning of the year	821.47	8,214.70
Add: Issue during the year	-	-
Less: Buyback during the year	-	-
Balance at the end of the year	**821.47**	**8,214.70**

(b) Rights, preferences and restrictions attached to shares

The company has one class of equity shares having a par value of ₹10 per share. Each shareholder is eligible for one vote per share held. The dividend, if any, proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

(c) Shares held by the holding company

Particulars	March 31, 2022	March 31, 2021	April 1, 2020
Indel Corporation Private Limited			
- Number of shares (in lakhs)	931.47	821.47	821.47
- Percentage of holding	100.00%	100.00%	100.00%

INDEL MONEY LIMITED

	Particulars	As at		
		March 31, 2022	March 31, 2021	April 1, 2020
	(d) Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company			
	Particulars	**March 31, 2022**	**March 31, 2021**	**April 1, 2020**
	Indel Corporation Private Limited			
	- Number of shares (in lakhs)	931.47	821.47	821.47
	- Percentage of holding	100.00%	100.00%	100.00%
	(e) Shares held by the Promoters			
	Particulars	**March 31, 2022**	**March 31, 2021**	**April 1, 2020**
	Indel Corporation Private Limited			
	- Number of shares (in lakhs)	931.47	821.47	821.47
	- Percentage of holding	100.00%	100.00%	100.00%
24	**Other equity**			
	a) Reserve fund			
	Balance at the beginning of the year	15.06	15.06	15.06
	Additions to / (transfers made) during the year	-	-	-
	Balance at the end of the year	**15.06**	**15.06**	**15.06**
	b) Impairment reserve			
	Balance at the beginning of the year	68.95	64.24	-
	Transition adjustments	-	-	64.24
	Additions to / (transfers made) during the year	120.81	4.71	-
	Balance at the end of the year	**189.76**	**68.95**	**64.24**
	c) Retained Earnings			
	Balance at the beginning of the year	438.13	(434.99)	(416.25)
	Transition adjustments	0.00	-	(18.74)
	Net profit/ (loss) for the year	210.76	874.27	-
	Remeasurement gain/ (loss) on defined benefit plan	(24.99)	3.56	
	Additions to / (transfers made) during the year	(120.81)	(4.71)	-
	Balance at the end of the year	**503.09**	**438.13**	**(434.99)**

INDEL MONEY LIMITED

Particulars	As at		
	March 31, 2022	March 31, 2021	April 1, 2020
d) Other Comprehensive Income			
Balance at the beginning of the year	3.56	-	-
Transition adjustments	-	-	-
Remeasurement gain/ (loss) on defined benefit plan	(24.99)	3.56	-
Balance at the end of the year	**(21.43)**	**3.56**	-
Total (a) + (b) + (c)	**707.91**	**522.14**	**(355.69)**

Description of the nature and purpose of Other Equity

(a) Reserve Fund

Reserve fund represents reserve fund created pursuant to Section 45-IC of the RBI Act, 1934 through transfer of specified percentage of net profit every year before any dividend is declared.

The reserve fund can be utilized only for limited purposes as specified by RBI from time to time and every such utilization shall be reported to the RBI within specified period of time from the date of such utilization.

(b) Impairment reserve

The impairment reserve is created when the impairment allowance under Ind AS 109 is lower than the 'provisioning required under income recognition and asset classification norms. The difference between these will be appropriated to the impairment reserve from the net profit or loss after tax. This will not reckoned for the purpose of regulatory capital and no withdrawal is permitted withou any prior approval from RBI

(c) Retained earnings

Retained earnings or accumulated surplus represents total of all profits retained since Company's inception.

Retained earnings are credited with current year profits, reduced by losses, if any, dividend payouts, transfers to General reserve or any such other appropriations to specific reserves.

INDEL MONEY LIMITED

12 Property, plant and equipment

Description	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As at 01.04.2021	Additions	Deletion	As at 31.03.2022	As at 01.04.2021	For the Year	Depreciation on sale/Woff of Assets	As at 31.03.2022	As at 31.03.2022	As at 31.03.2021
Computer and accessori	112.03	102.88	(0.64)	214.27	40.15	60.92	(0.60)	100.47	113.80	71.88
Motor vehicles	36.09	32.03	(15.04)	53.08	7.72	9.52	(4.07)	13.17	39.91	28.37
Furniture and fixtures	617.67	309.76	-	927.43	149.63	175.12	-	324.75	602.68	468.04
Electrical machinery	74.34	23.10	-	97.44	13.73	16.89	-	30.62	66.82	60.61
Plant and machinery	30.38	11.68	-	42.06	5.81	6.64	-	12.45	29.61	24.57
Total	**870.51**	**479.45**	**(15.68)**	**1,334.28**	**217.04**	**269.09**	**(4.67)**	**481.46**	**852.82**	**653.47**

Description	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As at 01.04.2020	Additions	Deletion	As at 31.03.2021	As at 01.04.2020	For the Year	Depreciation on sale/Woff of Assets	As at 31.03.2021	As at 31.03.2021	As at 31.03.2020
Computer and accessori	77.60	34.55	(0.12)	112.03	-	40.15	-	40.15	71.88	77.60
Motor vehicles	21.05	15.04	-	36.09	-	7.72	-	7.72	28.37	21.05
Furniture and fixtures	517.16	115.93	(15.42)	617.67	-	151.46	(1.83)	149.63	468.04	517.16
Electrical machinery	52.47	21.87	-	74.34	-	13.73	-	13.73	60.61	52.47
Plant and machinery	29.37	1.01	-	30.38	-	5.81	-	5.81	24.57	29.37
Total	**697.65**	**188.40**	**(15.54)**	**870.51**	**-**	**218.87**	**(1.83)**	**217.04**	**653.47**	**697.65**

Notes:

(i) There are no property, plant and equipment which are acquired through business combination during the year (previous year - nil)

(ii) The Company has not revalued any of the assets during the year (previous year - nil)

(iii) All immovable properties held are in the name of the Company.

(iv) There are no capital work-in-progress during the period (previous year - Nil)

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS: 2021-22

13 Right-of-use asset

Description	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As at 01.04.2021	Additions	Deletion	As at 31.03.2022	As at 01.04.2021	For the Year	Depreciation on sale/Woff of Assets	As at 31.03.2022	As at 31.03.2022	As at 31.03.2021
Building	3,494.56	713.61	-	4,208.17	424.44	510.65	-	935.09	3,273.08	3,070.12
Total	**3,070.12**	**713.61**	**-**	**4,208.17**	**424.44**	**510.65**	**-**	**935.09**	**3,273.08**	**3,070.12**

Description	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As at 01.04.2020	Additions	Deletion	As at 31.03.2021	As at 01.04.2020	For the Year	Depreciation on sale/Woff of Assets	As at 31.03.2021	As at 31.03.2021	As at 31.03.2020
Building	2,491.45	1,003.11	-	3,494.56	-	424.44	-	424.44	3,070.12	2,491.45
Total	**2,491.45**	**1,003.11**	**-**	**3,494.56**	**-**	**424.44**	**-**	**424.44**	**3,070.12**	**2,491.45**

Notes:

(i) There are no property, plant and equipment which are acquired through business combination during the year (previous year - nil)

14 Intangible Assets

Description	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As at 01.04.2021	Additions	Deletion	As at 31.03.2022	As at 01.04.2021	For the Year	Depreciation on sale/Woff of Assets	As at 31.03.2022	As at 31.03.2022	As at 31.03.2021
Computer Software	36.17	81.63	-	117.80	17.06	24.19	-	41.25	76.55	19.11
Total	19.11	**81.63**	**-**	**117.80**	**17.06**	**24.19**	**-**	**41.25**	**76.55**	**19.11**

Description	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As at 01.04.2020	Additions	Deletion	As at 31.03.2021	As at 01.04.2020	For the Year	Depreciation on sale/Woff of Assets	As at 31.03.2021	As at 31.03.2021	As at 31.03.2020
Computer Software	15.04	21.13	-	36.17	-	17.06	-	17.06	19.11	15.04
Total	15.04	**21.13**	**-**	**36.17**	**-**	**17.06**	**-**	**17.06**	**19.11**	**15.04**

Notes:

(i) There are no property, plant and equipment which are acquired through business combination during the year (previous year - nil)

Particulars		For the year ended	
		March 31, 2022	March 31, 2021
		₹ in lakhs	
25	**Interest income**		
	On financial instruments measured at amortised cost		
	a) Interest on loans and advances	12,174.44	9,396.98
	b) Interest income from investments		-
	c) Interest income from term deposits from banks	56.79	27.57
	d) Other interest income	-	8.35
		12,231.23	**9,432.90**
	Note: There are no assets measured at FVTOCI/ FVTPL		
26	**Fees and commission income**		
	a) Service charges and other fees on loan transactions	34.08	17.27
	b) Collection fee related to transferred assets under securitisation transactions	5.00	5.25
		39.08	**22.52**
27	**Other income**		
	a) Other income	30.13	11.00
		30.13	**11.00**
28	**Finance costs**		
	On financial liabilities measured at amortised cost		
	a) Interest on borrowings	2,692.35	2,329.70
	b) Interest on debts securities	1,398.10	515.36
	c) Interest on subordinated liabilities	2,313.69	1,601.97
	d) Interest on lease liabilities	301.07	269.78
	e) Other borrowing costs	-	-
		6,705.21	**4,716.81**
29	**Impairment of financial instruments**		
	On financial instruments measured at amortised cost		
	a) Baddebts written off	54.90	28.63
	b) Loans	71.42	16.85
		126.32	**45.48**
30	**Employee benefit expenses**		
	a) Salaries and wages	2,173.03	1,473.27
	b) Contribution to provident fund and other funds	125.90	87.48
	c) Staff welfare expenses	477.19	234.03
		2,776.12	**1,794.78**

INDEL MONEY LIMITED

	Particulars	For the year ended	
		March 31, 2022	March 31, 2021
31	**Depreciation, amortisation and impairment**		
	a) Depreciation on property, plant and equipment	269.10	218.87
	b) Amortisation on intangible assets	24.19	17.06
	c) Depreciation on right-of-use assets	510.65	424.44
		803.94	**660.37**
32	**Other expenses**		
	Advertisement	212.17	142.82
	Audit fees	**6.14**	**3.99**
	Annual maintenance charges	26.67	25.63
	Business promotion expenses	138.19	182.92
	Insurance charges	45.01	41.78
	Legal and professional charges	**211.64**	**165.84**
	Membership and subscriptions	20.00	8.96
	Miscellaneous expenses	**7.09**	**35.22**
	Postage and courier	29.71	10.09
	Transportation expenses	0.05	2.14
	Office maintenance expenses	46.98	47.26
	Electricity charges	55.31	42.90
	Printing and stationery	66.56	32.87
	Rates and taxes	**76.53**	**46.69**
	Directors' sitting fee	16.50	14.00
	Directors remuneration	24.00	24.00
	Repairs and maintenance	69.41	74.16
	Communication expenses	72.59	57.99
	Travelling and conveyance	195.75	112.06
	Rent	57.85	-
	Vehicle expenses	3.90	11.54
	Prior period expense	8.70	-
	Loss on sale of property, plant and equipment	1.02	12.26
		1,391.77	**1,095.11**
33	**Earnings per share**		
	Profit/ (loss) for the year (₹ in lakhs)	210.76	874.27
	Weighted average number of equity shares outstanding (in lakhs)	821.47	821.47
	Basic and diluted earnings per share (₹)	0.26	1.06
	Face value per equity share (₹)	10.00	10.00

INDEL MONEY LIMITED

34 Payment to Auditors

₹ in lakhs

Particulars	For the year ended	
	March 31, 2022	March 31, 2021
For Statutory Audit (inclusive of taxes)	4.00	2.94
For Tax Audit	0.50	0.50
GST	0.81	0.62
Total	**5.31**	**4.06**

35 Contingent liablities and contingent Assets

Particulars	As at		
	March 31, 2022	March 31, 2021	April 1, 2020
a) Claims against the Company not acknowledged as debt	-	-	-
b) Guarantees- Counter guarantees provided to Banks	-	-	-
c) Other money for which the company is contingently liable	-	-	-
Total	-	-	-

36 Operating segments

Primary segment

Operating segments are defined as components of an enterprise for which discrete financial information is available that is revaluated regularly by the chief operating decision maker, in deciding how to allocate resources and assessing performance. The Company has only one reportable business segment "Financial services".

Secondary segment (by geography)

The Company's economic environment is similar and it is having operations in India only. Therefore, the Company has only one reportable geographical segment. There are no operations outside India and hence there is no external revenue or assets which require disclosure.
No revenue from transactions with a single external customer amounted to 10% or more of the Company's total revenue in year ended March 31, 2022 (previous year - nil)

37 Employee Benefits

In accordance with Ind AS - 19 Employee Benefits, specified under Section 133 of the Companies Act, 2013 the following disclosures are made:

The Company recognised ₹125.9 lakhs (2020-21: ₹87.48 lakhs) for Provident Fund contributions in the Statement of Profit and Loss. The contributions payable to these plans by the Company are at rates specified in the rules of the schemes.

Defined Benefit Plans

The Company has an unfunded gratuity plan for qualifying employees. The benefit payable is calculated as per the Payment of Gratuity Act, 1972. The benefit vests upon completion of five years of continuous service and once vested, it is payable to employees on retirement or on termination of employment. In case of death while in service, the gratuity is payable irrespective of vesting.

Actuarial gains and losses in respect of defined benefit plans are recognised in the financial statements through other comprehensive income.

Through its defined benefit plans the company is exposed to a number of risks, the most significant of which are detailed below:

Interest risk:
The plan liabilities are calculated using a discount rate set with references to government bond yields. Any decrease in interest rate will increase the plan liability.

Longevity risk
The present value of defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

Salary risk
The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

The following table set out the unfunded status of the defined benefit schemes and the amount recognised in financial statements.

INDEL MONEY LIMITED

(a) Amount recognised in the Profit or loss for the period

(₹ in lakhs)

Particulars	For the year ended	
	March 31, 2022	March 31, 2021
Current service cost	30.02	16.09
Past service cost	-	-
Net interest on net defined benefit liability	3.23	2.57
Amount recognised in Profit or loss for the year	**33.25**	**18.66**

(b) Amount recognised in other comprehensive income

(₹ in lakhs)

Particulars	For the year ended	
	March 31, 2022	March 31, 2021
Remeasurement (gains)/ losses		
a) Actuarial (gains)/losses arising from changes in		
- Change in demographic assumptions		1.36
- Change in financial assumptions	13.57	(1.07)
- Experience adjustment	19.83	(5.04)
b) Return on plan asset excluding considered in net		
Amount recognised in other comprehensive	**33.40**	**(4.75)**

(c) Changes in present value of defined benefit obligation

(₹ in lakhs)

Particulars	For the year ended	
	March 31, 2022	March 31, 2021
Opening defined benefit obligation	55.25	45.84
Current service cost	30.02	16.09
Past service cost		-
Interest cost	3.23	2.57
Actuarial (gains)/losses	33.40	(4.75)
Benefits paid	(6.11)	(4.50)
Closing defined benefit obligation	**115.79**	**55.25**

(d) Net defined benefit liability/ (asset)

(₹ in lakhs)

Particulars	As at		
	March 31, 2022	March 31, 2021	April 1, 2020
Present value of defined benefit obligation	115.79	55.25	45.84
Fair value of plan assets	-	-	-
Net defined benefit liability/ (asset)	**115.79**	**55.25**	**45.84**
- Current	8.25	6.86	5.89
- Non-current	107.54	48.39	39.95

(e) The Principal actuarial assumptions used in determining gratuity liability is as follows;

Particulars	March 31, 2022	March 31, 2021
Discount rate	5.85%	5.85%
Salary increase	8.00%	8.00%
Attrition rates (based on age)		
- Upto 30 years	38.00%	38.00%
- 31- 44 years	15.00%	15.00%
- Above 44 years	7.00%	7.00%
Mortality Rate	IALM 2012-14	IALM 2012-14

Sensitivity analysis

Gratuity is a lump sum plan and the cost of providing these benefits is typically less sensitive to small changes in demographic assumptions. The key actuarial assumptions to which the benefit obligation results are particularly sensitive to are discount rate, future salary escalation rate and attrition rate. The following tables summarizes the impact on the reported defined benefit obligation at the end of the reporting period arising on account of an increase or decrease in the reported assumption by 100 basis points. These sensitivities have been calculated to show the movement in defined benefit obligation in isolation and assuming there are no other changes in market conditions at the accounting date. There have been no changes from the previous periods in the methods and assumptions used in preparing the sensitivity analysis.

INDEL MONEY LIMITED

(₹ in lakhs)

Particulars	March 31, 2022	March 31, 2021
Discount rate		
- 100 bps increase	105.82	(50.93)
- 100 bps decrease	127.44	60.26
Salary growth rate		
- 100 bps increase	126.58	60.10
- 100 bps decrease	106.13	(50.98)

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligations as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumption may be correlated.

The weighted average duration of the defined benefit obligation is estimated as 14.54 years (previous year – 15.05 years).

The payout pattern of defined benefit obligation (undiscounted) estimated as at year-end is given below:

Particulars	March 31, 2022	March 31, 2021
Expected cashflow due		
- within 1 year	8.25	6.86
- 2 to 5 years	44.08	21.18
- 6 to 10 years	47.39	20.99
- More than 10 years	141.14	51.77

38 Capital management

The Reserve Bank of India vide its circular reference RBI/2019-20/170 DOR (NBFC).CC.PD.No.109/22.10.106/2019-20 dated 13 March 2020 outlined the regulatory guidance in relation to Ind AS financial statements from financial year 2019-20 onwards. This included guidance for computation of 'owned funds' , 'net owned funds' and 'regulatory capital'. Accordingly, effective from the current financial year, the 'regulatory capital' has been computed in accordance with these requirements read with the requirements of the Master Direction DNBR. PD.008/03.10.119/2016-17 dated September 01, 2016 (as amended).

The Company's capital management strategy is to effectively determine, raise and deploy capital so as to create value for its shareholders. The same is

done through a mix of either equity and/or convertible and/or combination of short term /long term debt as may be appropriate.

The company determines the amount of capital required on the basis of operations, capital expenditure and strategic investment plans. The capital structure is monitored on the basis of net debt to equity and maturity profile of overall debt portfolio.

The Company is subject to the capital adequacy requirements of the Reserve Bank of India (RBI). Under RBI's capital adequacy guidelines, the Company is required to maintain a capital adequacy ratio consisting of Tier I and Tier II Capital. The total of Tier II Capital at any point of time, shall not exceed 100 percent of Tier I Capital. The minimum capital ratio as prescribed by RBI guidelines and applicable to the Company, consisting of Tier I and Tier II capital, shall not be less than 15 percent of its aggregate risk weighted assets on-balance sheet and of risk adjusted value of off-balance sheet.

The Company has complied with all regulatory requirements related capital and capital adequacy ratios as prescribed by RBI

Regulatory capital and analytical ratios ₹ in lakhs

Particulars	March 31, 2022	March 31, 2021
Tier I capital	9,817.79	8,652.83
Tier II capital (limited to Tier I capital)	4,923.95	4,341.47
Total regulatory capital	14,741.74	12,994.30
Aggregate of Risk weighted assets	63,571.33	45,885.56
Tier I capital ratio	15.44%	18.86%
Tier II capital ratio	7.75%	9.46%
Capital to risk-weighted assets ratio	23.19%	28.32%
Liquidity coverage ratio		

"Tier I Capital" means owned fund as reduced by investment in shares of other non-banking financial companies and in shares, debentures, bonds, outstanding loans and advances including hire purchase and lease finance made to and deposits with subsidiaries and companies in the same group exceeding, in aggregate, ten per cent of the owned fund.

"Owned fund" means paid up equity capital, preference shares which are compulsorily convertible into equity, free reserves, balance in share premium account and capital reserves representing surplus arising out of sale proceeds of asset, excluding reserves created by revaluation of asset, as reduced by accumulated loss balance, book value of intangible assets and deferred revenue expenditure, if any.

INDEL MONEY LIMITED

"Tier II capital" includes the following -
(a) preference shares other than those which are compulsorily convertible into equity
(b) revaluation reserves at discounted rate of fifty five percent
(c) General provisions (including that for Standard Assets) and loss reserves to the extent these are not attributable to actual diminution in value or identifiable potential loss in any specific asset and are available to meet unexpected losses, to the extent of one and one fourth percent of risk weighted assets. 12 month expected credit loss (ECL) allowances for financial instruments i.e. where the credit risk has not increased significantly since initial recognition, shall be included under general provisions and loss reserves in Tier II capital within the limits specified by extant regulations. Lifetime ECL shall not be reckoned for regulatory capital (numerator) while it shall be reduced from the risk weighted assets
(d) hybrid debt capital instruments; and
(e) subordinated debt to the extend aggregate does not exceed Tier I capital.

Aggregate Risk Weighted Assets -
Under RBI Guidelines, degrees of credit risk expressed as percentage weightages have been assigned to each of the on-balance sheet assets and off-balance sheet assets. Hence, the value of each of the on-balance sheet assets and off- balance sheet assets requires to be multiplied by the relevant risk weights to arrive at risk adjusted value of assets. The aggregate shall be taken into account for reckoning the minimum capital ratio

39 Leases

I) Company as a Lessee

As a lessee, the Company's lease asset class primarily consist of buildings or part thereof taken on lease for office premises used for operating activities.

For transition, the Company has elected not to apply the requirements of Ind AS 116 to leases which are expiring within 12 months from the date of transition by class of asset and leases for which the underlying asset is of low value on a lease-by-lease basis. The Company has also used the practical expedient provided by the standard when applying Ind AS 116 to leases previously classified as operating leases under AS 19 and therefore, has not reassessed whether a contract, is or contains a lease, at the date of initial application, relied on its assessment of whether leases are onerous, applying Ind AS 37 immediately before the date of initial application as an alternative to performing an impairment review, excluded initial direct costs from measuring the right-of-use asset at the date of initial application and used hindsight when determining the lease term if the contract contains options to extend or terminate the lease. The Company has used a single discount rate to a portfolio of leases with similar characteristics.

The weighted average incremental borrowing rate of 9.45% has been applied to lease liabilities recognized in the balance sheet at the date of initial application.

On application of Ind AS 116, the nature of expenses has changed from lease rent in previous periods to depreciation cost for the right-of-use asset, and finance cost for interest accrued on lease liability.

The Company has followed modified retrospective approach for transition to Ind AS 116 wherein the Company had computed the Right of use asset at transition date at an amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments relating to the lease immediately prior the date of transition to Ind AS. Accordingly, as a transition adjustment, the Company had recognized right of use asset of ₹2491.45 lakhs (after prepayment adjustment) and lease liability of ₹2346.55 lakhs.

Expense relating to leases on which short-term lease exemption was availed is ₹ 57.85(previous year: ₹Nil). The expense relating to leases of low-value assets during the year ended March 31, 2021, is Nil (previous year Nil)

None of the lease contains any variable lease payments or taken under sale and leaseback arrangements.

Movement in lease liabilities

₹ in lakhs

Particulars	March 31, 2022	March 31, 2021
Opening balance	3,105.40	2,346.55
Add: Additions during the year	671.50	943.12
Add: Finance cost	301.08	235.32
Less: Repayment made during the period	(598.00)	(419.59)
Less: Termination/ modification adjustments	-	-
Closing balance	**3,479.98**	**3,105.40**

INDEL MONEY LIMITED

Maturity analysis of lease liabilities (undiscounted values)

₹ in lakhs

Particulars	March 31, 2022	March 31, 2021
Upto 1 year	678.75	571.46
1 year - 5 years	2,636.02	2,334.75
More than 5 years	1,621.84	1,489.03
Total	4,936.61	4,395.24

40 Debenture Redemption Reserve

Pursuant to Regulation 16 of the SEBI Debt Regulations and Section 71(4) of the Companies Act, 2013 states that where debentures are issued by any company, the company shall create a debenture redemption reserve out of the profits of the company available for payment of dividend. Rule 18(7) of the Companies (Share Capital and Debentures) Rules, 2014, as amended by Companies (Share Capital and Debentures) Amendment Rules, 2019, listed NBFC is not required to create a DRR in case of public issue of debentures. The rules further mandate that the company which is coming with a Public Issue shall deposit or invest, as the case may be, before the 30th day of April of each year a sum which shall not be less than 15% of the amount of its debentures maturing during the year ending on the 31st day of March of the next year in any one or more prescribed methods.

Accordingly, your Company is not required to create a DRR for the Public NCDs. The Company maintained liquid assets amounting to Rs. 87.78 lakhs in the form of Deposits with Scheduled Banks, which represents 15% of amount of its public issue of debentures maturing during the financial year 2022-23.

41 Fraud

During the FY 2021-22 there were instances of fraud on the Company by employees where gold loan related misappropriations have occurred amounting to Rs.94.65 lacs ((Previous Year Rs.NIL) of which the Company has recovered Rs 1.98 lacs during the year itself).

42 Pending Litigations

The Company's pending litigations comprise of claims by the Company on the customers to recover its dues. The Company has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed the contingent liabilities where applicable, in its financial statements. The Company does not expect the outcome of these proceedings to have a material adverse effect on its financial statements of the Company as at March 31, 2022 (previous year - nil)

43 Financial risk management framework

In the course of its business, the Company is exposed to certain financial risks namely credit risk, interest risk, currency risk & liquidity risk. The Company's primary focus is to achieve better predictability of financial markets and seek to minimize potential adverse effects on its financial performance.

The financial risks are managed in accordance with the Company's risk management policy which has been approved by its Board of Directors.

Board of Directors of the Company have established Asset and Liability Management Committee (ALCO), which is responsible for developing and monitoring risk management policies for its business. The credit risk is managed through credit norms established based on historical experience.

43.1 Market risk

Market the risk that the fair value or future cash flows of financial instruments will fluctuate due to changes in market variables such as interest rates, foreign exchange rates, etc. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while maximizing the return.

a) Pricing risk

The Company does not have any asset which is exposed to the pricing risk

b) Currency risk

The Company does not have any asset which is exposed to the currency risk since the Company does not deal in foreign currency

c) Interest rate risk

The company uses a mix of cash and borrowings to manage the liquidity & fund requirements of its day-to-day operations. Further, certain interest bearing liabilities carry variable interest rates

43.2 Credit Risk Management

Credit risk is the risk that the Company will incur a loss because its customers fail to discharge their contractual obligations. The Company has a comprehensive framework for monitoring credit quality of its retail and other loans primarily based on Days past due monitoring at period end. Repayment by individual customers and portfolio is tracked regularly and required steps for recovery are taken through follow ups and legal recourse.

Credit Quality of Financial Loans and Investments
The following table sets out information about credit quality of loans and investments measured at amortized cost primarily based on days past due information. The amount represents gross carrying amount.

₹ in lakhs

Particulars	March 31, 2022	March 31, 2021
Gross carrying amount of loans	52,367.29	39,806.77
No dues	-	-
30 days past due	323.61	183.57
31-90 days past due	1,586.48	353.08
Impaired (more than 90 days past due)	846.47	204.79

The Company reviews the credit quality of its loans based on the ageing of the loan at the period end. Since the company is into retail lending business, there is no significant credit risk of any individual customer that may impact company adversely, and hence the Company has calculated its ECL allowances on a collective basis.

Inputs considered in the ECL model
In assessing the impairment of financial loans under Expected Credit Loss (ECL) Model, the assets have been segmented into three stages. The three stages reflect the general pattern of credit deterioration of a financial instrument. The differences in accounting between stages, relate to the recognition of expected credit losses and the measurement of interest income.

The Company categorizes loan assets into stages primarily based on the Days Past Due status.
Stage 1 : 0-30 days past due
Stage 2 : 31-90 days past due
Stage 3 : More than 90 days past due

RBI COVID-19 Regulatory Package
In accordance with the Reserve Bank of India (RBI) notification no. RBI/2019-20/186 DOR.No.BP. BC.47/21.04.048/2019-20 dated 27th March, 2020, RBI/2019-20/220 DOR.No.BP.BC.63/21.04.048/2020-21 dated April 17, 2020 and Press Release: 2019-2020/2392 dated 22 May 2020 relating to 'COVID-19 - Regulatory Package', the Company, as per its Board approved policy and ICAI advisories, has granted moratorium upto six months on the payment of installments which became due between 01 March 2020 and 31 August 2020 to all eligible borrowers. This relaxation did not automatically trigger a significant increase in credit risk. The Company continued to recognize interest income during the moratorium period and in the absence of other credit risk indicators, the granting of a moratorium period did not result in accounts becoming past due and automatically triggering Stage 2 or Stage 3 classification criteria and accordingly, the staging of such accounts of borrowers as at 31 March 2021 is based on day past due status considering the benefit of moratorium period.

Impact of COVID-19
The COVID 19 pandemic had significantly increased the credit risk relating to the loans and advances from the historical loss expectations. The

management had given due care and made forward looking estimates to ECL model so as to cover the additional risk due to the pandemic.

Estimations and assumptions considered in the ECL model
The Company has made the following assumptions in the ECL Model:
a) The Company is primarily engaged in the gold loan business and the average loan duration is less than 1 year also. Therefore, the Company does not made any segregation between 12 month ECL and life-time ECL while computing the ECL allowance.
b) Since the Company has no assets which are classified as NPA (more than 90 days past due), there is not asset under credit impaired category.

c) The Company had started business certain new geographical locations wherein the historical loss details are not available. The loss rates for similar geographical location is considered as a forward looking estimate.

Concentration of credit risk
Concentrations arise when a number of counterparties are engaged in similar business activities, or activities in the same geographical region, or have similar economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions.
In order to avoid excessive concentrations of risk, the Company's policies and procedures include specific guidelines to focus on spreading its lending portfolio across various products/states/customer base with a cap on maximum limit of exposure for an individual/Group. Accordingly, the Company does not have concentration risk.

INDEL MONEY LIMITED

43.3 ***Liquidity risk***

Liquidity risk refers to the risk that the Company cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements.

The Company consistently generated sufficient cash flows from operations to meet its financial obligations as and when they fall due.
The Company has well defined Asset Liability Management (ALM) framework with an appropriate organisational structure to regularly monitor and manage maturity profiles of financial assets and financial liabilities including debt financing plans, cash and cash equivalent instruments to ensure liquidity

Maturity pattern of financial liabilities

₹ in lakhs

Particulars	0-12 months	Beyond 12 months	Total
As at March 31, 2022			
(a) Payables	34.37	-	34.37
(b) Debt securities	11,138.69	4,810.71	15,949.40
(c) Borrowings (Other than Debt Securities)	10,940.20	14,358.36	25,298.56
(d) Lease liabilities (at undiscounted values)	678.75	4,257.86	4,936.61
(e) Deposits	-	-	-
(f) Subordinated Liabilities	2,752.35	16,268.35	19,020.70
(g) Other financial liabilities	1,848.07	1,282.89	3,130.96
	27,392.43	**40,978.17**	**68,370.60**
As at March 31, 2021			
(a) Payables	38.72	-	38.72
(b) Debt securities	3,870.86	1,295.65	5,166.51
(c) Borrowings (Other than Debt Securities)	9,996.69	6,212.24	16,208.93
(d) Lease liabilities (at undiscounted values)	571.46	3,823.78	4,395.24
(e) Deposits	-	-	-
(f) Subordinated Liabilities	1,551.80	13,206.25	14,758.05
(g) Other financial liabilities	1,219.09	683.18	1,902.27
	17,248.62	**25,221.10**	**42,469.72**

44 **Financial instruments**

The significant accounting policies, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognized, in respect of each class of financial asset, financial liability and equity instrument are disclosed in Note #2 to the financial statements.

44.1 ***Classification of financial assets and liabilities***

The fair values of the financial assets / liabilities represent the price that would be received to sell the financial asset or paid to transfer the financial liability in an orderly transaction between market participants at the measurement date.

The following methods and assumptions were used to estimate the fair values:
1. Fair value of trade receivables, cash, loans, other financial assets, trade payables and other financial liabilities, approximate their carrying amounts largely due to short term maturities of these instruments.
2. Financial instruments with fixed and variable interest rates are evaluated by the Company based on parameters such as interest rates and individual credit worthiness of the counterparty. Based on this evaluation, allowances are taken to account for expected losses of these financial assets. Accordingly, fair value of such instruments is not materially different from their carrying amounts.

The fair values of security deposits were calculated based on cash flows discounted using current lending rate. The fair values are classified as Level 3 in the fair value hierarchy due to the inclusion of unobservable inputs including counter party credit risk.

The Company does not have any financial instruments which are held for trading and no financial instruments are required to be accounted using fair value through profit or loss. Further, the Company has no instruments which are accounted for using hedge accounting model as specified under Ind AS 109 Financial Instruments.

₹ in lakhs

Particulars	Non-current	Current	Total
As at March 31, 2022			
Financial assets at amortised cost			
(a) Cash and cash equivalents	-	7,880.18	7,880.18
(b) Bank balances other than cash and cash equivalents	1,006.12		1,006.12
(c) Receivables	-	5,532.80	5,532.80
(d) Loans	4,474.78	47,892.51	52,367.29
(f) Investments	-	-	-
(g) Other financial assets	820.28	88.13	908.41
	6,301.18	**61,393.62**	**67,694.80**

INDEL MONEY LIMITED

Financial liabilities at amortised cost			
(a) Payables	-	34.37	34.37
(b) Debt securities	4,810.71	11,138.69	15,949.40
(c) Borrowings (Other than Debt Securities)	14,358.36	10,940.20	25,298.56
(d) Deposits	-	-	-
(e) Subordinated Liabilities	16,268.35	2,752.35	19,020.70
(f) Other financial liabilities	1,282.89	1,848.07	3,130.96
	36,720.31	**26,713.68**	**63,433.99**
As at March 31, 2021			
Financial assets at amortised cost			
(a) Cash and cash equivalents	-	719.58	719.58
(b) Bank balances other than cash and cash equivalents	649.24	-	649.24
(c) Receivables	-	4,039.68	4,039.68
(d) Loans	3,214.49	36,592.28	39,806.77
(f) Investments	-	-	-
(g) Other financial assets	389.88	20.26	410.14
	4,253.61	**41,371.80**	**45,625.41**
Financial liabilities at amortised cost			
(a) Payables	-	38.72	38.72
(b) Debt securities	1,295.65	3,870.86	5,166.51
(c) Borrowings (Other than Debt Securities)	9,177.88	10,315.00	19,492.88
(d) Deposits	-	-	-
(e) Subordinated Liabilities	13,206.25	1,551.80	14,758.05
(f) Other financial liabilities	683.18	1,219.09	1,902.27
	24,362.96	**16,995.47**	**41,358.43**

44.2 *Fair value hierarchy*

The fair value hierarchy is based on inputs to valuation techniques that are used to measure fair value that are either observable or unobservable and consists of the following three levels:

- Level 1 - Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 - Inputs are other than quoted prices included within Level 1 that are observable for the asset or liability, directly (i.e., as prices) or indirectly (i.e., derived from prices).

- Level 3 - Inputs are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

The fair value of loan assets has been arrived at by using level 3 inputs at initial recognition and subsequently measured using amortized cost model. There are no financial instruments which are carried at fair value as at the Balance Sheet date.

45 Additional disclosures required under Schedule III

45.1 *Loans and advances to promoters, KMPs, Directors and related parties*

Details of loans to promoters, KMPs, Directors and other related parties during the period are as follows:

Type of borrower	As at March 31, 2022		As at March 31, 2021	
	Amount outstanding	% of total	Amount outstanding	% of total
Repayment terms are fixed				
a) Promoters	-		-	
b) Directors	-		-	
c) KMPs	-		-	
d) Related parties	-		514.00	100.00%
Repayable on demand				
a) Promoters	-	-	-	-
b) Directors	-	-	-	-
c) KMPs	-	-	-	-
d) Related parties	-	-	-	-
without specifying any terms or period of repayment				
a) Promoters	-	-	-	-
b) Directors	-	-	-	-
c) KMPs	-	-	-	-
d) Related parties	-	-	-	-

INDEL MONEY LIMITED

45.2 *Transactions related to Crypo-currency*
The company has not traded or invested in Crypto currency or Virtual Currency during the period (previous year - Nil)

45.3 *Fund received from other persons/ entities for lending/ investing/ providing guarantee*
The company has not received any funds from any person/entities, for the purpose of directly or indirectly lending/investing/providing guarantee/security to another person/entity, by or on behalf of the person/entity from whom such amount is received during the period in contravention of the Act or RBI guidelines.

The company has not advanced/loaned/invested funds to any person/entity for the purpose of directly or indirectly lending/ investing/ providing guarantee/ security to a third person/entity, by or on behalf of the company in contravention of the Act.

45.4 *Utilisation of borrowings*
The Company had utilised the borrowings availed during the period for the purposes specified.

45.5 *Periodical reports submitted to bank on current assets*
The Company has taken loans from banks/ Financial Institutions (FI) on the basis of security of assets like loans receivable.
The periodic returns or statements of current assets filed by the Company with banks or financial institutions are in agreement with the books of accounts.

45.6 *Disclosure pursuant to section 186 of the Companies Act, 2013*
The Company has not given any loans/ advances/ guarantees to any related person/ entities in contravention of section 186 of the Companies Act, 2013.

45.7 *Details of Corporate guarantees given by the Company*
The Company has not given any corporate guarantee in respect of any loan during the period

45.8 *Revaluation of assets*
The Company has not revalued its Property, Plant and Equipment (including Right-of-Use Assets)/ Intangible Assets during the period (previous year - Nil)

45.9 *Property under the Benami Transactions (Prohibition) Act, 1988*
The company is not holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988)

Willful defaulter
The company is not wilful defaulters under guidelines on wilful defaulters issued by the Reserve Bank of India

Relationship with struck of companies
The company has no relationship and transactions with struck off companies

Delay in registration of charges
The company has not made any delay in registration of Charges during the period.

Layers of investment
The company has complied with the number of layers prescribed under section 2(87) of the companies Act 2013

Compromises and Arrangements
The company has not entered in scheme of arrangement under section 230 to 237 of Companies Act 2013 during the period.

Transactions not recorded in the books disclosed under income tax
There are no transactions not recorded in the books of accounts, which are disclosed during the Income tax assessment/search/survey.

INDEL MONEY LIMITED

47 RELATED PARTY DISCLOSURE

A Enterprise where control exists

Related Parties	**Name of related parties**
Holding Company :	Indel Corporation Private Limited
B Fellow Subsidiary Company:	Indel Automotives Private Limited M Star Hotels Private Limited
C Individual and relatives of Individual	Mr.Gopalakrishna Mohanan, Managing Director Mr.Umesh Mohanan, Director Mr. Salil Venu, Director Mrs. Kavitha Menon, Director Mrs. Usha Devi Mohanan
D Partnership Firm in which Director is a partner	Mind Story
E Companies/Firm in which Individual and relatives of Individual exercise control/significant influence	M Star Satelite Communications Private Limited M Star Hotel Heritage Private Limited Wind flower Consultancy

Disclosure of transactions between the Company and related parties and outstanding balance as at the

A Transaction with Holding Company

(i)

Indel Corporation Private Limited	**As at**	
	March 31,2022	**March 31,2021**
Opening Balance	112.47	157.43
Expenses incurred	10.71	9.42
Empenses reimbursed	(9.50)	(9.88)
Rental/Maintenance Expenses	60.44	49.14
Rental/Maintenance Expenses paid	(61.90)	(49.14)
Rent Deposit	385.00	110.00
Advance Paid	1,733.48	760.50
Advance returned	(1,672.80)	(915.00)
Amount Due from/(to) related party	**557.90**	**112.47**

B Fellow subsidary company:

(i)

Indel Automotives Private Limited	**As at**	
	March 31,2022	**March 31,2021**
Opening Balance	331.42	325.35
TDS receivable	-	10.16
Interest Accrued	15.32	56.67
Loan repayment	(320.00)	-
Interest received	(16.59)	(60.76)
Amount Due from/(to) related party	**10.16**	**331.42**

(ii)

M Star Hotels Private Limited	**As at**	
	March 31,2022	**March 31,2021**
Opening Balance	1.02	-
TDS receivable	-	1.02
Amount Due from/(to) related party	1.02	1.02

C Transactions with Individual exercise control over the company

(i)

Mohananan Gopalakrishnan	**As at**	
	March 31,2022	**March 31,2021**
Opening Balance	(0.46)	(0.34)
Interest on Bond accrued	(3.12)	(3.26)
Interest paid	2.96	3.14
Directors Remuneration paid	12.00	12.00
Amount Due from/(to) related party	**(0.62)**	**(0.46)**

INDEL MONEY LIMITED

(ii)

Umesh Mohanan	As at	
	March 31,2022	March 31,2021
Opening Balance	(0.35)	1.82
Salary paid	120.00	30.00
Expenses reimbursed	(18.33)	(1.82)
Interest on Bond accrued	(3.80)	(2.77)
Interest paid	2.70	2.42
Advance Paid	119.00	150.00
Amount Received	(94.91)	(150.00)
Amount Due from/(to) related party	**22.65**	**(0.35)**

(iii)

Salil Venu	As at	
	March 31,2022	March 31,2020
Directors Remuneration paid	9.00	9.00
Amount Due from/(to) related party	-	-

(iv)

Kavitha Menon	As at	
	March 31,2022	March 31,2020
Directors Remuneration paid	3.00	3.00
Amount Due from/(to) related party	-	-

(v)

Usha Devi Mohanan	As at	
	March 31,2022	March 31,2020
Opening Balance	(12.89)	(8.52)
Interest on Bond accrued	(5.65)	(4.91)
Interest paid	1.05	0.54
Amount Due from/(to) related party	(17.49)	(12.89)

D **Partnership Firm in which Director is a partner**

(i)

Mind Story	As at	
	March 31,2022	March 31,2020
Opening Balance	3.14	-
Expenses incurred	16.52	13.51
Empenses reimbursed	(18.27)	(10.38)
Amount Due from/(to) related party	1.39	3.14

E **Companies in which Individual and relatives of Individual exercise control/significant influence**

(i)

M Star Satellite Communications Private Limited	As at	
	March 31,2022	March 31,2020
Opening Balance	232.66	451.84
TDS Receivable	(7.59)	5.27

INDEL MONEY LIMITED

Interest accrued	30.12	48.16
Interest Received	(68.78)	(41.61)
Amount repaid	(194.00)	(231.00)
Amount Due from/(to) related party	**(7.59)**	**232.66**

(iii)

M Star Heritage Hotels Private Limited	**As at**	
	March 31,2022	**March 31,2020**
Opening balance	0.11	0.11
Amount	-	-
Amount Due from/(to) related party	**0.11**	**0.11**

(iv)

Wind Flower Consultancy	**As at**	
	March 31,2022	**March 31,2020**
Consultation Fee	39.92	39.92
Amount Due from/(to) related party	-	-

48 Balance confirmations

Balances of Loan from Financials Institutions -Term Loan are subject to confrimation and reconcilations.

49 Regrouping of comparative period information

The information relating to comparative periods have been regrouped /reclassified /restated to conform to the classification of the current year which are required in accordance with Ind AS.

INDEL MONEY LIMITED *

50 **Disclosure required as per Reserve Bank of India Notification No. DNBS.CC.PD.No. 265/03.10.01/2011-12 dated March 21,2012**

Particulars	March 31, 2022	March 31, 2021
Loan granted against collateral of gold jewellery	42,275.76	30,988.37
Total Asset of the Company	73,654.64	50,199.28
Percentage of loans granted against collateral of gold jewellery to Total Assets	57.40%	61.73%

51 **(as required in terms of paragraph 13 of Non-Banking Financial (Non- Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank Directions,2007)**

₹ in lakhs

Liability Side

Particulars	March 31, 2022	March 31, 2021
1) Loans and Advances availed by the non- banking financial company inclusive of interest acrrued thereon but not paid		
a)Debentures Secured	15,949.40	5,166.51
Subodinated Bonds Unsecured	19,020.70	14,758.05
(other than falling with in the meaning of public deposits)	-	-
b) Deferred Credits	-	-
c) Term Loans	19,206.57	13,775.47
d) Inter -Corporate Loans and Borrowings	-	-
e) Commercial Paper	-	-
f) Other Loans (Cash Credit and lease liabilities)	6,091.99	5,717.41

₹ in lakhs

Asset Side

Particulars	March 31, 2022	March 31, 2021
2) Break -up of loans and advances including bill receivables (other than those included in (4) below):		
a) Secured	45,269.11	37,139.59
b) Unsecured	7,098.18	2,667.18
(3) Break-up of Leased Assets and stock on hire and other assets counting towards AFC activities		
(i) Lease assets including lease rentals under sundry debtors:	-	-
(a) Financial lease	-	-
(b) Operating lease	-	-
(ii) Stock on hire including hire charges under sundry debtors	-	-
(a) Assets on hire	-	-
(b) Repossessed Assets	-	-
(iii) Other loans counting towards AFC activities	-	-
(a) Loans where assets have been repossessed	-	-
(b) Loans other than (a) above	-	-
(4) Break-up of Investments :		
Current Investments		
1. Quoted:		
(i) Shares : (a) Equity	-	-
(b) Preference	-	-
(ii) Debentures and Bonds	-	-
(iii) Units of mutual funds	-	-
(iv) Government Securities	-	-
(v) Others (please specify)	-	-
2. Unquoted:	-	-
(i) Shares : (a) Equity	-	-
(b) Preference	-	-
(ii) Debentures and Bonds	-	-
(iii) Units of mutual funds	-	-
(iv) Government Securities	-	-
(v) Others (please specify)	-	-
Long Term investments		
1. Quoted:		
(i) Shares : (a) Equity	-	-
(b) Preference	-	-
(ii) Debentures and Bonds	-	-
(iii) Units of mutual funds	-	-
(iv) Government Securities	-	-
(v) Others (please specify)	-	-
2. Unquoted:	-	-
(i) Shares : (a) Equity	-	-
(b) Preference	-	-
(ii) Debentures and Bonds	-	-
(iii) Units of mutual funds	-	-
(iv) Government Securities	-	-
(v) Others (Gold Ring & Gold audit kit)	0.95	0.95

INDEL MONEY LIMITED

5. Borrower Group Wise Classifaction of assets financial as in (2) and (3) above

₹ in lakhs

Category	Amount net of provisions		
	Secured	Unsecured	Total
1 Related Parties			-
(a) Subsidiaries	-	-	-
(b) Companies in the same group	514.00	-	514.00
(c)Other Related Parties	-	-	-
			-
2 Other than related parties (net of provisions)	36,625.59	2,667.18	39,292.77
Total	**37,139.59**	**2,667.18**	**39,806.77**

6. Investor group wise classification of all investments (Current and long term) in shares and securites (both quoted and unquoted)

Category	Market Value/Break up or Fair Value or NAV	Book Value (Net of Provisional)
1 Related Parties		
(a) Subsidiaries	-	1,00,000
(b) Companies in the same group	-	-
(c) Other Related Parties	-	-
2 Other than related parties	-	-
Total	-	1,00,000

7 Other Information

Particulars	Amount
(i) Gross Non- Performing Asset	
(a) Related Parties	-
(b) Other than Related Parties	-
(ii) Net Non -Performing Asset	
(a) Related Parties	-
(b) Other than Related Parties	-
(iii) Asset acquired in satisfaction of debt	-

EXPOSURES

₹ in lakhs

Exposure to Real Estate Sector	2021-22	2020-21
Category		
a) Direct Exposure	-	-
i) Residential Mortgages-		
Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented; (indvidual housing loans upto Rs. 15 lakhs may be shown seperately)	-	-
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 acquisitions, develpoment and construction etc) Exposure would also include Non-Fund Based(NFB) Limits		2,914
iii) Investments in Mortgage Backed securities (MBS) other securitised exposure		
a) Residential	-	-
b)Commercial Real Estate	-	-
b) Indirect Exposure		
Fund -Based and Non-Fund Basedexposures on National Housing Bank and (NHB)	-	-
and Housing Finance Companies (HFCs)	-	-

INDEL MONEY LIMITED