Piramal Enterprises Limited

Annual Report of Subsidiaries

2022-23

Contents

Piramal Fund Management Private Limited
Standalone Balance Sheet

(Currency: Indian rupees in lakhs)

	Notes	As at 31 March 2023	As at 31 March 2022
ASSETS			
1 Financial assets:			
(a) Cash and cash equivalents	3	811	491
(b) Receivables			
(i) Trade receivables	4	750	1,648
(c) Investments	7	11,417	12,235
(d) Other financial assets	5	83	87
2 Non-Financial assets:			
(a) Current tax assets (net)	6	471	824
(b) Property, plant and equipment	8	33	47
(c) Right of use assets	8	720	85
(d) Other intangible assets	9	2	4
(e) Other non-financial assets	10	236	321
Total assets		14,523	15,742
LIABILITIES AND EQUITY			
1 Financial liabilities			
(a) Payables			
Trade payables			
(i) Total outstanding dues of micro enterprises and small enterprises		0	3
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	11	45	351
(b) Borrowings	12	15,070	14,477
(c) Other financial liabilities	13	1,086	848
2 Non-Financial liabilities			
(a) Current tax liabilities (net)	14	20	20
(b) Provisions	15	124	135
(c) Deferred tax liabilities (net)	16	-	-
(d) Other non-financial liabilities	17	25	306
3 Equity			
(a) Equity share capital	18	19	19
(b) Other equity	19	(1,866)	(417)
Total liabilities and equity		14,523	15,742
Significant accounting policies	2-48		

The notes referred to above form an integral part of the standalone financial statements

As per our report of even date attached.

For Lodha and Co.
Chartered Accountants
Firm's Registration No: 301051E

R. P. Baradiya
Partner

Mumbai
Date: May 04, 2023

For and on behalf of the Board of Directors of Piramal Fund Management Private Limited

Khushru Jijina
Director
DIN: 00209953

Niraj Bhukhanwala
Director
DIN: 00113468

Mumbai
Date: May 04, 2023

Piramal Fund Management Private Limited

Statement of Standalone Profit and Loss
for the year ended 31 March 2023

(Currency: Indian rupees in lakhs)

	Notes	**For the year ended 31 March 2023**	**For the year ended 31 March 2022**
Revenue from operations			
Fee and Commission Income	20 A	753	2,083
Net gain on fair value changes	20 A	108	-
Total revenue from operations		**861**	2,083
Other income	*20 B*	950	1,832
Total revenue		**1,811**	3,915
Expenses			
Finance costs	*20 C*	434	838
Net loss on fair value changes	*21*	-	387
Employee benefits expenses	*22*	767	1,047
Depreciation and amortization	*23*	174	173
Other expenses	*24*	1,892	768
Total expenses		**3,267**	3,213
Profit/ (Loss) before tax		(1,456)	702
Less: Tax expenses			
Current tax	*25(a)*	-	-
Deferred Tax	*25(a)*	-	-
		-	-
Profit/ (Loss) after tax		(1,456)	702
Profit/ (Loss) after tax and share of profit of associates and joint ventures		**(1,456)**	**702**
Other Comprehensive Income/(Expenses):			
A. Items that will not be reclassified to profit or loss			
(i) Remeasurements of the defined benefit plans		**6**	**80**
- Income tax relating to above items		-	-
Total Comprehensive income for the year		(1,450)	782
Earnings per share [nominal value of share Rs. 10]	*27*		
Basic		**(766.20)**	**369.66**
Diluted		**(766.20)**	0.61
Significant accounting policies	*2-48*		

The notes referred to above form an integral part of the standalone financial statements

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Mumbai
Date: May 04, 2023

For and on behalf of the Board of Directors of Piramal Fund Management Private Limited

K. Jijina

Khushru Jijina
Director
DIN: 00209953

SDV

Niraj Bhukhanwala
Director
DIN: 00113468

Mumbai
Date: May 04, 2023

Piramal Fund Management Private Limited

Standalone Cash Flow Statement
for the year ended 31 March 2023

(Currency: Indian rupees in lakhs)

	Note	For the year ended 31 March 2023	For the year ended 31 March 2022
Cash flows from operating activities			
Profit/ (Loss) before tax		(1,456)	702
Adjustments for :			
Finance costs		434	838
Dividend Income		(517)	-
Sundry balances written back		(291)	(1)
Distribution expenses (Amortized)		-	3
Fair valuation of financial assets		(218)	387
Provision for bad debts / Bad Debts		1,079	47
Investment written off		237	
Depreciation and amortisation		174	173
Exchange gain		(109)	-
Income on investments			1,452
Operating cashflow before working capital changes		(666)	3,601
Decrease/(increase) in trade receivables		(181)	498
Decrease/(increase) in other financial assets		3	-
Decrease/(increase) in other non financial assets		84	(95)
(Decrease)/ increase in trade payables		(17)	(51)
(Decrease)/ increase in provision		(5)	(12)
(Decrease)/ increase in other financial liabilities		(408)	(878)
(Decrease)/ increase in other liabilities		(281)	256
Cash generated from/(used in) operations		(1,470)	3,319
Income taxes (paid) / refund		353	(199)
Net cash flows from/(used in) operating activities (A)		(1,117)	3,120
Cash flows from investing activities			
Redemption of investments		1,421	4,631
Dividends received		517	-
Purchase of mutual fund		(513)	(670)
Proceeds from sale of mutual fund		-	671
Income on investments		-	(1,452)
Proceeds from disposal of property, plant and equipment		(3)	-
Net cash flows from/(used in) investing activities (B)		1,421	3,180
Cash flows from financing activities			
Proceeds from borrowings(ICD)		750	1,785
Repayment of borrowings(ICD)		(150)	(7,750)
Interest paid		(392)	(838)
Payment of lease liabilities		(193)	(192)
Net cash flows from/(used in) financing activities (C)		16	(6,995)
Net increase/(decrease) in cash and cash equivalents D=(A+B+C)		320	(695)
Cash and cash equivalents at the beginning of the year (E)	3	491	1,186
Cash and cash equivalents at the end of the year (D+E)	3	811	491
As per financials note no. 3		811	491
Significant accounting policies	2-48		

The notes referred to above form an integral part of the standalone financial statements

As per our report of even date attached

For Lodha and Co.
Chartered Accountants
Firm's Registration No. 301051E

R. P. Baradiya
Partner

Mumbai
Date: May 04, 2023

For and on behalf of the Board of Directors of Piramal Fund Management Private Limited

K. Jijina

Khushru Jijina
Director
DIN: 00209953

Niraj Bhukhanwala
Director
DIN: 00113468

Mumbai
Date: May 04, 2023

Piramal Fund Management Private Limited

Standalone Statement of Changes in Equity
for the year ended 31 March 2023

(Currency: Indian rupees in lakhs)

(a) Equity share capital

	Amount
Equity shares of Rs. 10 each issued, subscribed and fully paid	
Balance as at 01 April 2021	19
Changes in equity share capital due to prior period errors	-
Restated balance as at 01 April 2021	19
Changes in equity share capital during the year	-
Balance as at 31 March 2022	19
Changes in equity share capital due to prior period errors	-
Restated balance as at 01 April 2022	19
Changes in equity share capital during the year	-
Balance as at 31 March 2023	19

(b) Other equity

Particulars	Reserves and surplus				Total
	Equity component of compound financial instruments (Note 20)	General reserve	Capital redemption reserve	Retained earnings	
Balance as at 01 April 2021	495	109	2	(1,805)	(1,199)
Changes in accounting policy or prior period errors	-	-	-	-	-
Restated balance as at 01 April 2021	-	-	-	-	-
Profit/(Loss) for the year	-	-	-	702	702
Other comprehensive income for the year, net of income tax	-	-	-	80	80
Total comprehensive income for the year	-	-	-	782	782
Balance as at 31 March 2022	495	109	2	(1,023)	(417)
Changes in accounting policy or prior period errors	-	-	-	-	-
Restated balance as at 01 April 2022	-	-	-	-	-
Profit/(Loss) for the year	-	-	-	(1,456)	(1,456)
Other comprehensive income for the year, net of income tax	-	-	-	6	6
Total comprehensive income for the year	-	-	-	(1,450)	(1,450)
Balance as at 31 March 2023	495	109	2	(2,473)	(1,866)

Significant accounting policies 2-48
The notes referred to above form an integral part of the standalone financial statements

As per our report of even date attached

For Lodha and Co.
Chartered Accountants
Firm's Registration No: 301051E

R. P. Baradiya
Partner

Mumbai
Date: May 04, 2023

For and on behalf of the Board of Directors of
Piramal Fund Management Private Limited

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Mumbai
Date: May 04, 2023

Piramal Fund Management Private Limited

Notes to Standalone Financial Statements
for the year ended 31 March 2023

1. BACKGROUND

Piramal Fund Management Private Limited ('The Company') was incorporated on 14 July 2005 with an objective to provide investment advisory services in the real estate sector. The Company has established a contributory trust, viz. 'Indiareit Fund' (the 'Fund'), under the provisions of the Indian Trust Act, 1882. The Fund has received approval from the Securities and Exchange Board of India on 17 October 2005 to carry on the activity of a venture capital fund under its different schemes by pooling together resources and finances from institutional and high net worth investors. On 15 September 2011, the Company received approval from the Securities and Exchange Board of India to carry out the activity of Portfolio Manager. The Company has also been appointed as an investment advisor to INDIAREIT Investment Management Co. (Mauritius), Piramal Asset Management Private Limited (Singapore) and IIFL Income Opportunities Fund – Series Special Situations.

2. SIGNIFICANT ACCOUNTING POLICIES

i) Basis of preparation

The standalone financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) and the provisions of the Companies Act, 2013 (the Act). The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued thereafter.

The Company's standalone financial statements are presented in Indian Rupees (INR), which is also its functional currency.

ii) Basis of Accounting

The standalone financial statements have been prepared on the historical cost basis except for certain standalone financial instruments that are measured at fair values at the end of each reporting period.

The preparation of the standalone financial statements in conformity with Ind AS requires the Management to make certain estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the standalone financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise.

iii) Use of Estimates and Judgements

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 disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the year. Accounting estimates could change from period to period. Actual results could differ from those estimates. Revisions to accounting estimates are recognised prospectively. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise.

Following areas entail a high degree of estimate and judgement or complexity in determining the carrying amount of some assets and liabilities.

1. Impairment of financial assets – Note 31
2. Fair Valuation of financial assets and liabilities - Note 31
3. Measurement of defined benefit obligations, key actuarial assumptions – Note 30

iv) Property, plant and equipment

All property, plant and equipment are stated at cost of acquisition, less accumulated depreciation and accumulated impairment losses, if any. Direct costs are capitalised until the assets are ready for use and includes freight, duties, taxes and expenses incidental to acquisition and installation.

The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Subsequent expenditures related to an item of property, plant and equipment are added to its carrying value only when it is probable that the future economic benefits from the asset will flow to the Company & cost can be reliably measured.

Losses arising from the retirement of, and gains or losses arising from disposal of property, plant and equipment are recognised in the standalone statement of profit and loss.

v) Intangible assets

Intangible assets are stated at acquisition cost, net of accumulated amortisation and accumulated impairment losses, if any.

Gains or losses arising from the retirement or disposal of an intangible asset are determined as the difference between the disposal proceeds and the carrying amount of the asset and are recognised as income or expense in the standalone statement of profit and loss.

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Piramal Fund Management Private Limited

Notes to Standalone Financial Statements
for the year ended 31 March 2023

2. SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

vi) Depreciation and amortisation

a. Property, plant and equipment

Depreciation is provided on a pro-rata basis using straight line method ('SLM') over the useful lives of the assets specified in Schedule II of the Companies Act, 2013

Office equipments	5 years
Furniture and fixtures	10 years
Computer servers and network devices	6 years
Computer - end user devices	3 years
Motor car	8 years
Leasehold improvements	Amortised over lease tenure

Individual fixed assets costing less than Rupees five thousand are depreciated fully in the year of purchase or acquisition

b. Intangible assets

Intangible Assets are amortized on a straight line basis over their finite useful lives over the following period:

Computer Software	6 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period

Individual fixed assets costing less than Rupees five thousand are depreciated fully in the year of purchase or acquisition

vii) Impairment of non financial assets

The Company assesses at each standalone balance sheet date whether there is any indication that an asset may be impaired For the purposes of assessing impairment, the smallest identifiable group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or groups of assets, is considered as a cash generating unit If any such indication exists, the Company estimates the recoverable amount of the asset If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount The reduction is treated as an impairment loss and is recognised in the standalone statement of profit and loss If at the balance sheet date there is an indication that if a previously assessed impairment loss no longer exists or may have decreased, the recoverable amount is reassessed and the asset is reflected at the recoverable amount

viii) Financial instruments

Financial assets (including Lease rental discounting assets) and financial liabilities are recognised 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 fair value through profit or loss) 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 fair value through profit or loss are recognised immediately in profit or loss

Financial assets

Classification

Financial assets that meet the following conditions are subsequently measured at amortised cost

- 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 on the principal amount outstanding

Financial assets that meet the following conditions are subsequently measured at fair value through Other Comprehensive Income (FVTOCI):

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

By default, all other financial assets are subsequently measured at fair value through profit and loss (FVTPL)

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Piramal Fund Management Private Limited

Notes to Standalone Financial Statements
for the year ended 31 March 2023

2. **SIGNIFICANT ACCOUNTING POLICIES** *(Continued)*

viii) **Financial instruments** *(Continued)*

Effective interest rate method

Income is recognised on an effective interest rate basis for financial assets other than those financial assets classified as 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

Debt instruments

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset There are three measurement categories into which the Company classifies its debt instruments

Amortised cost

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost A gain or loss on a debt investment that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired Interest income from these financial assets is included in finance income using the effective interest rate method

Financial assets at fair value through profit or loss (FVTPL):

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on remeasurement recognised in the Statement of profit or loss The net gain or loss recognised in the Statement of profit or loss incorporates any dividend or interest earned on the financial asset Dividend on financial assets at FVTPL is recognised when the Company's right to receive the dividends is established, it is probable that the economic benefits associated with the dividend will flow to the entity, the dividend does not represent a recovery of part of cost of the investment and the amount of dividend can be measured reliably

Changes in the fair value of financial assets at FVTPL are recognised in the standalone statement of profit and loss

All assets for which fair value is measured or disclosed in the standalone financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:
Level 1 — Quoted (unadjusted) market prices in active markets for identical assets
Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

Impairment of financial assets

The Company applies the expected credit loss model for recognising impairment loss on financial assets measured at amortised cost, loan commitments, trade receivables and other contractual rights to receive cash or other financial asset

For trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 109, the Company always measures the loss allowance at an amount equal to lifetime expected credit losses

Further, for the purpose of measuring lifetime expected credit loss ("ECL") allowance for trade receivables, the Company has used a practical expedient as permitted under Ind AS 109

The expected credit loss is a product of exposure at default, probability of default and loss given default The Company has devised an internal model to evaluate the probability of default and loss given default based on the parameters set out in Ind AS 109 The Company has a dedicated Asset Monitoring team which evaluates asset performence on a continued basis to flag of early warning signals Probability of default have been adjusted with forward looking inputs from anticipated change in future macro-economic conditions to comply with IndAS 109

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2. **SIGNIFICANT ACCOUNTING POLICIES** *(Continued)*

viii) **Financial instruments** *(Continued)*

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used.
Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

Derecognition of financial assets
The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.
On derecognition of financial assets in entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable, is recognised in the standalone statement of profit and loss.

Foreign exchange gains and losses
For financial liabilities that are denominated in a foreign currency and are measured at amortised cost at the end of each reporting period, the foreign exchange gains and losses are determined based on the amortised cost of the instruments and are recognised in profit and loss.

Financial liabilities and equity instruments

Classification as debt or equity
Debt and equity instruments issued by a Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and equity instrument.

Financial liabilities
All financial liabilities are subsequently measured at amortised cost using the effective interest method or at FVTPL.

Financial liabilities that are not held for trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method.

The effective interest 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 and points 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.

All liabilities for which fair value is measured or disclosed in standalonethe financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:
Level 1 — Quoted (unadjusted) market prices in active markets for identical liabilities
Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

Derecognition of financial liabilities
The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. An exchange with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability.

2. **SIGNIFICANT ACCOUNTING POLICIES *(Continued)***

ix) **Employee Benefits**

Employee benefits include provident fund, compensated absences and long term service awards. In case of provident fund, contributions are made to the Regional Provident Fund Office.

Defined Contribution Plans

The Company's contribution to provident fund (in case of contribution to the Regional Provident Fund office) are considered as defined contribution plans, as the Company does not carry any further obligations apart from the contributions made on a monthly basis and are charged as an expense based on the amount of contribution required to be made.

Defined Benefit Plans

The Company contributes to Defined Benefit Plans comprising of Gratuity and Compensated absences.

Gratuity: The Company provides for gratuity, a defined benefit plan (the "Gratuity Plan") in accordance with the Payment of Gratuity Act, 1972. The Gratuity Plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment. Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the standalone statement of changes in equity and in the standalone balance sheet.

Compensated absences, which are expected to be availed or encashed beyond 12 months from the end of the year are treated as other long term employee benefits. The Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. Actuarial losses/ gains are recognised in the standalone statement of profit and loss in the year in which they arise.

x) **Provisions and Contingent Liabilities**

Provisions are recognised when there is a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material). The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non occurence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

xi) **Revenue recognition**

Advisory fees: Revenue from advisory fees is recognised in profit or loss over time as the services are rendered.

Dividend: Dividend income from investment is recognised when the Company's right to receive payment has been established (provided that it is probable that economic benefit will flow to the Company in the amount of dividend income can be measured reliably).

Interest: Interest income from a financial asset is recognised when it is probable that economic benefit will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principle outstanding and at the effective interest applicable.

Investment Income: Income from investment in private equity funds is recognised when the Company's right to receive payment has been established (provided that it is probable that economic benefit will flow to the Company in the amount of investment income can be measured reliably).

xii) **Leases**

The Company's lease asset classes primarily consist of leases for office buildings. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

(i) the contract involves the use of an identified asset,

(ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease; and

(iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease. The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses. Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases.

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Piramal Fund Management Private Limited

Notes to Standalone Financial Statements
for the year ended 31 March 2023

2. **SIGNIFICANT ACCOUNTING POLICIES** *(Continued)*

xiii) Taxes on Income

Tax expense for the period, comprising current tax and deferred tax, are included in the determination of the net profit or loss for the period. Current tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act, 1961

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the standalone financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered
Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle the asset and the liability on a net basis. Deferred tax assets and deferred tax liabilities are offset when there is a legally enforceable right to set off assets against liabilities representing current tax and where the deferred tax assets and the deferred tax liabilities relate to taxes on income levied by the same governing taxation laws

xiv) Cash and Cash Equivalents

Cash and cash equivalents includes cash in hand, demand deposits with banks, other short-term highly liquid investments with original maturities of three months or less

xv) Borrowing Costs

Borrowing costs directly attributable to acquisition or construction of qualifying assets (i.e. those fixed assets which necessarily take a substantial period of time to get ready for their intended use) are capitalised. Other borrowing costs are recognised as an expense in the period in which they are incurred

xvi) Foreign Currency Transactions

(a) Functional and Presentation currency
The Financial statements are presented in Indian Rupees (INR), which is Company's functional and presentation currency

(b) Initial Recognition: Transactions in foreign currency are recorded at the exchange rate prevailing on the date of the transaction
Exchange differences arising on foreign exchange transactions settled during the year are recognized in the Statement of Profit and Loss of the year
(c) Measurement of Foreign Currency Items at the Balance Sheet Date
Foreign currency monetary items of the Company are restated at the closing exchange rates. Non monetary items are recorded at the exchange rate prevailing on the date of the transaction
Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined

xvii) Segment Reporting

The accounting policies adopted for segment reporting are in conformity with the accounting policies adopted for the Company. Revenue and expenses have been identified to segments on the basis of their relationship to the operating activities of the segment. Income / Costs which relate to the Company as a whole and are not allocable to segments on a reasonable basis, have been included under Unallocated Income / Costs

xviii) Standards issued but not yet effective

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 31, 2023, MCA amended the Companies (Indian Accounting Standards) Rules, 2015 by issuing the Companies (Indian Accounting Standards) Amendment Rules, 2023, applicable from April 1, 2023, as below

(a) Ind AS 1 – Presentation of Financial Statements - The amendments require companies to disclose their material accounting policies rather than their significant accounting policies. Accounting policy information, together with other information, is material when it can reasonably be expected to influence decisions of primary users of general purpose financial statements

(b) Ind AS 12 – Income Taxes – The amendments clarify how companies account for deferred tax on transactions such as leases and decommissioning obligations. The amendments narrowed the scope of the initial recognition exemption of Ind AS 12 so that it no longer applies to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences. Accordingly, companies will need to recognise a deferred tax asset and a deferred tax liability for temporary differences arising on transactions such as initial recognition of a lease and a decommissioning provision

(c) Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors – The definition of a "change in accounting estimates" has been replaced with a definition of "accounting estimates". Accounting estimates are defined as "monetary amounts in financial statements that are subject to measurement uncertainty". Entities develop accounting estimates if accounting policies require items in financial statements to be measured in a way that involves measurement uncertainty. The Company is evaluating the impact, if any, in its financial statements and does not expect to have these amendments to have any significant impacts in its financial statements

xix) Earnings per share (EPS)

Basic earnings per share:
Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders of the parent by the weighted average number of Equity shares outstanding during the year

Diluted earnings per share:
Number of equity shares used in computing diluted earnings per share comprises the weighted average number of shares considered for deriving basic earnings per share and also weighted average number of equity shares which would have been issued on the conversion of all dilutive potential shares. In computing diluted earnings per share only potential equity shares that are dilutive are included

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Piramal Fund Management Private Limited

Notes to Standalone Financial Statements *(Continued)*
for the year ended 31 March 2023

(Currency: Indian rupees in lakhs)

3 Cash and cash equivalents

	As at 31 March 2023	As at 31 March 2022
Cash on hand	2	3
Balance with banks		
- Current accounts	809	488
Total	811	491

4 Trade receivables

	As at 31 March 2023	As at 31 March 2022
Trade receivables		
Receivables considered good - Unsecured	299	153
Receivables which have significant increase in Credit Risk	527	1,574
Expected credit loss allowance	(76)	(79)
(Refer note 46.1 for ageing)		
Total	750	1,648

5 Other financial assets

	As at 31 March 2023	As at 31 March 2022
Security Deposit Considered good - Unsecured	86	87
Less: Provision for doubtful debts	(3)	-
	83	87

6 Current tax assets (net)

	As at 31 March 2023	As at 31 March 2022
Advance tax (net of provision as at 31 March 2023 Rs. 1,551 lakhs, as at 31 March 2022 Rs. 1,545 lakhs)	471	824
Total	471	824

Piramal Fund Management Private Limited

Notes to Standalone Financial Statements *(Continued)*
for the year ended 31 March 2023

(Currency: Indian rupees in lakhs)

7 Investments	As at 31 March 2023		As at 31 March 2022	
	Qty.	*Amount*	*Qty.*	*Amount*
Investments within India				
Instruments at fair value through profit and loss				
Quoted Investments				
Investment in Mutual Fund				
Nippon India Overnight Fund	425,900.73	513	-	-
Unquoted Investments				
Indiareit Fund Scheme IV				
Class C units of Rs. 100,000 each, fully paid up	-	-	418.15	276
Class D units of Rs. 10,000 each, fully paid up	-	-	0.77	1
Indiareit Fund Scheme V				
Class C units of Rs. 100,000 each, fully paid up	2,945.65	1,425	3,012.61	1,326
Class D units of Rs. 10,000 each, fully paid up	17.65	1	17.94	2
Indiareit Mumbai Redevelopment Fund				
Class A3 units of Rs. 100,000 each, fully paid up	832.17	43	940.98	88
Class B units of Rs. 10,000 each, fully paid up	11.85	1	11.91	1
Indiareit Apartment Fund				
Class A units of Rs. 100,000 each, fully paid up	529.87	420	758.57	858
Class C units of Rs. 100 each, fully paid up	40.00	0	40.00	-
LICHFL Urban Development Fund				
Class A units of Rs. 10,000 each, fully paid up	10,000.00	162	10,000.00	121
Investments outside India				
Measured at Cost				
Unquoted Investments				
(a) **Investments in Subsidiaries (Wholly Owned)**				
Equity Shares				
Equity share of Indiareit Investment Management Co, a subsidiary, of USD 1 each, fully paid up*	32,618.50	8,783	32,618.50	8,783
Equity share of Piramal Asset Management Private Limited, a subsidiary, of SGD 1 each, fully paid up	-	-	500,000.00	237
Preference Shares				
Preference shares of Piramal Asset Management Private Limited, a subsidiary, of SGD 1 each, fully paid up	-	-	974,333.00	473
(b) **Investments in Joint venture**				
Equity shares of Asset Resurgence Mauritius Manager, a JV, of USD 1 each, fully paid up [50% share]	95,445.00	69	95,445.00	69
Total Investments		11,417		12,235
TOTAL NON-CURRENT INVESTMENTS		11,417		12,235
Aggregate book value of unquoted investments		13,972		21,817
Aggregate market value of unquoted investments		11,417		12,235
Aggregate book value of quoted investments		-		-
Aggregate market value of quoted investments		-		-

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Piramal Fund Management Private Limited

Notes to Standalone Financial Statements *(Continued)*
for the year ended 31 March 2023

(Currency: Indian rupees in lakhs)

8 Property, plant and equipment and Right to use assets

Particulars	Cost				Accumulated Depreciation				Carrying amount
	As at 01 April 2022	Additions	Disposal	As at 31 March 2023 (A)	As at 01 April 2022	For the year	Disposal	As at 31 March 2023 (B)	As at 31 March 2023 (A-B)
Office equipment	47	-	-	**47**	47		-	**47**	-
Computers	64	4	-	**68**	63	1	-	**64**	**4**
Furniture and fixtures	42	-	-	**42**	25	6	-	**31**	**11**
Leasehold improvements	109	-	-	**109**	108		-	**108**	-
Motor car	79	-	-	79	50	11	-	**61**	**18**
	341	4	-	345	**293**	17	-	**310**	33
Right of use assets	523	790	523	**790**	438	155	523	70	**720**
	523	**790**	**523**	790	**438**	**155**	**523**	**70**	720
Total	**864**	794	**523**	1,135	731	173	523	**380**	753

Particulars	Cost				Accumulated Depreciation				Carrying amount
	As at 01 April 2021	Additions	Disposal	As at 31 March 2022 (A)	As at 01 April 2021	For the year	Disposal	As at 31 March 2022 (B)	As at 31 March 2022 (A-B)
Office equipment	47	-	-	**47**	45	2	-	**47**	-
Computers	64	-	-	**64**	59	4	-	**63**	1
Furniture and fixtures	42	-	-	**42**	20	5	-	**25**	**17**
Leasehold improvements	109	-	-	**109**	108	0	-	**108**	-
Motor car	79	-	-	**79**	37	13	-	**50**	29
	341	-	-	341	**269**	24	-	293	47
Right of use assets	523	-	-	**523**	292	146	-	**438**	**85**
	523	-	-	**523**	292	**146**	-	**438**	85
Total	864	-	-	**864**	561	170	-	731	132

Notes to Standalone Financial Statements *(Continued)*
for the year ended 31 March 2023

(Currency: Indian rupees in lakhs)

9 Intangible assets

Particulars	Cost or deemed cost					Accumulated Depreciation and Impairment				Carrying amount
	As at 01 April 2022	Additions	Disposal	Exchange difference	As at 31 March 2023 (A)	As at 01 April 2022	For the year	Disposal	As at 31 March 2023 (B)	As at 31 March 2023 (A-B)
Computer software	34	-	-	-	34	30	2	-	32	2
Total	34	-	-	-	34	30	2	-	32	2

Particulars	Cost or deemed cost					Accumulated Depreciation and Impairment				Carrying amount
	As at 01 April 2021	Additions	Disposal	Exchange difference	As at 31 March 2022 (A)	As at 01 April 2021	For the year	Disposal	As at 31 March 2022 (B)	As at 31 March 2022 (A-B)
Computer software	34	-	-	-	34	28	2	-	30	4
Total	34	-	-	-	34	28	2	-	30	4

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Piramal Fund Management Private Limited

Notes to Standalone Financial Statements *(Continued)*
for the year ended 31 March 2023

(Currency: Indian rupees in lakhs)

10 Other non-financial assets

	As at 31 March 2023	As at 31 March 2022
Receivable from Gratuity Fund	223	114
Prepaid expenses	2	7
Other advances	11	200
Total	**236**	321

11 Trade payables

		As at 31 March 2023	As at 31 March 2022
(i)	Total outstanding dues of micro enterprises and small enterprises	0	3
(ii)	Total outstanding dues of creditors other than micro enterprises and small enterprises	45	351
(iii)	Trade payables to related parties *(Refer note 46.2 for ageing)*	-	-
	Total	**46**	354

12 Borrowings

	As at 31 March 2023	As at 31 March 2022
Liability component of compound financial instruments:		
Convertible Preference Shares (Refer Note 28)	11,500	11,500
From related parties (unsecured)		
Loan from Piramal Enterprises Limited (Holding Company)	3,570	2,977
Total	**15,070**	14,477

Terms of repayment and rate of interest for unsecured borrowings

	Terms of Repayment	Rate of Interest
1 Loan from Piramal Enterprises Limited	Loan is required to be paid within 15 days from end of the Loan term i.e. on or before 31-March-2024	The effective cost for the above loans is 11.54% per annum

13 Other financials liabilities

	As at 31 March 2023	As at 31 March 2022
Lease liability	749	103
Employee related payable	337	745
Total	**1,086**	848

14 Current tax liabilities (net)

	As at 31 March 2023	As at 31 March 2022
Provision for Income tax (net of advance tax as at 31 March 2023 Rs 1,006 lakhs and as at 31 March 2021 Rs. 1006 lakhs)	20	20
Total	**20**	20

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Piramal Fund Management Private Limited

Notes to Standalone Financial Statements *(Continued)*
for the year ended 31 March 2023

(Currency: Indian rupees in lakhs)

15 Provisions

	As at 31 March 2023	As at 31 March 2022
Provision for employee benefits		
Compensated absences	124	135
Total	124	135

16 Deferred tax liabilities (net)

	As at 31 March 2023	As at 31 March 2022
Deferred tax liability		
Lease Accounting	40	69
Total deferred tax liability	40	69
Deferred tax assets		
Depreciation	77	70
Total deferred tax assets	77	70
Deferred tax asset (net) - not recognised	37	(1)

Also refer note no. 25 and 47

17 Other non-financial liabilities

	As at 31 March 2023	As at 31 March 2022
Statutory dues	17	55
GST payable	8	251
Total	25	306

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(Currency: Indian rupees in lakhs)

18 Equity Share capital	As at 31 March 2023	As at 31 March 2022
Authorised share capital		
1,000,000 (Previous year 1,000,000) equity shares of Rs 10 each	100	100
115,000 (Previous year 115,000) 0.01% cumulative optionally convertible participative preference shares of Rs 100 each	115	115
Total	215	215
Issued, subscribed and paid up capital		
190,000 (Previous year 190,000) equity shares of Rs 10 each fully paid up	19	19
Total	19	19

18.1 Fully paid equity shares

	Number	Amount
Balance as at 01 April 2021	190,000	19
Add: Issued during the year	-	-
Balance as at 31 March 2022	190,000	19
Add: Issued during the year	-	-
Balance as at 31 March 2023	190,000	19

18.2 Shares held by holding company

	As at 31 March 2023 Amount	As at 31 March 2022 Amount
Equity shares of Rs 10 each fully paid up held by		
Piramal Enterprises Limited		
190,000 (31 March 2022- 190,000) Equity shares	19	19
	19	19

18.3 Particulars of shareholders holding more than 5% shares of a class of shares

	As at 31 March 2023 Number	As at 31 March 2022 Number
Equity shares of Rs 10 each fully paid up held by		
Piramal Enterprises Limited (100% holding company)	190,000	190,000

18.4 Details of shareholding of Promoters in the Company

	As at 31st March 2023			As at 31st March 2022		
Equity shares of Rs 10 each fully paid up held by	No of Shares	% of Total Shares	% Change during the year	No of Shares	% of Total Shares	% Change during the year
Piramal Enterprises Limited J/w Mr Ajay G Piramal and Mr Rajesh Laddha	190,000	100%	-	190,000	100%	-
Total	190,000	100%	-	190,000	100%	-

18.5 Rights, preferences and restrictions attached to shares

Equity shares

The Company has one class of equity shares having a par value of Rs 10 per share. Each holder of equity share is entitled for one vote per share. There are no restrictions on payment of dividend to equity shareholders. On winding up of the company, the holders of equity share will be entitled to receive remaining assets of the company after distribution of all preferential liabilities. The distribution will be in proportion to the number of equity shares held by the shareholders.

Preference shares

0.01% Cumulative optionally convertible participative preference shares are to be redeemed on expiry of 15 years from date of allotment with an option to the Company to redeem some or all of the preference shares at any time or times before that date after giving 15 days notice to the holders of preference shares. Each preference share shall be redeemed at a premium of Rs 9,900. Company shall convert each 0.01% Cumulative optionally convertible participative preference shares of Rs 100 each into 1,000 (One thousand) Equity shares of Rs 10 each at par at any time after the expiry of 8 (eight) years from the date of allotment.

In the Period of five years immediately processing March 2023:
The Company has not allocated any equity shares as fully paid up without payment being received in cash or as Bonus Shares or Bought back any equity shares.

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Piramal Fund Management Private Limited

Notes to Standalone Financial Statements *(Continued)*
for the year ended 31 March 2023

(Currency: Indian rupees in lakhs)

19 Other equity

	As at 31 March 2023	As at 31 March 2022
General reserve	109	109
Option premium on convertible preference shares	495	495
Retained earnings	(2,472)	(1,023)
Capital redemption reserve	2	2
	(1,866)	(417)

19.1 General reserve

	As at 31 March 2023	As at 31 March 2022
Opening balance	109	109
Closing balance	109	109

The general reserve is used from time to time to transfer profits from retained earnings for appropriation purposes. As the general reserve is created by transfer from one component of equity to another and is not an item of other comprehensive income, items included in general reserve will not be reclassified subsequently to the standalone statement of profit and loss

19.2 Option premium on convertible preference shares (refer note 28)

	As at 31 March 2023	As at 31 March 2022
Opening balance	495	495
Closing balance	495	495

The option premium on convertible preference shares represents the equity component (conversion rights) of 0.01 % cumulative participative preference shares amounting to Rs. 11,500 lakhs

19.3 Retained earnings

	As at 31 March 2023	As at 31 March 2022
Opening balance	(1,023)	(1,805)
Net profit for the year	(1,456)	702
Other comprehensive income arising from remeasurement of defined benefit obligation net of income tax	6	80
Closing balance	(2,472)	(1,023)

The amount that can be distributed by the company as dividends to its equity shareholders is determined based on the separate financial statements of the Company and also considering the requirements of the Companies Act, 2013. Thus, the amounts reported above are not distributable in entirety. No dividend is declared till date to the shareholders.

19.4 Capital redemption reserve

	As at 31 March 2023	As at 31 March 2022
Opening balance	2	2
Closing balance	2	2

The capital redemption reserve has been created on buyback of equity shares.

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Piramal Fund Management Private Limited

Notes to Standalone Financial Statements *(Continued)*
for the year ended 31 March 2023

(Currency: Indian rupees in lakhs)

		For the year ended 31 March 2023	For the year ended 31 March 2022
20 A	**Revenue from operations**		
	Fee and commssion income	753	2,083
	Net gain on fair value changes		
	-Realised gain/ (loss)	(110)	-
	-Unrealised gain/ (loss)	218	-
	Total	861	2,083
20 B	**Other income**	**31 March 2023**	31 March 2022
	Income on investments	-	172
	Gain on sale of Mutual funds - realised	-	1
	Profit on buy back of shared by a subsidairy	-	1,624
	Dividend Income from a subsidairy	517	-
	Sundry balances written back	291	-
	Interest income on employee advance	4	-
	Interest on income tax refund	28	1
	Exchange gain	109	-
	Insurance claim	-	34
	Total	950	1,832
20 C	**Finance costs**	**31 March 2023**	31 March 2022
	Interest on borrowings	385	816
	Interest on lease liabilities	49	22
	Total	434	838
21	**Net loss on fair value changes**	**31 March 2023**	31 March 2022
	Loss on fair valuation		
	-Realised (gain)/ loss	-	713
	-Unrealised (gain)/ loss	-	(326)
	Total	-	387
22	**Employee benefits expenses**	**31 March 2023**	31 March 2022
	Salaries, wages and bonus	663	945
	Contribution to provident and other funds	52	69
	Staff welfare expenses	37	7
	Gratuity expense	15	26
	Total	767	1,047
23	**Depreciation and amortisation**	**31 March 2023**	31 March 2022
	Depreciation on tangible fixed assets	17	25
	Amortisation on right to use assets	155	146
	Amortisation on intangible fixed assets	2	2
	Total	174	173

Piramal Fund Management Private Limited

Notes to Standalone Financial Statements *(Continued)*
for the year ended 31 March 2023

(Currency: Indian rupees in lakhs)

24	**Other expenses**	**For the year ended 31 March 2023**	For the year ended 31 March 2022
	Distribution expenses	-	3
	Professional fees	406	540
	Travelling expenses	8	11
	Business promotion	1	-
	Donations	1	1
	Repairs and maintenance - others	49	45
	Power and fuel	18	10
	Rates and taxes	3	15
	Communication	7	4
	Printing and stationery	1	1
	Auditors' remuneration		
	Audit fees	10	10
	Tax audit fees	3	3
	Director fees	2	6
	Royalty charge	8	27
	Bad Debts	1,079	-
	Investments written off	237	-
	Provision for doubtful debts	-	47
	Insurance	47	21
	Miscellaneous expenses	12	24
	Total	**1,892**	768

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Piramal Fund Management Private Limited

Notes to the Standalone Financial Statements (Continued)
for the year ended 31 March 2023

(Currency: Indian rupees in lakhs)

25 Income taxes

a. Recognised in profit or loss

	31 March 2023	31 March 2022
Current Tax		
In respect of the current year	-	-
Deferred Tax		
In respect of the current year	-	-
	-	-

b. The income tax expense for the year can be reconciled to the accounting profit as follows:

	For the year ended 31 March 2023	For the year ended 31 March 2022	Effective tax rate reconciliation For the year ended 31 March 2023	For the year ended 31 March 2022
Profit/(Loss) before tax from continuing operations	(1,455)	702		
Income tax expense calculated at 25.17%	(366)	178	-25.17%	25.31%
Tax credit on accumuated tax losses	366	-	25.17%	0.00%
Tax credit not recognised on losses	-	(178)	0.00%	-25.31%
Income tax expense recognised in profit or loss	-	-	0.00%	0.00%
Effective Tax Rate	0.00%	0.00%		

c **The amount (and expiry date, if any) of deductible temporary differences, unused tax losses, and unused tax credits for which no deferred tax asset is recognised in the Balance Sheet as per table below:**

Assessment Year (nature of losses)	Rs. in lakhs	Expiry date
2019-20 (ordinary business loss)	2,145	31-Mar-27
2021-22 (ordinary business loss)	1,675	31-Mar-29
2021-22 (unabsorbed depreciation)	56	Not applicable
2022-23 (ordinary business loss)	906	31-Mar-30
Total	4,782	

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(Currency: Indian rupees in lakhs)

26 Segment reporting

The Company operates under a single segment i.e. investment advisory service.

Information about major customers

Name	For the year ended 31 March 2023	For the year ended 31 March 2022
Revenue from operations	%	%
Customer 1	55%	78%
Customer 2	31%	10%
Customer 3	6%	6%
Total	93%	94%

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Piramal Fund Management Private Limited

Notes to Standalone Financial Statements (Continued)
for the year ended 31 March 2023

(Currency: Indian rupees in lakhs)

27 Earnings per share (EPS)

Basic and diluted EPS is computed in accordance with Ind AS 33 'Earnings Per Share' specified under section 133 of the Companies Act 2013.

The computation of earnings per share is set out below:

Particulars		As at 31 March 2023	As at 31 March 2022
Profit/(loss) attributable to equity holders of the parent for basic and diluted earnings	(A)	**(1,456)**	1,088
Weighted average number of Equity shares for basic EPS	(B)	**190,000**	190,000
Effect of dilution:			
- Convertible preference share		**115,000,000**	115,000,000
Weighted average number of Equity shares adjusted for the effect of dilution	(C)	**115,190,000**	115,190,000
Earnings per share			
- Basic	(A/B)	**(766.20)**	572.63
- Diluted	(A/C)	**(766.20)**	0.94
Nominal value of shares		**10.00**	10.00

28 Convertible preference shares

On 1 March, 2012, the Company issued 115,000 0.01% Cumulative optionally convertible participative preference shares of Rs. 100 each redeemable at a premium of Rs. 9,900 each. Preference shares are to be redeemed on expiry of 15 years from date of allotment with an option to the Company to redeem some or all of the preference share at any time or times before that date after giving 15 days notice to the holders of preference shares. The preference shareholder has right to call upon company to redeem the preference shares, exercisable at any time after the expiry of 6 months from the date of allotment. Each preference share shall be redeemed at a premium of Rs. 9,900. Company shall convert each 0.01% Cumulative optionally convertible participative preference shares of Rs. 100 each into 1,000 (One thousand) Equity shares of Rs. 10 each at par at any time after the expiry of 8 (eight) years from the date of allotment.

The convertible preference shares contain two components: liability and equity elements. The equity element is presented in equity under the heading of " option premium on convertible notes". The effective interest rate of the liability element on initial recognition is 13.53% p.a.

Particulars	As at 31 March 2023	As at 31 March 2022
Proceeds of issue	**11,500**	11,500
Liability component at the date of issue	**10,768**	10,768
Equity Component	**732**	732
Liability Component (included in "borrowing" (note 12))	**10,768**	10,768
Interest charged calculated at an effect interest rate of 13.53%	**732**	732
Interest paid	-	-
Interest accrued (included in "borrowing" (note 12))	**732**	732

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Piramal Fund Management Private Limited

Notes to Standalone Financial Statements (Continued)
for the year ended 31 March 2023

(Currency: Indian rupees in lakhs)

29 Employee benefits :

1. Defined contribution plan

The Company's defined contribution plans are Provident Fund & Gratuity Fund. The Company has no further obligation beyond making the contributions to such plans

Charge to the standalone statement of profit and loss based on contributions:

Particulars	31 March 2023	31 March 2022
Employer's contribution to provident fund	35	46

Disclosures for defined benefit plans based on actuarial valuation reports as on 31 March 2023
The Company has scheme for gratuity as part of post retirement plan. A separate trust fund is created to manage the Gratuity plan and the contributions towards the trust fund is done as guided by rule 103 of Income Tax Rules, 1962

A. Change in present value of defined benefit obligation

Funding Status	(Funded)	(Funded)
Type of benefit	Gratuity	Gratuity
Date of reporting	31 March 2023	31 March 2022
Present Value of Defined Benefit Obligation as at beginning of the year	303	335
Interest Cost	21	21
Current Service Cost	23	29
Benefits paid directly by the employer	(118)	(7)
Benefit paid from the fund	-	-
Actuarial (Gains)/Losses on Obligations - Due to Change in Demographic Assumptions	-	0
Actuarial (Gains)/Losses on Obligations - Due to Change in Financial Assumptions	6	(12)
Actuarial (Gains)/Losses on Obligations - Due to Experience	(28)	(63)
Present Value of Defined Benefit Obligation as at the end of the year	207	303

B. Change in the Fair Value of Plan Assets

Funding Status	(Funded)	
Type of benefit	Gratuity	Gratuity
Date of reporting	31 March 2023	31 March 2022
Fair Value of Plan Assets at the Beginning of the Period	417	388
Interest Income	29	24
Contributions by the Employer	-	-
Expected Contributions by the Employees	-	-
Assets Transferred In/Acquisitions	-	-
(Assets Transferred Out/ Divestments)	-	-
(Benefit Paid from the Fund)	-	-
(Assets Distributed on Settlements)	-	-
(Expenses and Tax for managing the Benefit Obligations- paid from the fund)	-	-
Effects of Asset Ceiling	-	-
The Effect of Changes in Foreign Exchange Rates	-	-
Return on Plan Assets, Excluding Interest Income	(17)	5
Fair Value of Plan Assets at the End of the Period	429	417

C. Amount recognised in the Balance Sheet

Funding Status	(Funded)	(Funded)
Type of benefit	Gratuity	Gratuity
Date of reporting	As at 31 March 2023	As at 31 March 2022
Present Value of Defined Benefit Obligation as at the end of the year	(207)	(303)
Fair Value of Plan Assets as at end of the year	429	417
Funded Status (Surplus/ (Deficit))	222	114
Net (Liability)/Asset recognised in the Balance Sheet	222	114

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Piramal Fund Management Private Limited

Notes to Standalone Financial Statements (Continued)
for the year ended 31 March 2023

(Currency: Indian rupees in lakhs)

29 Employee benefits *(Continued)* :

D. Net interest cost for current period

Funding Status	**(Funded)**	(Funded)
Type of benefit	**Gratuity**	Gratuity
Date of reporting	**31 March 2023**	31 March 2022
Present Value of Benefit Obligation at the Beginning of the Period	**303**	335
Fair Value of Plan Assets at the Beginning of the Period	**(417)**	(388)
Net Liability/(Asset) at the Beginning	**(114)**	(54)
Interest Cost	**21**	21
Interest Income	**(29)**	(24)
Net Interest Cost for Current Period	**(8)**	(3)

E. Expenses recognised in Statement of Profit and Loss

Funding Status	**(Funded)**	(Funded)
Type of benefit	**Gratuity**	Gratuity
Date of reporting	**31 March 2023**	31 March 2022
Current Service Cost	**23**	29
Past Service Cost	-	-
Interest Cost	**(8)**	(3)
Expected Return on Plan Assets	-	-
Curtailments Cost / (Credit)	-	-
Settlements Cost / (Credit)	-	-
Net Actuarial (gain) / loss	-	-
Total Expenses / (Income) recognised in the Statement of Profit And Loss	**15**	26

F. Expenses Recognized in the Other Comprehensive Income (OCI) for Current Period

Date of reporting	**31 March 2023**	31 March 2022
Actuarial (Gains)/Losses on Obligation For the Period	**(23)**	(75)
Return on Plan Assets, Excluding Interest Income	**17**	(5)
Change in Asset Ceiling	-	-
Net (Income)/Expense For the Period Recognized in OCI	**(6)**	(80)

G. Principal actuarial assumptions used:

	(%)	(%)
Funding Status	**(Funded)**	(Funded)
Type of benefit	**Gratuity**	Gratuity
Date of reporting	**31 March 2023**	31 March 2022
Expected Rate of return on Plan Assets (per annum)	**7.39%**	6.84%
Discount Rate (per annum)	**7.39%**	6.84%
Rate of Salary Increase	**10.00%**	9.00%
Rate of Employee Turnover	**10.00%**	10.00%
Mortality Rate During Employment	**Indian Assured Lives Mortality 2012-14 (Urban)**	Indian Assured Lives Mortality 2012-14 (Urban)

H. Other Details

	As at **31 March 2023**	As at 31 March 2022
No of Active Members	**8**	16
Per Month Salary For Active Members	**23**	38
Weighted Average Duration of the Projected Benefit Obligation	**8**	8
Average Expected Future Service (Years)	**7**	7
Projected Benefit Obligation (PBO)	**207**	303
Prescribed Contribution For Next Year (12 Months)	-	-

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Notes to Standalone Financial Statements (Continued)
for the year ended 31 March 2023

(Currency: Indian rupees in lakhs)

29 Employee benefits *(Continued)* :

I. Balance Sheet Reconciliation

	As at 31 March 2023	As at 31 March 2022
Opening Net Liability	(115)	(54)
Expenses Recognized in Statement of Profit or Loss	15	26
Expenses Recognized in OCI	(6)	(80)
Net Liability/(Asset) Transfer In	-	-
Net (Liability)/Asset Transfer Out	-	-
(Benefit Paid Directly by the Employer)	(118)	(7)
(Employer's Contribution)	-	-
Net Liability/(Asset) Recognized in the Balance Sheet	(224)	(115)

J. Net Interest Cost for Next Year

	As at 31 March 2023	As at 31 March 2022
Present Value of Benefit Obligation at the End of the Period	207	303
(Fair Value of Plan Assets at the End of the Period)	(429)	(417)
Net Liability/(Asset) at the End of the Period	(222)	(114)
Interest Cost	15	21
(Interest Income)	(32)	(29)
Net Interest Cost for Next Year	(17)	(8)

K. Expenses Recognized in the Statement of Profit or Loss for Next Year

	As at 31 March 2023	As at 31 March 2022
Current Service Cost	14	23
Net Interest Cost	(17)	(8)
Expenses Recognized	(3)	15

L. Sensitivity Analysis

Projected Benefits Payable in Future Years From the Date of Reporting	As at 31 March 2023	As at 31 March 2022
Projected Benefit Obligation on Current Assumptions	207	303
Delta Effect of +1% Change in Rate of Discounting	(13)	(19)
Delta Effect of -1% Change in Rate of Discounting	14	21
Delta Effect of +1% Change in Rate of Salary Increase	14	20
Delta Effect of -1% Change in Rate of Salary Increase	(13)	(19)
Delta Effect of +1% Change in Rate of Employee Turnover	(2)	(2)
Delta Effect of -1% Change in Rate of Employee Turnover	2	3

M. Maturity Analysis of the Benefit Payments: From the Employer

Projected Benefits Payable in Future Years From the Date of Reporting	As at 31 March 2023	As at 31 March 2022
Projected Benefit Obligation on Current Assumptions		
1st Following Year	18	29
2nd Following Year	18	27
3rd Following Year	18	26
4th Following Year	17	25
5th Following Year	17	25
Sum of Years 6 to 10	108	140
Sum of Years 11 and above	167	240

29 Employee benefits *(Continued)* :

Notes:

Gratuity is payable as per Company's scheme as detailed in the report.

The Company has a defined benefit gratuity plan in India (funded). The entity's defined benefit gratuity plan is a final salary plan for employees, which requires contributions to be made to a separately administered fund. The fund is managed by a trust which is governed by the Board of Trustees. The Board of Trustees are responsible for the administration of the plan assets and for the definition of the investment strategy.

During the year, there were no plan amendments, curtailments and settlements.

Actuarial gains/losses are recognized in the period of occurrence under Other Comprehensive Income (OCI). All above reported figures of OCI are gross of taxation.

Salary escalation & attrition rate are in line with the industry practice considering promotion and demand & supply of the employees.

Maturity Analysis of Projected Benefit Obligation is done considering future salary, attrition & death in respective year for members as mentioned above.

Average Expected Future Service represents Estimated Term of Post - Employment Benefit Obligation.

Any benefit payment and contribution to plan assets is considered to occur end of the year to depict liability and fund movement in the disclosures.

These plans typically expose the Company to actuarial risks such as: interest rate risk, salary risk, investment risk, asset liability matching risk, mortality risk and concentration risk

Interest risk

A fall in the discount rate, which is linked to the government securities rate, will increase the present value of the liability requiring higher provision. A fall in the discount rate generally increases the mark to market value of the assets depending on the duration of asset.

Salary risk

The present value of the defined benefit plan liability is calculated by reference to the future salaries of members. As such, an increase in the salary of the members more than assumed level will increase the plan's liability.

Investment risk

The present value of the defined benefit plan liability is calculated using a discount rate, which is determined by reference to market yields at the end of the reporting period, on government securities. If the return on plan asset is below this rate, it will create a plan deficit. Currently, for the plan in India, it has a relatively balanced mix of investments in government securities, and other debt instruments.

Asset Liability Matching risk

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

Mortality risk

Since the benefits under the plan is not payable for life time and payable till retirement age only, plan does not have any longevity risk.

Concentration risk

Plan is having a concentration risk as all the assets are invested with the insurance company and a default will wipe out all the assets. Although probability of this is very less as insurance companies have to follow regulatory guidelines.

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Piramal Fund Management Private Limited

Notes to Standalone Financial Statements (Continued)
for the year ended 31 March 2023

(Currency: Indian rupees in lakhs)

30 Fair Value Disclosures

a)

Categories of financial instruments:	For the year ended 31 March 2023 FVTPL	FVTOCI	Amortised Cost*	As at 31 March 2022 FVTPL	FVTOCI	Amortised Cost*
Financial assets						
Investments	2,053	-	8,852	2,672	-	9,562
Mutual funds	513	-	-	-		-
Cash and bank balances	-	-	811	-	-	491
Trade receivables	-	-	750	-	-	1,648
Other financial assets	-	-	83	-	-	87
Total financial assets	2,566	-	10,496	2,672	-	11,788
Financial liabilities						
Borrowings	-	-	15,070	-	-	14,477
Trade payables	-	-	45	-	-	354
Other financial liabilities	-	-	1,086	-	-	848
Total financial liabilities	-	-	16,201	-	-	15,679

b) Fair Value Hierarchy and Method of Valuation

Particulars	Notes	Carrying Value	For the year ended 31 March 2023 Level 1	Level 2	Level 3	Total
Financial Assets						
Measured at FVTPL						
Investments	i	2,053	-	-	2,053	2,053
Mutual funds		513	-	513	-	513

Particulars	Notes	Carrying Value	As at 31 March 2022 Level 1	Level 2	Level 3	Total
Financial Assets						
Measured at FVTPL						
Investments	i	2,672	-	-	2,672	2,672

Notes:

i Discounted cash flow method has been used to determine the fair value The discounting factor has been computed using a mix of past trends as well as likely rate of return of the underlying projects.

* The Company has not disclosed the fair value of loans, trade receivables, other financial assets, borrowings, trade payables and other financial liabilities, because their carrying amounts are a reasonable approximation of fair value

c) **Fair value measurements using significant unobservable inputs (level 3)**

The following table presents the changes in level 3 items for the year ended March 31, 2023

Particulars	Investments	Total
As at April 01, 2021	4,950	4 950
Additions	-	-
Deletions	(1,891)	(1,891)
Loss on fair valuation	(387)	(387)
As at March 31, 2022	2,672	2,672
Additions	513	513
Deletions	(727)	(727)
Gain on fair valuation	108	108
As at March 31, 2023	2,053	2,053

Piramal Fund Management Private Limited

Notes to Standalone Financial Statements (Continued)
for the year ended 31 March 2023

(Currency: Indian rupees in lakhs)

31 Fair Value Disclosures *(Continued)*

1) Capital Management

The Company manages its capital to ensure that it will be able to continue as going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance. The capital structure of the Company consists of net debt (borrowings as detailed in notes 15 and 3 offset by cash and bank balances) and total equity of the Company

The Company determines the amount of capital required on the basis of annual as well as long term operating plans and other strategic investment plans. The funding requirements are met through equity or convertible / nonconvertible debt securities or other long-term /short-term borrowings. The Company monitors the capital structure on the basis of total debt to equity ratio and maturity profile of the overall debt portfolio of the Company

The capital components of the Company are as given below

	For the year ended 31 March 2023	For the year ended 31 March 2022
Total Equity	(1,847)	(398)
Borrowings	15,070	14,477
Total Debt	15,070	14,477
Cash and cash equivalents	811	491
Net Debt	14,259	13,986

2) Liquidity Risk

Liquidity Risk refers to insufficiency of funds to meet the financial obligations. Liquidity Risk Management implies maintenance of sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit lines to meet obligations when due

The Company manages liquidity risk by maintaining adequate reserves, banking facilities and by continuously monitoring forecast and actual cash flows, and by assessing the maturity profiles of financial assets and liabilities. The below table sets out details of additional undrawn facilities that the Company has at its disposal to further reduce liquidity risk.

The following tables detail the Company's remaining contractual maturity for its financial liabilities with agreed repayment periods. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay. The tables include both interest and principal cash flows. To the extent that interest flows are floating rate, the rate applicable as of 31 March 2023 and 31 March 2022 respectively has been considered. The contractual maturity is based on the earliest date on which the Company may be required to pay

Maturities of financial liabilities	**For the year ended 31 March 2023**			
	Upto 1 year	***1 to 3 years***	**3 to 5 years**	**5 years & above**
Borrowings	15,070	-	-	-
Trade payables	46	-	-	-
Other financial liabilities	442	584	50	-
	15,558	584	**50**	-

Maturities of financial liabilities	For the year ended 31 March 2022			
	Upto 1 year	**1 to 3 years**	**3 to 5 years**	**5 years & above**
Borrowings	11,500	2,977	-	-
Trade payables	354	-	-	-
Other financial liabilities	848	(0)	-	-
	12,702	2,977	-	-

The following table details the Company's expected maturity for its non-derivative financial assets. The table has been drawn up based on the undiscounted contractual maturities of the financial assets including interest that will be earned on those assets. The inclusion of information on non-derivative financial assets is necessary in order to understand the Company's liquidity risk management as the liquidity is managed on a net asset and liability basis

Maturities of financial assets	**For the year ended 31 March 2023**			
	Upto 1 year	**1 to 3 years**	**3 to 5 years**	**5 years & above**
Investments	2,565	-	-	8,852
Other financial assets	86	-	-	-
Cash and cash equivalents	811	-	-	-
Trade receivables	750	-	-	-
	4,213	-	-	**8,852**

Maturities of financial assets	For the year ended 31 March 2022			
	Upto 1 year	**1 to 3 years**	**3 to 5 years**	**5 years & above**
Investments	2,673	-	-	9,562
Other financial assets	87	-	-	-
Cash and cash equivalents	491	-	-	-
Trade receivables	1,648	-	-	-
	4,899	-	-	9,562

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Piramal Fund Management Private Limited

Notes to Standalone Financial Statements (Continued)
for the year ended 31 March 2023

(Currency Indian rupees in lakhs)

31 Fair Value Disclosures ***(Continued)***

3) Market Risk

a) Interest Rate Risk & Sensitivity Analysis

The Company is exposed to interest rate risk as it has assets and liabilities based on both fixed and floating interest rates

The following table contains information about the significant unobservable inputs used in Level 3 valuations, and the valuation techniques used to measure fair value of instruments. The range of values represent the highest and lowest input used in the valuation techniques. Therefore, the range does not reflect the level of uncertainty regarding a particular input, but rather the different underlying characteristics of the relevant assets and liabilities

Sensitivity Impact as at 31 March 2023

Method	Significant unobservable inputs	Increase / Decrease in the unobservable input	Sensitivity Impact in Value of Investments	
			Yield Increase	Yield Decrease
Fair Value using Discounted Cash flow method *	Discount rate	1%	-	-
Fair Value using Discounted Cash flow method	Cash Flow	5%	102	(102)

As all the scheme are expected to be settled in one year

Sensitivity Impact as at 31 March 2022

Method	Significant unobservable inputs	Increase / Decrease in the unobservable input	Sensitivity Impact in Value of Investments	
			Yield Increase	Yield Decrease
Fair Value using Discounted Cash flow method	Discount rate	1%	-	-
Fair Value using Discounted Cash flow method	Cash Flow	5%	131	(131)

b) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities (when revenue or expense is denominated in a foreign currency) and the Company's net investments in foreign subsidiaries

c) Credit Risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments

Trade receivables

The receivables of the Company are from advisory services to the developers and funds
Customer credit risk is managed by each business unit subject to the Company's established policy, procedures and control relating to customer credit risk management
Outstanding customer receivables are regularly monitored. Refer note no. 48.1 for trade receivable ageing

Movement of Expected Credit Loss	As at 31 March 2023	As at 31 March 2022
Opening Balance	79	32
Add: Additonal for the year	-2	47
Less: Utlised	0	0
Closing Balance	77	79

Financial instruments and cash deposits

The credit risk on liquid funds and other financial instruments is limited because the counterparties are banks with high credit-ratings assigned by credit-rating agencies or mutual funds

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Piramal Fund Management Private Limited

Notes to Standalone Financial Statements (Continued)
for the year ended 31 March 2023

(Currency: Indian rupees in lakhs)

32 Information in accordance with the requirements of Indian Accounting Standard 24 on Related Party Disclosures.

(a) Name of related parties

Holding company
Piramal Enterprises Limited

Subsidiary companies
INDIAREIT Investment Management Co
Piramal Asset Management Private Limited

Joint venture
Asset Resurgence Mauritius Manager

Fellow subsidiary companies with whom transactions has ben carried out
Piramal Capital & Housing Finance Limited

Other related parties where common control exists, with whom transactions has been carried out
Piramal Corporate Services Private Limited
Aasan Corporate Solutions Pvt Ltd *(formerly known as Aasan Developers & Constructions Pvt Ltd)*

(b) i. Transactions with subsidiaries

Particulars	**Subsidiary company**	
	For the year ended 31 March 2023	For the year ended 31 March 2022
Advisory fees		
INDIAREIT Invesmnent Management Co	55	50
Total	55	50
Redemption of Preference Shares		
Piramal Asset Management Private Limited	473	-
Total	473	-
Dividend Income		
Piramal Asset Management Private Limited	110	-
Total	110	-
Outstanding balance receivables		
INDIAREIT Investment Management Co	14	13
Total	14	13

(b) ii. Transactions with joint venture

Particulars	**Joint venture**	
	For the year ended 31 March 2023	For the year ended 31 March 2022
Dividend Income		
Asset Resurgence Mauritius Manager	407	-
Total	407	-

(b) ii. Transactions with holding company

Particulars	**Holding company**	
	For the year ended 31 March 2023	**For the year ended 31 March 2022**
Interest on loan		
Piramal Enterprises Limited	385	816
Total	385	816
Loan Taken		
Piramal Enterprises Limited	750	1,785
Total	750	1,785

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Piramal Fund Management Private Limited

Notes to Standalone Financial Statements (Continued)
for the year ended 31 March 2023

(Currency: Indian rupees in lakhs)

Repayment of loan		
Piramal Enterprises Limited	150	7,750
Total	150	7,750
Advisory Fees		
Piramal Enterprises Limited	234	-
Total	234	-
Reimbursement of expenses		
Piramal Enterprises Limited	6	8
Total	6	8
Outstanding balance payable		
Piramal Enterprises Limited - Loan	3,570	2,977
Piramal Enterprises Limited - Liability component of compound financial instruments	11,500	11,500
Total	15,070	14,477

32 Information in accordance with the requirements of Indian Accounting Standard 24 on Related Party Disclosures *(Continued)*

(b) iii. Transactions with Directors

Particulars	Other related parties	
	For the year ended 31 March 2023	For the year ended 31 March 2022
(b) iv. Transactions with other related parties where common control exists		
Rent paid (incl. Maintenance)		
Aasan Corporate Solutions Pvt Ltd	196	192
Total	196	192
Reimbursement of expenses		
Aasan Corporate Solutions Pvt Ltd	20	12
Total	20	12
Royalty charges		
Piramal Corporate Services Private Limited	8	27
Total	8	27
Outstanding balance payable		
Aasan Corporate Solutions Pvt Ltd	-	17
Piramal Corporate Services Private Limited	-	21
Total	-	38
(b) v. Transactions with fellow subsidiaries		
Arranger Fees		
Piramal Enterprises Limited (Formally known as PHL Fininvest Private Limited)	-	1,625
Piramal Capital and Housing Finance Limited	416	200
Total	416	1,825
Reimbursement of expenses		
Piramal Capital and Housing Finance Limited	-	6
Total	(0)	6

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33 Lease disclosure as Lessee

The Company has office premise on lease basis The lease period is greater than 1 years with an option to renew the lease after that date Details for the lease as leasee are as under:

Right-of-use assets

Right-of-use assets related to lease properties that do no meet definition of investment property are presented as Property, plant and equipment

Particulars	31 March 2023	31 March 2022
Balance as at 01st April	85	231
Depreciation charge for the	155	146
Addition to right-of-use	790	-
Derecognition of right-of-use assets	-	-
Balance as at 31st March 2023	**720**	**85**

Lease Liability

a) Movement in lease liabilities

Particulars	31 March 2023	31 March 2022
Balance as at 01st April	102	272
Add: Lease Liability added during the year	790	-
Add: Interest expense	49	22
Less: payment of lease liabilities	(192)	(192)
Balance as at 31st March	**749**	102

b) Classification of current and non current

Current	115	102
Non current	634	-
Total	**749**	**102**

c) The table below provides details regarding the contractual maturities of lease liabilities on an undiscounted basis:

As at 31 March 2023

Lease liability	Lease payments	Finance charges	Net present value
Later than one year	780	146	634
Not later than one year	196	81	115
Total undiscounted lease liabilities	**976**	**227**	**749**

As at 31 March 2022

Lease liability	Lease payments	Finance charges	Net present value
Later than one year	-	-	-
Not later than one year	106	4	102
Total undiscounted lease liabilities	**106**	**4**	**102**

d) As at 31 March 2023, there are no commitments for short term leases (31 March 2022 : Nil).

e) Amounts recognised in profit and loss	31 March 2023	31 March 2022
Amortization of right-of-use asset	**155**	146
Interest expense on lease liabilities	**49**	22

f) The total cash outflow for leases amount to Rs 192 lakhs (31 March 2022 : Rs 192 lakhs)

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Piramal Fund Management Private Limited

Notes to Standalone Financial Statements (Continued)
for the year ended 31 March 2023

(Currency: Indian rupees in lakhs)

34 Auditors' remuneration

	For the year ended 31 March 2023	For the year ended 31 March 2022
As auditor		
Statutory audit	10	10
Tax audit	3	3
Total	13	13

35 Contingent liability

Sr. No.	Particulars	As at 31 March 2023	As at 31 March 2022
	Claims against the Company not acknowledged as debt :		
i	Income tax matters	261	261
ii	Dividend payable on Cumulative Optionally Convertible Participative Preference Shares	0.06	0.06

The Company is of the view that the above demands may not devolve on the Company and hence no provision has been made

The Company has a process whereby periodically all long term contracts are assessed for material foreseeable losses At year end, the Company has reviewed and ensured that adequate provision as required under any law / accounting standards for material foreseeable losses on such long term contracts has been made in the books of accounts

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 materially adverse effect on its financial results

36 Unhedged foreign currency exposure

Particulars	As at 31 March 2023		As at 31 March 2022	
	Foreign currency (in lakhs)	Amount	Foreign currency (in lakhs)	Amount
Receivables				
USD	0.17	14	0.17	13
Total receivables	0.17	14	0.17	13

37 Disclosures as required by the Micro, Small and Medium Enterprises Development Act, 2006 are as under:

Trade payable include Rs Nil (previous year Rs Nil) amount payable to Small Scale Industrial Undertakings and Micro, Small and Medium Enterprises as defined under the Micro, Small and Medium Enterprises Development Act, 2006, (MSMED). On the basis of the information and records available with the management, the following disclosures are made for the amounts due to the Micro, Small and Medium enterprises. who have registered with the competent authorities

Particulars	As at 31 March 2023	As at 31 March 2022
Principal amount remaining unpaid to any supplier as at the year end	0.00	-
Interest due there on	-	-
Amount of interest paid by the company in terms of section 16 of the MSMED, along with the amount of the payment made to the supplier beyond the appointed day during the accounting year	-	-
Amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED	-	-
Amount of interest accrued and remaining unpaid at the end of the accounting year	-	-

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Notes to Standalone Financial Statements (Continued)
for the year ended 31 March 2023

(Currency: Indian rupees in lakhs)

38 Corporate social responsibility expenditure

The Compant is not required to spent any amount under setion 135 of the Companies Act, 2013

39 There are no transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.

40 No proceeding has been initiated during the year or pending against the Company for holding any Benami property under the Benami Transactions (Prohibition) Act, 1988, as amended, and rules made thereunder

41 The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

42 During the current year the Company has not traded or invested in Crypto currency or Virtual Currency.

43 The Company does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961

44 The Company, has not advanced or loaned or invested funds to any other person(s) or entity(is), including foreign entities (Intermediaries) with the understanding that the Intermediary shall: (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

45 The Company, has not received any fund from any person(s) or entity(is), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall: (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries

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Piramal Fund Management Private Limited

Notes to Standalone Financial Statements
for the year ended 31 March 2023

(Currency: Indian rupees in lakhs)

46.1 Trade Receivables

Particulars as on 31 March 2023	Less then 6 months	6 months-1 year	1-2 year	2-3 year	More than 3 year	Total
Undisputed Trade Receivables - considered good	127	173	60	146	320	826
Undisputed Trade Receivables - considered doubtful	-	-	-	-	-	-
Disputed Trade Receivables - considered good	-	-	-	-	-	-
Disputed Trade Receivables - considered doubtful	-	-	-	-	-	-

Particulars as on 31 March 2022	Less then 6 months	6 months-1 year	1-2 year	2-3 year	More than 3 year	Total
Undisputed Trade Receivables - considered good	114	25	168	1,396	-	1,703
Undisputed Trade Receivables - considered doubtful	-	-	-	-	-	-
Disputed Trade Receivables - considered good	-	-	-	-	-	-
Disputed Trade Receivables - considered doubtful	-	-	24	-	-	24

46.2 Trade payables

Particulars as on 31 March 2023	Less then 6 months	6 months-1 year	1-2 year	2-3 year	More than 3 year	Total
MSME	0	-	1	-	-	0
Others	3	-	43	-	0	46
Disputed dues -MSME	-	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-	-

Particulars as on 31 March 2022	Less then 6 months	6 months-1 year	1-2 year	2-3 year	More than 3 year	Total
MSME	3	-	-	-	-	3
Others	350	0	0	1	-	351
Disputed dues -MSME	-	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-	-

SDL

Piramal Fund Management Private Limited

Notes to Standalone Financial Statements (Continued)
for the year ended 31 March 2023

(Currency: Indian rupees in lakhs)

47 **Deferred tax asset**

Deferred tax asset is recognised to the extent it is probable that future taxable profits will be available against which the deductible temporary differences and carried forward losses can be utilized. In view of tax losses carry forward as at 31 March 2023, in the absense of convincing evidence that sufficient taxable income will be available against which deferred tax asset on deductible temporary difference can be realised. Accordingly, the Company did not record any deferred tax asset as at 31 March 2023.

48 The previous year's figures have been re-grouped / re-classified wherever required to conform to current year's classification.

Signature to notes 1-48

For and on behalf of the Board of Directors of
Piramal Fund Management Private Limited

K.M. Jijina SDL

Khushru Jijina	**Niraj Bhukhanwala**
Director	*Director*
DIN: 00209953	DIN: 00113468

Mumbai
Date: May 04, 2023

INDEPENDENT AUDITOR'S REPORT

To the Members of

Piramal Systems and Technologies Private Limited

Report on the Standalone Ind AS Financial Statements

Opinion

We have audited the accompanying standalone Ind AS financial statements **Piramal Systems and Technologies Private Limited** ("the Company"), which comprise the Balance Sheet as at 31st March, 2023, and the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the financial statements including 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 Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Ind AS, of the state of affairs (financial position) of the Company as at 31st March, 2023, and its loss (financial performance including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Basis for opinion

We conducted our audit in accordance with the standards on auditing specified under section 143 (10) of the Companies Act, 2013. 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 together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the code of ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. 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. Reporting of key audit matters as per SA 701, Key Audit Matters are not applicable to the Company as it is an unlisted company.

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Information other than the financial statements and auditors' report thereon

The Company's board of directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report, Business Responsibility Report but does not include the financial statements and our auditor's report thereon.

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

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

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the state of affairs(financial position), profit or loss (financial performance including other comprehensive income), cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone Ind AS 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 are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibility

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

Khandelwal & Co. Chartered Accountants

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:

a) 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 the override of internal control.

b) 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 Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls

c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

d) Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

e) 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.

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

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards. 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 Companies Act, 2013, we give in the Annexure "A", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:

    a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

    b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

    c) The Balance Sheet, the Statement of Profit and Loss, 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 standalone Ind AS financial statements comply with the Indian Accounting Standards prescribed under section 133 of the Act.

    e) On the basis of the written representations received from the directors as on 31st March 2023 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 Section 164(2) of the Act.

    f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

    g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, the company has not paid any remuneration to its directors during the year hence provisions of section 197 of the Act shall not be applicable.

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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, as amended, in our opinion and to the best of our information and according to the explanations given to us:

i. The Company does not have any pending litigations which would impact its financial position;

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and

iii. There are no amounts which are required to be transferred, to the Investor Education and Protection Fund by the Company.

iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, 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) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("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;

(c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

v. The company has not declared or paid any dividend during the year.

For M/s. Mayur Khandelwal & Co.
Chartered Accountants
FRN: 134723W

(MAYUR KHANDELWAL)
Partner
Membership No. 146156

Mayur Khandelwal & Co. Chartered Accountants

UDIN: 23146156BGZEDK4177
Mumbai: May 03, 2023

Annexure 'A'
To the independent auditor's report

[Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditor's Report of even date to the members of **Piramal Systems and Technologies Private Limited** on the standalone Ind AS financial statements for the year ended 31st March 2023]

(i) The company does not hold any Property, Plant and Equipment, intangible assets and immovable properties accordingly, reporting on paragraph 3 (i) of the order is not applicable.

(ii) (a) The company does not have any inventory, and hence reporting on paragraph 3 (ii)(a) of the order is not applicable.

(b) During any point of time of the year, the company has not been sanctioned working capital limits from banks or financial institutions and hence reporting on paragraph 3 (ii) (b) of the order is not applicable.

(iii) During the year the company has made investments in its Subsidiary Company, however, has not provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties, hence clause (iii) subclause c,d,e & f shall not be applicable.

(a)
(A) The details of such investments made in subsidiaries, Joint Ventures and Associates are as follows:

	Investment	Security	Loans	Advances
Aggregate amount invested during the year				
- Subsidiaries	2057.86*	NIL	NIL	NIL
Balance Outstanding as at	NIL	NIL	NIL	NIL

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balance sheet date in respect of above cases - Subsidiaries	NIL	NIL	NIL	NIL

* investment was made by converting existing loan into equity shares of subsidiary company, the said loan was already provided in the books of the company in the earlier years in the view of existence of impairment in the ability of the borrowing company to service the debt obligation, In the current financial years also, the investment amount has been accordingly provided for in the books of account pursuant to the application made by the subsidiary company for voluntary liquidation.

(B) The company has not provided loans or advances and guarantees or security to parties other than subsidiary, joint ventures and associates.

(b) According to the information and explanations given to us and based on the audit procedures performed by us, we are of the opinion that the terms and conditions in relation to investments made by the company in its subsidiary are not prejudicial to the interest of the Company.

(iv) In our opinion and according to information and explanation given to us, the company has not granted any loans or provided any guarantees or given any security or made any investments to which the provision of section 185 and 186 of the Companies Act, 2013 applies, accordingly, paragraph 3 (iv) of the order is not applicable.

(v) In our opinion, based on our examination and according to information and explanation given to us, the company has not accepted any deposits and hence reporting on paragraph 3 (v) of the order is not applicable.

(vi) The Central Government of India has not prescribed the maintenance of cost records under sub-section (1) of section 148 of the Act for any of the activities of the company and hence reporting on paragraph 3 (vi) of the order is not applicable.

(vii) (a) The Company is regular in depositing undisputed statutory dues including income-tax and any other statutory dues as applicable to the Company to the appropriate authorities.

(b) There are no dues of income tax which have not been deposited on account of any disputes.

(viii) There are no unrecorded transactions in the books of accounts which have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961(43 of 1961).

(ix) (a) In our opinion, based on our examination and according to information and explanation given to us, the company does not have any loans or other borrowings

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from any lender and hence reporting on paragraph 3 (ix) (a) to (f) of the order are not applicable.

(x) a. According to the information and explanations given to us and based on our examination of the records of the company, the company has not raised any money by way of initial public offer or further public offer (including debt instruments).

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 made preferential allotment of equity shares or private placement of convertible debentures (fully, partially or optionally convertible) during the year.

(xi) (a) No fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

(b) No report under sub-section (12) of section 143 of the Companies 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 and upto the date of this report.

(c) The company has not received any whistle-blower complaints during the year and hence reporting on paragraph 3 (xi) (c) of the order is not applicable.

(xii) The Company is not a Nidhi Company and hence reporting on paragraph 3 (xii) of the Order is not applicable to the Company.

(xiii) In our opinion and according to the information and explanations given to us and based on our examination of the records of the company, transactions with the related parties are in compliance with section 188 of the Act. Where applicable, the details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards. Further provisions of section 177 of the Act are not applicable to the company.

(xiv) Internal audit is not applicable to the Company; hence paragraph 3(xiv) of the Order is not applicable to the Company.

(xv) In our opinion during the year the Company has not entered into any non-cash transactions with its Directors or persons connected with its directors. and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.

(xvi) According to the information and explanation given to us and based on our examination of the records of the company, the Company is not required to be registered under section 45IA of the Reserve Bank of India Act, 1934.

Mayur Khandelwal & Co. Chartered Accountants

(xvii) The company has incurred following cash losses in the financial year and in immediately preceding financial year: -

(Amount in Lakhs)

Particulars	Current Financial Year	Preceding Financial Year
Net Profit/(Loss)	(3.47)	588.46
Non-Cash Items :-		
(A) Expenses		
i) Provision for diminution in investments	-	-
ii) Provision for expected credit losses	-	-
iii) Unrealised Foreign Exchange Loss	-	-
(B) Income		
ii) Provision for expected credit losses	-	(694.98)
iii) Unrealised Foreign Exchange Loss	-	(114.69)
Cash Losses	(3.47)	(221.21)

(xviii) There has been no resignation of statutory auditors during the year.

(xix) On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and 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 indicating 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) According to the information and explanations given to us and based on our examination of the records of the company, the provision of section 135 of the Act are not applicable. Hence reporting on paragraph 3(xx) of the Order is not applicable.

(xxi) The company is not required to prepare consolidated financial statements and hence paragraph 3 (xxi) of the Order is not applicable to the Company.

For M/s. Mayur Khandelwal & Co.
Chartered Accountants
FRN: 134723W

Mayur Khandelwal & Co. ★ Chartered Accountants ★

(MAYUR KHANDELWAL)
Partner
Membership No. 146156

UDIN: 23146156BGZEDK4177
Mumbai: May 03, 2023

Annexure "B"

To the independent auditor's report

(Referred to in paragraph 2 (f) under 'Report on other legal and regulatory requirements' section of our report to the Members of **Piramal Systems and Technologies Private Limited** of even date)

Report on the internal financial controls over financial reporting 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 **Piramal Systems and Technologies Private Limited** ("the Company") as at March 31, 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 board of directors of the Company 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. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company 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") issued by the Institute of Chartered Accountants of India and the standards on auditing prescribed under Section 143 (10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those standards and the guidance note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting were established and maintained and if such controls operated effectively in all material respects.

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

Mayur Khandelwal & Co. Chartered Accountants

assessment of the risks of material misstatement in 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 control 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 the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles.

A company's internal financial control over financial reporting includes those policies and procedures that (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (ii) 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 (iii) 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.

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 of 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 and according to the information and explanations given to us, the Company has, in all material respects, an adequate internal financial control system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2023, based on the internal control over financial reporting criteria established by the Company

Mayur Khandelwal & Co. Chartered Accountants

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 M/s. Mayur Khandelwal & Co.
Chartered Accountants
FRN: 134723W

(MAYUR KHANDELWAL)
Partner
Membership No. 146156

UDIN: 23146156BGZEDK4177
Mumbai: May 03, 2023

Piramal Systems And Technologies Private Limited
Balance Sheet
(Currency- Indian Rupees in lakhs)

Particulars	Note No	As at 31.03.2023	As at 31.03.2022
ASSETS			
Non-current assets			
(a) Financial Assets			
(i) Investments	3	-	-
(b) Other non-current assets	4	0.30	0.20
Current assets			
(a) Financial Assets			
(i) Cash and cash equivalents	5	1.87	43.39
(ii) Loans	6	-	-
(iii) Other financial assets	7	-	-
Total Assets		**2.17**	**43.59**
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share capital	8	4,943.41	4,943.41
(b) Other Equity	9	(4,942.67)	(4,935.95)
Liabilities			
Current liabilities			
(a) Financial liabilities			
(i) Trade Payables:-			
(A) total outstanding dues of micro enterprises and small enterprises; and		0.00	0.01
(B) total outstanding dues of creditors other than micro enterprises and small enterprises.		0.48	1.18
(iii)Other financial liabilities		-	-
(b) Other current liabilities	10	0.95	34.95
Total Equity and Liabilities		**2.17**	**43.59**
See accompanying notes to the Financial Statements			

For M/s. Mayur Khandelwal & Co.
Firm Registration Number: 134723W
Chartered Accountants

Mayur Khandelwal
Partner
Membership No. 146156

Mayur Khandelwal & Co. ★ Chartered Accountants ★

Mumbai
Date : May 03, 2023

For and on behalf of Board of Directors of
Piramal Systems and Technologies Private Limited

Harinder Singh Sikka
Director

Bipin Singh
Director

Suresh Dodeja
Chief Financial Officer

Archana Mudaliar
Company Secretary

Mumbai
Date : May 03, 2023

Piramal Systems & Technologies Pvt Ltd. ★

Piramal Systems And Technologies Private Limited
Statement of Profit and loss
(Currency: Indian Rupees in lakhs)

Particulars	Note No	For the year ended 31.03.2023	For the year ended 31.03.2022
I. Other Income	11	16.12	835.35
II. Total Income	(I + II)	**16.12**	**835.35**
III. Expenses:			
Employee benefits expense		1.41	0.05
Financial costs	12	0.00	349.98
Other expenses	13	18.18	(103.14)
Total Expenses		**19.59**	**246.89**
IV. Profit / (Loss) before tax	(II-III)	**(3.47)**	**588.46**
V. Tax expense:			
(1) Current tax		3.25	-
(2) Deferred tax		-	-
VI. Profit / (Loss) for the period	(IV-V)	**(6.72)**	**588.46**
VII. Other Comprehensive Income			
A. (i) Items that will not be reclassified to profit or loss		-	-
(ii) Income tax relating to items that will not be reclassified to profit or loss		-	-
B. (i) Items that will be reclassified to profit or loss		-	-
(ii) income tax relating to items that will be reclassified to profit or loss		-	-
VIII. Total Comprehensive Income for the period (XIII+XIV)	(VI+VII)	**(6.72)**	**588.46**
IX. Earning per equity share	18		
1. Basic EPS (In Rs.)		(0.01)	10.49
2. Diluted EPS (In Rs.)		(0.01)	10.49
See accompanying notes to the Financial Statements			

For M/s. Mayur Khandelwal & Co.
Firm Registration Number: 134723W
Chartered Accountants

Mayur Khandelwal
Partner
Membership No. 146156

Mumbai
Date : May 03, 2023

For and on behalf of Board of Directors of
Piramal Systems and Technologies Private Limited

Harinder Singh Sikka
Director

Bipin Singh
Director

Suresh Dodeja
Chief Financial Officer

Archana Mudaliar
Company Secretary

Mumbai
Date : May 03, 2023

Piramal Systems And Technologies Private Limited
Cash Flow Statement
(Currency: Indian Rupees in lakhs)

	Particulars	For the year ended 31.3.2023	For the year ended 31.3.2022
A.	**CASH FLOW FROM OPERATING ACTIVITIES**		
	Profit / (loss) before tax	(3.47)	588.46
	Adjustments :		
	Interest income on loans given	(13.26)	(140.38)
	Interest expense on loans taken	-	349.98
	Provision / (Reversals) of expected credit losses	-	(694.98)
	Unrealized foreign exchange (gain) / loss	-	(114.69)
	Sundry balances written back	(2.86)	-
	(Operating Loss) before Working Capital Changes	(19.59)	(11.61)
	Adjustments For Changes In Working Capital :		
	- (Increase) / Decrease in Loans and other financial assets	2.86	114.69
	- (Increase) / Decrease in Other non current assets	(0.09)	56.60
	- Increase / (Decrease) in Trade Payables	(0.71)	(0.17)
	- Increase / (Decrease) in Other Current Liabilities	(34.00)	8.39
	Cash Generated From Operations	**(51.53)**	**167.90**
	- Taxes Paid (Net of Refunds)	(3.25)	-
	Net Cash From / (Used in) Operating Activities (A)	**(54.78)**	**167.90**
B.	**CASH FLOW FROM INVESTING ACTIVITIES**		
	Interest income on loans given	13.26	140.38
	Net Cash From /(Used in) Investing Activities (B)	**13.26**	**140.38**
C.	**CASH FLOW FROM FINANCING ACTIVITIES**		
	Proceeds from Borrowings (net)	-	(293.89)
	Net Cash From / (Used in) Financing Activities (C)	-	**(293.89)**
	Net Increase / (Decrease) in Cash & Cash Equivalents (A)+(B)+ (C)	(41.52)	14.39
	Cash and Cash Equivalents as at 31.3.2022	43.39	29.00
	Cash and Cash Equivalents as at 31.3.2023	1.87	43.39
	Cash and Cash Equivalents Comprise of:		
	Balances with Banks	1.87	43.39

The above Statement of cash flows should be read in conjunction with the accompanying notes

As per our report of even date attached

For M/s. Mayur Khandelwal & Co.
Firm Registration Number: 134723W
Chartered Accountants

Mayur Khandelwal
Partner
Membership No. 146156

Mumbai
Date : May 03, 2023

For and on behalf of Board of Directors of
Piramal Systems and Technologies Private Limited

Harinder Singh Sikka
Director

Bipin Singh
Director

Suresh Dodeja
Chief Financial Officer

Archana Mudaliar
Company Secretary

Mumbai
Date : May 03, 2023

Piramal Systems And Technologies Private Limited
Statement of Changes in Equity for the year ended March 31, 2023
(Currency: Indian Rupees in lakhs)

A. Equity Share Capital

(1) Current reporting period

Balance at the beginning of the current reporting period	Changes in equity share capital during the current year	Balance at the end of the current reporting period
4,943.41	-	4,943.41

(2) Previous reporting period

Balance at the beginning of the current reporting period	Changes in equity share capital during the current year	Balance at the end of the current reporting period
450.00	4,493.41	4,943.41

B. Other Equity

(1) Current reporting period

Particulars	Equity component of Convertible debentures	Reserves and Surplus	Total
		Retained Earnings	
Balance at the beginning of the current reporting period	572.00	(5,507.94)	(4,935.95)
Total Comprehensive Income for the current year	-	(6.72)	(6.72)
Balance at the end of the current reporting period	572.00	(5,514.66)	(4,942.67)

(2) Previous reporting period

Particulars	Equity component of Convertible debentures	Reserves and Surplus	Total
		Retained Earnings	
Balance at the beginning of the current reporting period	572.00	(6,096.40)	(5,524.40)
Total Comprehensive Income for the current year	-	588.46	588.46
Balance at the end of the current reporting period	572.00	(5,507.94)	(4,935.95)

For M/s. Mayur Khandelwal & Co.
Firm Registration Number: 134723W
Chartered Accountants

Mayur Khandelwal
Partner
Membership No. 146156

Mayur Khandelwal & Co. Chartered Accountants

For and on behalf of Board of Directors of
Piramal Systems and Technologies Private Limited

Harinder Singh Sikka
Director

Bipin Singh
Director

Suresh Dodeja
Chief Financial Officer

Archana Mudaliar
Company Secretary

Piramal Systems & Technologies Pvt Ltd.

Mumbai
Date : May 03, 2023

Mumbai
Date : May 03, 2023

PIRAMAL SYSTEMS AND TECHNOLOGIES PRIVATE LIMITED
Notes to financial statements for the Year ended March 31, 2023

1. GENERAL INFORMATION

The Company was incorporated on 31st May, 2011 and acts as the Holding company for the Homeland Security Segment having CIN U93030MH2011PTC218110

2. SIGNIFICANT ACCOUNTING POLICIES

i) Basis of preparation

Compliance with Ind AS

The separate financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

The financial statements up to year ended 31 March 2017 were prepared in accordance with the accounting standards notified under Companies (Accounting Standard) Rules, 2006 (as amended) and other relevant provisions of the Act.

Since the Parent Company has presented a complete set of Consolidated Financial Statements, the Company has elected to present Separate Financial Statements only.

ii) Presentation and Disclosure of financial statements

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current - non current classification of assets and liabilities.

Previous years' figures have been regrouped and reclassified wherever required.

iii) Investments in susidiaries

Subsidiaries are all entities (including structured entities) over which the group has control. The Company controls an entity when the company 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.

Investments in Subsidiaries are accounted at cost.

iv) Financial instruments

Financial assets and financial liabilities are recognised 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 fair value through profit or loss) 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 fair value through profit or loss are recognised immediately in profit or loss.

Financial assets

Classification

The Company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- those measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

The Company réclassifies debt investments when and only when its business model for managing those assets changes.

Measurement

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable

to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Debt instruments

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the group classifies its debt instruments:

Amortised cost:

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.

Fair value through other comprehensive income (FVTOCI):

Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVTOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/ (losses). Interest income from these financial assets is included in other income using the effective interest rate method.

Fair value through profit or loss:

Assets that do not meet the criteria for amortised cost or FVTOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognised in profit or loss and presented net in the statement of profit and loss within other gains/(losses) in the period in which it arises. Interest income from these financial assets is included in other income.

Equity instruments

The Company subsequently measures all equity investments at fair value. Where the Company's management has elected to present fair value gains and losses on equity investments in other Changes in the fair value of financial assets at fair value through profit or loss are recognised in the statement of profit and loss.

Khandelwal & Co.* Mayur Chartered Accountants

Piramal Systems & Technologies Pvt Ltd *

Impairment of financial assets

The Company applies the expected credit loss model for recognising impairment loss on financial assets measured at amortised cost, loan commitments, trade receivables and other contractual rights to receive cash or other financial asset.
For trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 18, the Company always measures the loss allowance at an amount equal to lifetime expected credit losses.

Further, for the purpose of measuring lifetime expected credit loss ("ECL") allowance for trade receivables, the Company has used a practical expedient as permitted under Ind AS 109. This expected credit loss allowance is computed based on a provision matrix which takes into account historical credit loss experience and adjusted for forward-looking information.
The expected credit loss is a product of exposure at default, probability of default and loss given default. The company has devised an internal model to evaluate the probability of default and loss
1) Significant negative deviation in the business plan of the developer
2) Internal rating downgrade for the borrower or the project
3) Current and expected financial performance of the developer
4) Need for refinance of loan due to change in cash flow of the project
5) Significant decrease in the value of collateral
6) Change in market conditions and industry trends

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.
Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results
Default Assets wherein the management does not expect any realistic prospect of recovery are written off to the Statement of Profit and Loss.

Derecognition of financial assets

A financial asset is derecognised only when:

Foreign exchange gains and losses

The fair value of financial assets denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of each reporting period. For foreign currency denominated financial assets measured at amortised cost and FVTPL, the exchange differences are recognised in profit or loss except for those which are designated as hedging instruments in a hedging relationship

Financial liabilities and equity instruments

Classification as debt or equity

Debt and equity instruments issued by a Company entity are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity Instrument

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 are recognised at the proceeds received,

Financial liabilities

All financial liabilities are subsequently measured at amortised cost using the effective interest method or at FVTPL.
Financial liabilities are classified as at FVTPL when the financial liability is either contingent consideration recognised by the Company as an acquirer in a business combination to which Ind AS 103 applies or is held for trading or it is designated as at FVTPL.
Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method.
The effective interest 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 and points 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.
Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the Company does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a

Foreign exchange gains and losses

For financial liabilities that are denominated in a foreign currency and are measured at amortised cost at the end of each reporting period, the foreign exchange gains and losses are determined based on the amortised cost of the instruments

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 the Company are initially measured at their fair values and are subsequently measured at the higher of:
• the amount of the loss allowance determined in accordance with Ind AS 109; and
• the amount initially recognised less, where appropriate, cumulative amortisation recognised in accordance with the revenue recognition policies.

Derecognition of financial liabilities

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. An exchange between with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability.

Derivatives and hedging activities

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured to their fair value at the end of each reporting period. The accounting for subsequent changes in fair value depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged and the type of hedge

Mayur Khandelwal & Co. Chartered Accountants

Piramal Systems & Technologies Pvt. Ltd.

Embedded derivatives

Derivatives embedded in a host contract that is an asset within the scope of Ind AS 109 are not separated. Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.
Derivatives embedded in all other host contract are separated only if the economic characteristics and risks of the embedded derivative are not closely related to the economic characteristics and risks of the host and are measured at fair value through profit or loss. Embedded derivatives closely related to the host contracts are not separated.

Offsetting Financial Instruments

Financial Assets and Liabilities are offset and the net amount is reflected in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to 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 Company or counterparty.

v) **Provisions and Contingent Liabilities**

Provisions are recognised when there is a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material). The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

vi) **Revenue recognition**

Interest: Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the amortised cost and at the effective interest rate applicable.

vi) **Foreign Currency Transaction**

In preparing the financial statements of the Company, transactions in currencies other than the company's functional currency viz. Indian Rupee are recognised at the rates of exchange prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in profit or loss. Non-monetary items carried at fair value that are denominated in foreign currencies are translated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.
Exchange differences on monetary items are recognised in profit or loss in the period in which they arise.

vii) **Taxes on Income**

Tax expense for the period, comprising current tax and deferred tax, are included in the determination of the net profit or loss for the period. Current tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act, 1961.
Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the separate financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the
The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.
Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

viii) **Cash and Cash Equivalents**

In the cash flow statement, cash and cash equivalents includes cash on hand, demand deposits with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

ix) **Earnings Per Share**

In determining earnings per share, the Company considers the net profit after tax. The number of shares used in computing basic earnings per share is the weighted average number of shares outstanding during the period. The number of shares used in computing diluted earnings per share comprises the weighted average shares considered for deriving basic earnings per share, and also the weighted average number of equity shares that could have been issued on the conversion of all dilutive potential equity shares.

Mayur Khandelwal & Co. ★ Chartered Accountants

Piramal Systems & Technologies Pvt Ltd ★

PIRAMAL SYSTEMS AND TECHNOLOGIES PRIVATE LIMITED
Notes to financial statements
(Currency: Indian Rupees)

3. INVESTMENTS

	As at March 31, 2023 Rs. in Lakhs	As at March 31, 2022 Rs. in Lakhs
Non-current investments		
Equity instruments of Subsidiaries #	1,971.11	1,971.11
Conversion of outstanding loan into Equity (Equity instruments of Subsidiaries)	2,057.86	-
Less: Provision for Expected Credit losses	(4,028.98)	(1,971.11)
	-	-

 # Investments in Subsidiaries

	As at March 31, 2023		As at March 31, 2022	
	Quantity	(Rs.in Lakhs)	Quantity	(Rs.in Lakhs)
In equity shares				
Unquoted				
i. Piramal Technologies SA	58,28,708	4,028.98	33,00,000	1,971.11
		4,028.98		1,971.11

Pursuant to the application by Piramal Technologies SA ('Company'), the status of the Company has been taken as 'in liquidation' by the trade registry in Switzerland.
The Company also has published three calls to the creditors initmating the liquidation. After expirty of 365 days from the third call (made on Sep. 30, 2022), final application would be made with the trade registry in Switzerland to approve the liquidation and to delete the name of the Company from register.

Mayur Khandelwal & Co. ★ Chartered Accountants ★

Piramal Systems & Technologies Pvt Ltd ★

(Currency: Indian Rupees in Lakhs)

		As at March 31, 2023		As at March 31, 2022
4. OTHER NON-CURRENT ASSETS				
Security deposits		0.20		0.20
Advance tax	59.99		56.64	
Less: Provision for tax	(3.25)		-	
Less: Provision for expected credit losses	(56.64)		(56.64)	
		0.10		-
TOTAL		0.30		0.20

		As at March 31, 2023		As at March 31, 2022
5. CASH AND CASH EQUIVALENTS				
i. Balance with Banks				
- Current Accounts		1.87		43.39
TOTAL		1.87		43.39

		As at March 31, 2023		As at March 31, 2022
6. LOANS - CURRENT				
At amortised cost:				
Loans to related parties	-		2,060.70	
Less: provision for expected credit losses	-		(2,060.70)	
		-		-
TOTAL		-		-

		As at March 31, 2023		As at March 31, 2022
7. OTHER FINANCIAL ASSETS				
Interest accrued on loan	-		9.40	-
Less: Provision for expected credit losses	-		(9.40)	-
		-		
TOTAL		-		-

Mayur Khandelwal & Co. Chartered Accountants

Piramal Systems & Technologies Pvt Ltd.

PIRAMAL SYSTEMS AND TECHNOLOGIES PRIVATE LIMITED
Notes to financial statements
(Currency: Indian Rupees in Lakhs)

	As at March 31, 2023	As at March 31, 2022
8. SHARE CAPITAL		
AUTHORISED		
5,00,00,000 (5,00,00,000) Equity Shares of Rs.10/- each	5,000.00	5,000.00
	5,000.00	**5,000.00**
ISSUED, SUBSCRIBED AND PAID UP		
4,94,34,081 (4,94,34,081) Equity Shares of Rs.10/- each	4,943.41	4,943.41
TOTAL	**4,943.41**	**4,943.41**

a) Reconciliation of the equity shares outstanding at the beginning and at the end of the period

Equity Shares

Particulars	As at March 31, 2023 No. of shares	As at March 31, 2023 Rs. in Lakhs	As at March 31, 2022 No. of shares	As at March 31, 2022 Rs. in Lakhs
At the beginning of the year	4,94,34,081	4,943.41	45,00,000	450.00
Add: Issued during the year	-	-	4,49,34,081	4,493.41
At the end of the year	**4,94,34,081**	**4,943.41**	**4,94,34,081**	**4,943.41**

b) Rights, preferences and restrictions attached to shares

Equity Shares: The company has one class of equity shares having a par value of Rs. 10 per share. Each shareholder is eligible for one vote per share held. 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 holding company

	As at March 31, 2023 No. of shares	As at March 31, 2023 Rs. In Lakhs	As at March 31, 2022 No. of shares	As at March 31, 2022 Rs. In Lakhs
Piramal Enterprises Limited	4,94,34,071	4,943.41	45,00,000	450.00

d) Details of shares held by shareholders holding more than 5% of the aggregate shares in the company

Particulars	As at March 31, 2023 No. of shares	As at March 31, 2023 % Holding	As at March 31, 2022 No. of shares	As at March 31, 2022 % Holding
Piramal Enterprises Limited	4,94,34,071	99.99%	4,94,34,071	99.99%

e) Details of shareholding of Promoters in the Company

Particulars	As at March 31, 2023 No. of shares	As at March 31, 2023 % of total shares	% change during the year	As at March 31, 2022 No. of shares	As at March 31, 2022 % of total shares	% change during the year
Piramal Enterprises Limited	4,94,34,071	99.99%	-	4,94,34,071	99.99%	-
Ajay G Piramal #	10	0.01%	-	10	0.01%	-

shares are jointly held with Piramal Enterprises Limited

		As at March 31, 2023		As at March 31, 2022
9. Other Equity				
Retained Earnings				
As per Last Balance Sheet	(5,507.95)		(6,096.41)	
Add: Profit / (Loss) for the year	(6.72)		588.46	
		(5,514.67)		(5,507.95)
Equity component of convertible debentures (Refer note 19)		572.00		572.00
TOTAL		**(4,942.67)**		**(4,935.95)**

	As at March 31, 2023	As at March 31, 2022
10. OTHER CURRENT LIABILITIES		
Statutory dues	-	34.95
Accrued Expenses	0.95	
TOTAL	**0.95**	**34.95**

Mayur Khandelwal & Co. Chartered Accountants

Piramal Systems & Technologies Pvt Ltd

PIRAMAL SYSTEMS AND TECHNOLOGIES PRIVATE LIMITED
Notes to financial statements
(Currency: Indian Rupees in lakhs)

11. OTHER INCOME

	Year Ended March 31, 2023		Year Ended March 31, 2022
Interest Income on Financial Assets			
- On Loans (at amortised cost)	13.26		140.38
Reversal of expected credit losses (net)		906.95	
Provision for expected credit losses		(211.98)	
	-		694.97
Foreign Exchange gain (Net)	-		
Sundry balances written back (net)	2.86		-
TOTAL	**16.12**		**835.35**

12. FINANCE COSTS

	Year Ended March 31, 2023	Year Ended March 31, 2022
Interest Expense on financial liabilities measured at amortised cost	0.00	349.98
TOTAL	**0.00**	**349.98**

13. OTHER EXPENSES

	Year Ended March 31, 2023	Year Ended March 31, 2022
Rates & Taxes	0.43	43.25
Foreign Exchange loss (Net)	16.16	(147.02)
Professional fees	1.54	0.12
Bank charges	0.00	0.11
Auditors' remuneration (refer note below)	0.05	0.40
TOTAL	**18.18**	**(103.14)**

Note : Breakup of Auditors' remuneration

Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
Auditors' remuneration in respect of:		
- Statutory Audit (excluding taxes)	0.05	0.40
	0.05	**0.40**

(Currency: Indian Rupees in lakhs)

14. Information in accordance with the requirements of Indian Accounting Standard 24 on Related Party Disclosures.

A. Controlling Company

- Piramal Enterprises Limited

B. Subsidiary Company

- Piramal Technologies SA, Switzerland

C. Fellow subsdiary

- Piramal Consumer Products Private Limited

Details of Transactions	Controlling Company	Controlling Company	Subsidiary / Fellow Subsidiary	Subsidiary / Fellow Subsidiary
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
Loan repayment received by company				
- Piramal Technologies SA, Switzerland		-		1,042.52
	-	-	-	**1,042.52**
Interest paid				
- Piramal Enterprises Limited	-	349.98		
	-	**349.98**	-	-
Employee benefits expenses				
- Piramal Enterprises Limited	1.41	0.05	-	
	1.41	-	-	-
Allotment of equity shares				
- Piramal Enterprises Limited	-	4,493.41	-	-
	-	**4,493.41**	-	-
Conversion of oustanding loan to investments				
- Piramal Technologies SA	-	-	2,057.86	-
	-	-	**2,057.86**	-
Payable				
- Piramal Enterprises Limited	0.40	0.05		-
	0.40	**0.05**	-	-
Interest income				
- Piramal Technologies SA	-	140.38	13.26	
	-	**140.38**	**13.26**	-

Piramal Systems and Technologies Private Limited
Notes to Financial Statements as on March 31, 2023
(Currency: Indian Rupees in lakhs)

15 Risk Management :

a. Foreign Currency Risk Management

The Company has defined strategies for addressing the risks for each category of exposures (e.g. for exports , for imports, for loans, etc.). The centralised treasury function aggregates the foreign exchange exposure and takes prudent measures to hedge the exposure based on prevalent macro-economic conditions.

a) Particulars of foreign currency exposures as at the reporting date

Currency	As at 31-03-2023				As at 31-03-2022			
	Loans to Related Parties, net of provision		Current Account Balances		Loans to Related Parties		Current Account Balances	
	FC in Lakhs	Rs. In Lakhs	FC in Lakhs	Rs. In Lakhs	FC in Lakhs	Rs. In Lakhs	FC in Lakhs	Rs. In Lakhs
CHF	-	-	-	-	-	-	-	-

The Company is mainly exposed to CHF. Hence the following table analyses the Company's Sensitivity to a 5% increase and a 5% decrease in the exchange rates of these currencies against INR.

Currencies	For the year ended March 31, 2023				For the year ended March 31, 2022		
	Increase/ Decrease	Total Assets in FC in Lakhs	Change in exchange rate	Impact on Profit or Loss/Other Equity for the year (Rs. In Lakhs)	Total Assets in FC	Change in exchange rate	Impact on Profit or Loss/Other Equity for the year (Rs. In Lakhs)
CHF	Increase by 5%*	-	-	-	0.11	4.02	0.46
CHF	Decrease by 5%*	-	-	-	(0.11)	(4.02)	(0.46)

* Holding all the variables constant

Piramal Systems and Technologies Private Limited
Notes to Financial Statements
(Currency: Indian Rupees in lakhs)

b. Capital Risk Management

The Company manages its capital to ensure that it will be able to continue as going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance. The capital structure of the Company consists of net debt (borrowings as detailed in notes 8 and 10 offset by cash and bank balances) and total equity of the Company.

The Company determines the amount of capital required on the basis of annual as well as long term operating plans and other strategic investment plans. The funding requirements are met through long-term /short-term borrowings.The Company monitors the capital structure on the basis of total debt to equity ratio and maturity profile of the overall debt portfolio of the Company.

The capital components of the Company are as given below:

	March 31, 2023	March 31, 2023
Total Equity	0.74	7.46
Short Term Borrowings	-	-
Long Term Borrowings	-	-
Current Maturities of Long Term Borrowings		
Total Debt	-	-
Cash & Cash equivalents	(1.87)	(43.39)
Net Debt	**(1.87)**	**(43.39)**
Net Debt to Equity ratio	**(2.54)**	**(5.81)**

c. Liquidity Risk

Liquidity Risk refers to insufficiency of funds to meet the financial obligations. Liquidity Risk Management implies maintenance of sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit lines to meet obligations when due.

The following tables detail the Company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay. The tables include both interest and principal cash flows. To the extent that interest flows are floating rate, the rate applicable as of reporting period ends respectively has been considered. The contractual maturity is based on the earliest date on which the Company may be required to pay.

Mayur Khandelwal & Co. Chartered Accountants

Piramal Systems & Technologies Pvt. Ltd.

16. Optionally Fully Convertible Debentures (OFCD)

On April 16, 2013, the Company issued 360 optionally fully convertible debentures of Rs. 10 Lakhs each redeemable at par. Tenure of OFCDs is 10 years from date of allotment. Put option is available to the holder for conversion or redemption. Call option is available to the Company for conversion or redemption. On conversion or redemption of OFCD, OFCD along with the interest accrued thereon shall be converted into Equity shares of Rs. 10 each of the Company at par.On exercise of Call or Put Option for redemption of the OFCD or as the case may be, upon expiry of the tenure of the OFCD, if not converted or redeemed earlier, the OFCD shall be redeemed by the Company at par together with accrued interest thereon. Call or put options can be exercised at any time after the expiry of 5 years from the date of allotment during the tenure of OFCDs. Option notice need to be given 15 days prior to the relevant Option date.Where OFCDs are converted into equity shares upon exercise of Call or Put Options for conversion, such equity shares shall rank pari-passu with the existing equity shares of the Company provided that such shares shall be entitled to proportionate dividend, if declared, for the year in which they shall stand converted, with effect from the date of conversion.The OFCDs shall have no right to receive dividend, till conversion into equity shares. Until conversion into equity shares as aforesaid the OFCDs shall also not carry any Voting Rights.

The OFCD contain two components: liability and equity elements. The equity element is presented in equity under the heading of " equity component of OFCD". The effective interest rate of the liability element on initial recognition is 12.89% p.a. upto 16.04.2018. i.e. 5 years from the date of issue of the debentures.

Particulars	As at 31-March-2023	As at 31-March-2022
Proceeds of issue	3,600.00	3,600.00
Liability Component at the date of issue	(3,028.00)	(3,028.00)
Equity Component	**572.00**	**572.00**
Liability Component (included in "non current borrowing")	-	**3,604.80**

17. Income Tax Relating to Operations

a) Income tax recognised in profit or loss	**For the year ended March 31, 2023**	**For the year ended March 31, 2022**
Current tax		
In respect of the current year	3.25	-
Deferred tax		
In respect of the current year	-	-
Total income tax expense recognised in the current year	**3.25**	-
b) Income tax recognised in other comprehensive income		
Current tax	-	-
Deferred tax	-	-
Total income tax recognised in other comprehensive income	-	-

The Income Tax expense for the year can be reconciled to the accounting profit as follows:

Profit / (Loss) before tax	(3.47)	588.46
Income Tax expense calculated @25.17%	(0.87)	148.12
Others	4.12	(148.12)
Income Tax expense recognised in profit or loss	3.25	-

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Piramal Systems & Technologies Pvt Ltd.

Piramal Systems and Technologies Private Limited
Notes to Financial Statements
(Currency: Indian Rupees in lakhs)

18 **Earning Per Share (EPS)** - EPS is calculated by dividing the loss attributable to the equity shareholders by the weighted average number of equity shares outstanding during the year. Numbers used for calculating basic and diluted earnings per equity share are as stated below:

Particulars		For the year ended	
		March 31,2023	March 31,2022
1	Profit / (Loss) after tax	(6.72)	588.46
2	Weighted Number of Shares (nos.)	4,94,34,081	56,07,964
3	Basic EPS (Rs. Per share)	(0.01)	10.49
4	Diluted EPS (Rs. Per share)	(0.01)	10.49
5	Face value per share (Rs.)	10.00	10.00

19 **(a) Ageing schedule of trade payables**

As at March 31, 2023	(Amount in lakhs)				
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	0.00	-	-	-	0.00
(ii)Others	0.48	-		-	0.48
(iii) Disputed dues — MSME	-	-	-	-	-
(iv) Disputed dues — Others	-	-	-	-	-

As at March 31, 2022	(Amount in lakhs)				
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	0.01	-	-	-	0.01
(ii)Others	1.18			-	1.18
(iii) Disputed dues — MSME	-	-	-	-	-
(iv) Disputed dues — Others	-	-	-	-	-

(b) Disclosures as required by the Micro, Small and Medium Enterprises Development Act, 2006 ("MSMED Act") are as under:

Particulars	As at 31 March 2023	As at 31 March 2022
Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end	0.00	0.01
Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end	0.00	-
Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
Interest paid, other than under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
Interest paid, under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year		-
Interest due and payable towards suppliers registered under MSMED Act, for payments already made	-	-
Further interest remaining due and payable for earlier years	-	-

Mayur Khandelwal & Co. ★ Chartered Accountants ★

★ Piramal Systems & Technologies Pvt Ltd.

Piramal Systems and Technologies Private Limited
Notes to Financial Statements

20 Other Statutory Information

i The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.

ii The company does not have any transaction with struck off companies.

iii The Company does not have any such transactions which is not recorded in the books of account that has been surrendered or disclosed as income during the year in the tax assessments under the income tax act, 1961 (such as search or survey or any other relevant provisions of the Income Tax Act 1961).

iv The Company do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

v The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

vi The Company has not been declared as a wilful defaulter by any bank or financial institution (as defined under Companies Act, 2013) or consortium thereof, in accordance with the guidance on wilful defaulters issued by Reserve Bank of India.

vii The Company has complied with the number of layers prescribed under clause (87) of Section 2 of the act read with companies (Restriction on number of Layers) Rules, 2017.

viii The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

ix Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

(b) provided any guarantee, security or the like on behalf of the Ultimate Beneficiaries

x No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources of kind of funds) to any other person(s) of entity(ies), including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the intermediary shall lend or invest in a party ("Ultimate Beneficiaries") identified by or on behalf of the Company. There are no funds received from any party(s) (Funding Party) with the understanding that the Company shall whether, directly or indirectly lend or invest in other persons or entities ("Ultimate beneficiaries") identified by or on behalf of the funding party or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

Mayur Khandelwal & Co. * Chartered Accountants

Piramal Systems & Technologies Pvt. Ltd. *

Piramal Systems and Technologies Private Limited
Notes to Financial Statements

21 **Ratio analysis**

Ratio	Numerator	Denominator	For the year ended March 31, 2023	For the year ended March 31, 2022	variance (%)	Reason for variance
Current ratio	Current Assets	Current Liabilities	1.31	1.20	9%	
Debt-equity ratio	N.A.	N.A	0.00	0.00	-	
Debt service coverage ratio	Profit After Tax+Interest+Depreciation	Interest+Principal Repayments	-3463.27	2.68	-129258%	No interest payment during the year
Return on equity ratio	Profit After Tax	Shareholder's Fund	-9.11	78.88	-112%	Loss during the current year as compared to profit during the previous year
Inventory turnover ratio	N.A.	N.A	N.A	N.A	N.A	
Trade receivables turnover ratio (in days)	N.A.	N.A	N.A	N.A	N.A	
Trade payables turnover ratio (in days)	N.A.	N.A	N.A	N.A	N.A	
Net capital turnover ratio	N.A.	N.A	N.A	N.A	N.A	
Net profit margin (%)	N.A.	N.A	N.A	N.A	N.A	
Return on capital employed	Earning before interest and Taxes	Capital Employed	-4.71	125.75	-104%	Loss during the current year as compared to profit during the previous year
Return on investment	N.A.	N.A	N.A	N.A	N.A	

22 There are no contingent liabilities for the year ended F.Y. 2022-23 (P.Y : Nil)

23 Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.

24 The financial statements were approved by board of directors on May 03, 2023

Signature to note 1 to 24 of Financial Statements.

As per our report of even date attached

For M/s. Mayur Khandelwal & Co.
Firm Registration Number: 134723W
Chartered Accountants

Mayur Khandelwal
Partner
Membership No. 146156

Mumbai
Date : May 03, 2023

For and on behalf of Board of Directors of
Piramal Systems and Technologies Private Limited

Harinder Singh Sikka
Director

Bipin Singh
Director

Suresh Dodeja
Chief Financial Officer

Archana Mudaliar
Company Secretary

Mumbai
Date : May 03, 2023

LODHA & CO

CHARTERED ACCOUNTANTS

6, Karim Chambers, 40, A, Doshi Marg, (Hamam Street), Mumbai 400 001 INDIA.
Telephone : 0091-22-2269 1414 / 4002 1415
0091-22-4002 1140 / 4002 1414
E-mail : mumbai@lodhaco.com

INDEPENDENT AUDITOR'S REPORT

To The Members of
Piramal Investment Advisory Services Private Limited

Report on the Audit of Financial Statements

Opinion

We have audited the accompanying financial statements of Piramal Investment Advisory Services Private Limited ("the Company"), which comprises of Balance Sheet as at March 31, 2023, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flow for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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 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, its profit (including other comprehensive income), changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those 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 the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics.

We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Information Other than the Financial Statements and Auditor's report thereon

The Company's Board of Directors is responsible for the preparation of other information. The Other information comprises the information included in the Board's Report including Annexures to the Board report, but does not include the financial statement and our auditor's report thereon.

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

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

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we required to report that fact. We have nothing to report in this regard.

LODHA & CO MUMBAI-01 Chartered Accountants

Responsibilities of Management and those charged with Governance for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance (including other comprehensive income), changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under Section 133 of the Act.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the 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, the 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 are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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 the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial control system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.

LODHA & CO. MUMBAI-01 Chartered Accountants

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the entity 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.

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

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

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

Report on Other Legal and Regulatory Requirements

1. Pursuant to 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, we give in the Annexure "A" a statement on the matters specified in paragraphs 3 and 4 of the Order.

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

   (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

   (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books and records.

   (c) The Balance sheet, the Statement of Profit & Loss (including other comprehensive income), Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.

   (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended.

   (e) On the basis of the written representation received from the directors as on March 31, 2023 taken on records by the Board of Directors, none of the directors are disqualified as on March 31, 2023 from being appointed as a Directors in terms of Section 164(2) of the Act.

   (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in Annexure "B".

LODHA & CO. MUMBAI-01 Chartered Accountants

(g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of Section 197(16) of the Act, as amended, The Company being a private limited Company, Section 197 of the Act is not applicable.

(h) With respect to the matters to be included in the Auditor's report in accordance with the 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 does not have any pending litigations as on March 31, 2023 which would impact its financial position.

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

iii. There were no amounts which were required to be transferred, to the Investor Education and Protection Fund by the Company.

iv. a) The management has represented that, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend to or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

b) The management has represented, that, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("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.

c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representation under sub clause (i) and (ii) of Rule 11(e) of The Companies (Audit and Auditors) Rules, 2014, as provided under (a) and (b) above, contains any material misstatement. (Refer note no. 37 to financial statements)

v. The Company has not declared or paid dividend during the financial year 2022-23. Accordingly, reporting under rule 11 (f) of Companies (Audit and Auditors) Rules, 2014 is not applicable.

For **LODHA & COMPANY**
Chartered Accountants
Firm registration No. – 301051E

LODHA & CO. MUMBAI-01 Chartered Accountants

R.P Baradiya
Partner
Membership No. 44101
UDIN: 23044101BGTSHH1248

Place: Mumbai
Date: 04-05-2023

Annexure "A" referred to in "Report on Other Legal and Regulatory Requirements" section of our report to the members of Piramal Investment Advisory Services Private Limited of even date:

i. a. In respect of Company's Property, Plant and Equipment (PPE) and Intangible Assets: - The Company does not have any PPE and Intangible assets and hence reporting under clause 3(i) (a), (b), (c) and (d) of the order is not applicable to the Company.

b. In our opinion and according to the information and explanations given to us, neither any proceedings have been initiated during the year nor are pending as at March 31, 2023 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988, as amended, and Rules made thereunder and hence reporting under clause 3(i)(e) of the Order is not applicable to the Company.

ii. a. The Company is in the business of providing financial services and does not have any physical inventories and hence reporting under clause 3(ii) (a) of the order is not applicable to the company.

b. According to the information and explanations given to us and on the basis of our examination of records, the Company does not have any sanctioned working capital at any point of time during the year from banks and financial institutions and hence reporting under clause 3(ii)(b) of the Order is not applicable to the Company.

iii. In respect of Investment in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties:

(a) The Company has not provided any loans or advances in the nature of loans or guarantee or provided security to any other entity during the year and hence reporting under clause 3(iii)(a) is not applicable to the Company.

(b) According to the information and explanations given to us and on the basis of our examination of records, the investment made are in the ordinary course of business and accordingly in our opinion, prima facie, not prejudicial to the Company's interest.

(c) The Company has not granted any loans or advances in the nature of loans during the year and hence reporting under clauses 3(iii)(c), (d), (e) and (f) of the Order is not applicable to the Company.

iv. According to the information and explanations given to us and on the basis of our examination of records, the Company has complied with the provisions of Section 185 and 186 of the Act, to the extent applicable with respect to the investments made during the year. The Company has not provided any loans, guarantee and security during the year.

v. According to the information and explanations given to us and on the basis of our examination of records, no deposits or amounts which are deemed to be deposits within the meaning of Section 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposits) Rules, 2014 have been accepted by the Company and hence reporting under clause 3(v) of the Order is not applicable to the Company.

vi. The Central Government has not prescribed the maintenance of cost records under sub section 1 of Section 148 of the Act in respect of nature of services rendered by the Company and hence reporting under clause 3(vi) of the order is not applicable to the Company.

LODHA & CO. MUMBAI-01 Chartered Accountants

vii. (a) According to the information and explanations given to us and on the basis of our examination of the records, the Company is regular in depositing undisputed statutory dues including Goods and Services tax, provident fund, employees' state insurance, income tax, sales tax, custom duty, duty of excise, value added tax, cess and other statutory dues during the year with the appropriate authorities. No undisputed amounts payable in respect of the aforesaid statutory dues were outstanding as at the last day of the financial year for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us and on the basis of our examination of records, there are no statutory dues mentioned in clause vii (a) which have been not deposited on account of any dispute.

viii. According to the information and explanations given to us and on the basis of our examination of records, there were no transactions relating to previous years that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961) and hence reporting under clause 3(viii) of the order is not applicable to the Company.

ix. (a) Based on our audit procedures and on the basis of information and explanations given to us, we are of the opinion that the Company has not defaulted in the repayment of loans or other borrowings or in the repayment of interest thereon to the lenders and hence reporting under clause 3(ix) of the Order is not applicable to the Company.

(b) The Company has not been declared as willful defaulter by any bank or financial institution or other lender.

(c) According to the information and explanations given to us and on the basis of our examination of records, the Company has not taken any term loan during the year and hence reporting under clause 3(ix)(c) of the Order is applicable to the Company.

(d) On an overall examination of the financial statements, in our opinion the Company has not utilized funds raised on short term basis for long term purposes.

(e) Based on our audit procedures and on the basis of information and explanations given to us, the Company does not have any subsidiaries, associates or joint venture and hence reporting under clause 3(ix)(e) and (f) of the Order is not applicable to the Company.

x. (a) According to the information and explanations given to us and on the basis of our examination of records, the Company has not raised any money by way of Initial public offer or further public offer (including debt instrument) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable to the Company.

(a) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment, private placement of shares or fully or partly convertible debentures during the year or in the recent past and hence reporting under clause 3(x)(b) of the Order is not applicable to the Company.

xi. (a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India and according to the information and explanations given to us, we have neither come across any instance of fraud by or on the Company, noticed or reported during the year, nor have we been informed of such case by the management.

(b) During the year, no report under sub section 12 of Section 143 of the Act has been filed in Form ADT-4 as prescribed in rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

LODHA & CO. MUMBAI-01 Chartered Accountants

xx. According to the information and explanations given to us and on the basis of our examination of records, there are no amounts unspent in respect of corporate social responsibility towards ongoing or other than ongoing projects and hence reporting under clause 3(xx) (a) and (b) of the Order is not applicable to the Company.

For **LODHA & COMPANY**
Chartered Accountants
Firm registration No. – 301051E

LODHA & CO. MUMBAI-01 Chartered Accountants

R.P Baradiya
Partner
Membership No.44101
UDIN: 23044101BGTSHH1248

Place: Mumbai
Date: 04-05-2023

(c) Based on our audit procedure performed and according to the information and explanations given to us, the Section 177(9) of the Act is not applicable and hence reporting under clause 3(xi)(c) of the Order is not applicable to the Company.

xii. According to the information and explanations given to us and on the basis of our examination of records, the Company is not a Nidhi Company and hence reporting under clause 3(xii) of the Order is not applicable to the Company.

xiii. According to the information and explanations given to us and based on our examination of the records of the Company, all the transactions with related parties are in compliance with Section 177 and 188 of the Act and all the details have been disclosed in the financial statements as required by the applicable Accounting Standard.

xiv. According to the information and explanations given to us and on the basis of our examination of records, as the Company's turnover is less than 200 crores and it does not have any borrowings from banks/ financial institutions, provision of Section 138 of the Act relating to appointment of internal audit is not applicable and hence reporting under clause 3(xiv)(a) and 3(xiv(b) of the order is not applicable to the Company.

xv. According to the information and explanations given to us and on the basis of our examination of records, the Company has not entered into any non-cash transactions prescribed under Section 192 of the Act with directors or persons connected with them during the year.

xvi. (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934 and hence reporting under clause 3(xvi) (a), (b) and (c) of the Order is not applicable to the Company.

(b) There is no core investment company within the "Companies in the Group" as defined in the Core Investment Companies (Reserve Bank) Directions, 2016 and hence reporting under clause 3(xvi)(d) of the Order is not applicable to the Company.

xvii. The Company has not incurred any cash losses during the financial year covered by our audit and immediately preceding financial year.

xviii. There has been no resignation by the statutory auditors of the Company during the year and hence reporting under clause 3(xviii) of the Order is 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 realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and 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 indicating that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any 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.

LODHA & CO. MUMBAI-01 Chartered Accountants

Annexure "B" referred to in "Report on Other Legal and Regulatory Requirements" section of our report to the members of Piramal Investment Advisory Services Private Limited of even date:

Report on the Internal Financial Controls over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Act

We have audited the internal financial controls over financial reporting of Piramal Investment Advisory Services Private Limited ("the Company") as of March 31, 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 Board of Directors of the Company 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 component 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 the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

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 deemed to be prescribed under Section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence 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 the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the entity are being made only in accordance with authorisations of management;(3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the entity's assets that could have a material effect on the financial statements; and (4) also provide reasonable assurance by the internal auditors through their internal audit reports given to the organisation from time to time.

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, to the best of our information and according to the explanations given to us, the Company has, broadly, 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 March 31, 2023, based on the internal control over financial reporting criteria established by the Company considering the essential Component 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 **LODHA & COMPANY**
Chartered Accountants
Firm registration No. – 301051E

LODHA & CO. MUMBAI-01 Chartered Accountants

R.P Baradiya
Partner
Membership No. 44101
UDIN: 23044101BGTSHH1248

Place: Mumbai
Date: 04-05-2023

Piramal Investment Advisory Services Private Limited
Balance Sheet
as at March 31, 2023
(Currency : Indian Rupees in lakhs)

	Note No	As At March 31, 2023	As At March 31, 2022
ASSETS			
Non-current assets			
(a) Financial assets:			
(i) Investments	3	2.50	2.50
(b) Other non-current tax assets	4	0.84	92.33
Total Non-Current Assets		**3.34**	**94.83**
Current assets			
(a) Financial assets:			
(i) Investments	5	56.20	53.52
(ii) Trade receivables	6	3.16	1.06
(iii) Cash and cash equivalents	7	58.39	2,204.97
(iii) Bank balances other than (iii) above	8	1,675.00	-
(vi) Other financial assets	9	2.25	-
(b) Other current assets	10	5.39	4.89
Total Current Assets		**1,800.39**	**2,264.44**
TOTAL ASSETS		**1,803.73**	**2,359.27**
EQUITY AND LIABILITIES			
Equity			
(a) Share capital	11	270.00	270.00
(b) Other equity	12	1,527.77	1,514.39
		1,797.77	**1,784.39**
Current liabilities			
(a) Financial Liabilities:			
(i) Trade payables			
a. Total outstanding dues of micro enterprise and small enterprises		0.12	-
b. Total outstanding dues of creditors other than micro enterprises and small enterprises		5.81	22.20
(ii) Other financial liabilities	13	-	483.10
(b) Other current liabilities	14	0.03	69.58
Total Current Liabilities		**5.96**	**574.88**
TOTAL EQUITY & LIABILITIES		**1,803.73**	**2,359.27**

Significant accounting policies and other notes 2-39

The notes referred to above form an integral part of the financial statements.

As per our report of even date attached

For Lodha and Company
Chartered Accountants
Firm's Registration No: 301051E

R. P. Baradiya
Partner

Date: May 04 , 2023
Mumbai

LODHA & CO. MUMBAI-01 Chartered Accountants

For and on behalf of Board of Directors of
For Piramal Investment Advisory Services Private Limited

Bipin Singh
Director
DIN :00058068

Pralhad Kulkarni
Director
DIN :03388656

Date: May 04 , 2023
Mumbai

Piramal Investment Advisory Services Private Limited

Piramal Investment Advisory Services Private Limited
Statement of Profit and Loss
for the year ended March 31, 2023
(Currency : Indian Rupees in lakhs)

		Note No.	For the year ended March 31, 2023	For the year ended March 31, 2022
	INCOME:			
	Revenue from operations	15	4.18	4,144.23
	Other income	16	61.36	521.34
I	**Total revenue**		**65.54**	**4,665.57**
	EXPENSES:			
	Finance cost		-	2,903.47
	Other expenses	17	20.22	283.92
II	**Total expenses**		**20.22**	**3,187.39**
III	**Profit before tax (I - II)**		**45.32**	**1,478.18**
IV	**Tax expense**	31		
	- Current tax		15.52	301.49
	- Deferred tax charge / (credit)		-	130.65
	- Taxation of earlier years		16.42	(16.35)
	Total tax expense		**31.94**	**415.79**
V	**Profit for the year (III - IV)**		**13.38**	**1,062.39**
VI	**Other Comprehensive Income**		-	-
VII	**Total Comprehensive Income for the year (V+VI)**		**13.38**	**1,062.39**
	Earnings per equity share:	18		
	Basic and diluted (face value of Rs.10)		0.50	39.35

Significant accounting policies and other notes 2-39

The notes referred to above form an integral part of the financial statements.

As per our report of even date attached

For Lodha and Company
Chartered Accountants
Firm's Registration No: 301051E

R. P. Baradiya
Partner

Date: May 04 , 2023
Mumbai

For and on behalf of Board of Directors of
For Piramal Investment Advisory Services Private Limited

Bipin Singh
Director
DIN :00058068

Pralhad Kulkarni
Director
DIN :03388656

Date: May 04 , 2023
Mumbai

Piramal Investment Advisory Services Private Limited

LODHA & CO. MUMBAI-01 Chartered Accountants

Piramal Investment Advisory Services Private Limited
Statement of Cash Flows
for the year ended March 31, 2023
(Currency : Indian Rupees in lakhs)

	For the year ended March 31, 2023	For the year ended March 31, 2022
A. Cash Flow From Operating Activities		
Profit before tax	**45.32**	**1,478.18**
Adjustments for :		
Expected credit loss on financial assets	-	231.49
Finance cost	-	2,903.47
Interest income	(6.02)	(0.15)
Dividend on investments in mutual funds	(2.98)	(1.73)
Reversal of expected credit losses	-	(519.11)
Sundry balances written off	0.33	-
Operating Profit Before Working Capital Changes	**36.66**	**4,092.15**
Adjustments for changes in working capital :		
Decrease / (Increase) in Trade receivables	(2.10)	(0.03)
(Decrease) / Increase in Trade payables and other financial liabilities	(499.37)	416.08
Decrease / (Increase) in Other current and financial assests	(3.08)	(0.48)
(Decrease) / Increase in Other current liabilities	(69.55)	49.00
Cash generated from/(used in) operations	**(537.45)**	**4,556.72**
Taxes paid (net of refunds)	59.53	(298.82)
Net cash generated from /(used in) operating activities (A)	**(477.91)**	**4,257.90**
B. Cash flow from investing activities		
Fixed deposits with maturity more than three months	(1,675.00)	-
Interest received	6.02	0.15
Investments (made) / reedeemed (net)	0.30	25,955.20
	(1,668.69)	**25,955.35**
C. Cash flow from financing activities		
Loan repaid to holding company	-	(54,856.20)
Interest paid	-	(2,919.66)
Net cash generated from/(used in) financing activities (C)	-	**(57,775.86)**
Net Increase/(Decrease) in Cash & Cash Equivalents (A)+(B)+(C)	**(2,146.60)**	**(27,562.62)**
Cash and Cash Equivalents at the beginning of the year	2,204.97	29,767.59
Cash and Cash Equivalents at the end of the year	**58.39**	**2,204.97**
Cash and Cash Equivalents Comprise(Refer Note 7)		
Balance with current account	**58.39**	**2,204.97**

Significant accounting policies and other notes 2-39

As per our report of even date attached

For Lodha and Company
Chartered Accountants
Firm's Registration No: 301051E

R. P. Baradiya
Partner

Date: May 04 , 2023
Mumbai

For and on behalf of Board of Directors of
For Piramal Investment Advisory Services Private Limited

Bipin Singh
Director
DIN :00058068

Pralhad Kulkarni
Director
DIN :03388656

Date: May 04 , 2023
Mumbai

LODHA & CO. MUMBAI-01 Chartered Accountants

Piramal Investment Advisory Services Private Limited

Piramal Investment Advisory Services Private Limited
Statement of Changes in Equity
as at March 31, 2023
(Currency : Indian Rupees in lakhs)

A. Equity Share Capital:

Particulars	**Amounts**
Balance as at April 1, 2021	270.00
Changes in Equity Share Capital due to prior period errors	-
Restated balance at the beginning of the year	270.00
Changes in equity share capital during the year	-
Balance as at March 31, 2022	**270.00**
Balance as at April 1, 2022	270.00
Changes in Equity Share Capital due to prior period errors	-
Restated balance at the beginning of the year	**270.00**
Changes in equity share capital during the year	-
Balance as at March 31, 2023	**270.00**

B. Other Equity:

Particulars	**Surplus in Statement in Profit & Loss**
Balance as at April 1, 2021	452.00
Changes in accounting policy or prior period errors	-
Restated balance at April 1,2021	452.00
Total comprehensive income for the year	1,062.39
Balance as at March 31, 2022	**1,514.39**

Particulars	**Surplus in Statement in Profit & Loss**
Balance as at April 1, 2022	1,514.39
Changes in accounting policy or prior period errors	-
Restated balance at April 1,2022	1,514.39
Total comprehensive income for the year	13.38
Balance as at March 31, 2023	**1,527.77**

Significant accounting policies and other notes 2-39

As per our report of even date attached

For Lodha and Company
Chartered Accountants
Firm's Registration No: 301051E

R. P. Baradiya
Partner

Date: May 04 , 2023
Mumbai

For and on behalf of Board of Directors of
For Piramal Investment Advisory Services Private Limited

Bipin Singh
Director
DIN :00058068

Pralhad Kulkarni
Director
DIN :03388656

Date: May 04 , 2023
Mumbai

LODHA & CO. MUMBAI-01 Chartered Accountants

Piramal Investment Advisory Services Private Limited

1 BACKGROUND

Piramal Investment Advisory Services Private Limited (the 'Company') was incorporated on 13 June 2013 with an objective to provide investment advisory services in the real estate and infrastructure sector. The Company has established a contributory trust, viz. 'Piramal Infrastructure Fund' and 'Piramal Investment Opportunities Fund' (the 'Funds'), under the provisions of the Indian Trust Act, 1882. The Funds have received approval from the Securities and Exchange Board of India on 23 September 2013 to carry on the activity of a alternative investment fund under its different schemes by pooling together resources and finances from institutional and high net worth investors. The Company has been appointed as investment advisor to the Funds under an investment advisory agreement dated 25 July 2013. The Company has also entered into ancillary activities of investments.

2a. SIGNIFICANT ACCOUNTING POLICIES

i) Basis of preparation and presentation of financial statements

The financial statements have been prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015 as per Section 133 of the Companies Act, 2013 and relevant amendment rules issued thereafter ("Ind AS") on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period as explained below, the relevant provisions of the Companies Act, 2013 (the "Act").
Accounting policies have been consistently applied except where a newly-issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use."

ii) Financial instruments

Financial assets and financial liabilities are recognised 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 fair value through profit or loss) 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 fair value through profit or loss are recognised immediately in profit or loss.
Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

iii) Investments and Other Financial Assets

Classification
The Company classifies its financial assets in the following measurement categories:
- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- those measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

Subsequent Measurement
For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

The Company reclassifies debt investments when and only when its business model for managing those assets changes.

iv) Debt instruments

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the group classifies its debt instruments:

Amortised cost:
Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method. Subsequently, these are measured at amortised cost using the Effective Interest Method less any impairment losses.

Fair value through other comprehensive income (FVTOCI):
Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVTOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in the statement of profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to the statement of profit or loss and recognised in other gains/ (losses). Interest income from these financial assets is included in other income using the effective interest rate method.

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Piramal Investment Advisory Services Private Limited

Fair value through profit or loss (FVTPL):
Assets that do not meet the criteria for amortised cost or FVTOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognised in the statement of profit and loss and presented net in the statement of profit and loss within other gains/(losses) in the period in which it arises. Interest income from these financial assets is included in other income.

v) **Equity instruments**
The Company subsequently measures all equity investments at fair value. Where the Company's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification on decrecognition of fair value gains and losses to the statement of profit and loss. Dividends from such investments are recognised in the statement of profit and loss when the Company's right to receive payments is established.

Changes in the fair value of financial assets at fair value through profit or loss are recognised in the statement of profit and loss.

vi) **Impairment of financial assets**
The Company applies the expected credit loss model for recognising impairment loss on financial assets measured at amortised cost, loan commitments, and other contractual rights to receive cash or other financial asset.

The Company applies Expected Credit Loss (ECL) model for recognition and measurement of impairment loss on the following financial assets and credit risk exposure:

Default Assets wherein the management does not expect any realistic prospect of recovery are written off to the Statement of Profit and Loss.

Derecognition of financial assets
A financial asset is derecognised only when:
- The Company has transferred the rights to receive cash flows from the financial asset or
- retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Foreign exchange gains and losses
The fair value of financial assets denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of each reporting period. For foreign currency denominated financial assets measured at amortised cost and FVTPL, the exchange differences are recognised in profit or loss except for those which are designated as hedging instruments in a hedging relationship.

vii) **Financial liabilities and equity instruments**

Classification as debt or equity

Debt and equity instruments issued by a Company entity are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity Instrument

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 are recognised at the proceeds received, net of direct issue costs.

Financial liabilities
All financial liabilities are subsequently measured at amortised cost using the effective interest method or at FVTPL.

Financial liabilities are classified as at FVTPL when the financial liability is either contingent consideration recognised by the Company as an acquirer in a business combination to which Ind AS 103 applies or is held for trading or it is designated as at FVTPL.

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 method.

The effective interest 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.

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the Company does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach.

Foreign exchange gains and losses
For financial liabilities that are denominated in a foreign currency and are measured at amortised cost at the end of each reporting period, the foreign exchange gains and losses are determined based on the amortised cost of the instruments.

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Piramal Investment Advisory Services Private Limited

Derecognition of financial liabilities
The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. An exchange between with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability.

Offsetting Financial Instruments

Financial Assets and Liabilities are offset and the net amount is reflected in the balance sheet where there is a legally enforceable

viii) **Provisions and Contingent Liabilities and Contingent Assets**
Provisions are recognised when there is a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material). The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

Contingent assets are not recognised in the financial statements. 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. However, they are assessed continually, and if it has become virtually certain that inflow of economic benefits will arise, the asset and related income are recognized in the financial statements.

ix) **Revenue recognition**

Revenue is measured at the fair value of the consideration received or receivable.

Interest: Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the amortised cost and at the effective interest rate applicable.
Dividend: Dividend income from investments is recognised when the shareholder's right to receive payment has been established (provided that it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably).

Sale of Services: In contracts involving the rendering of services, revenue is recognised at the point in time in which services are rendered. In case of fixed price contracts, the customer pays a fixed amount based on the payment schedule.

x) **Foreign Currency Transactions**
In preparing the financial statements of the Company, transactions in currencies other than the company's functional currency viz. Indian Rupee are recognised at the rates of exchange prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in the statement of profit and loss. Non-monetary items carried at fair value that are denominated in foreign currencies are translated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences on monetary items are recognised in the statement of profit and loss in the period in which they arise.

xi) **Taxes on Income**
Tax expense for the period, comprising current tax and deferred tax, are included in the determination of the net profit or loss for the period. Current tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act, 1961.
Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the separate financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.
Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Lodha & Co. MUMBAI-01 Chartered Accountants

Piramal Investment Advisory Services Private Limited

Current and deferred tax are recognised in the statement of profit and loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle the asset and the liability on a net basis. Deferred tax assets and deferred tax liabilities are offset when there is a legally enforceable right to set off assets against liabilities representing current tax and where the deferred tax assets and the deferred tax liabilities relate to taxes on income levied by the same governing taxation laws.

xii) **Cash and Cash Equivalents**

In the cash flow statement, cash and cash equivalents includes cash on hand, demand deposits with banks, other short-term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

2b. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTIES

The preparation of the financial statements in conformity with Ind AS requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise.

Expected Credit Loss:

When determining the provision for impairment loss on financial assets carried at amortised cost and Loan commitments, in line with Expected Credit Loss model, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort for determing the Probability of default (PD) and Loss Given default (LGD). This includes both quantitative and qualitative information and analysis, based on the company's historical experience and credit assessment and including forward looking information.

2c. The Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 31, 2023, MCA amended the Companies (Indian Accounting Standards) Rules, 2015 by issuing the Companies (Indian Accounting Standards) Amendment Rules, 2023, applicable from April 1, 2023, as below:

Ind AS 1 – Presentation of Financial Statements The amendments require companies to disclose their material accounting policies rather than their significant accounting policies. Accounting policy information, together with other information, is material when it can reasonably be expected to influence decisions of primary users of general purpose financial statements. The Company does not expect this amendment to have any significant impact in its financial statements.

Ind AS 12 – Income Taxes The amendments clarify how companies account for deferred tax on transactions such as leases and decommissioning obligations. The amendments narrowed the scope of the recognition exemption in paragraphs 15 and 24 of Ind AS 12 (recognition exemption) so that it no longer applies to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences. The Company is evaluating the impact, if any, in its financial statements.

Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors The amendments will help entities to distinguish between accounting policies and accounting estimates. The definition of a change in accounting estimates has been replaced with a definition of accounting estimates. Under the new definition, accounting estimates are "monetary amounts in financial statements that are subject to measurement uncertainty". Entities develop accounting estimates if accounting policies require items in financial statements to be measured in a way that involves measurement uncertainty. The Company does not expect this amendment to have any significant impact in its financial statements

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		As At March 31, 2023		As At March 31, 2022
3 Non Current Investments				
(a) Alternative Investment Fund				
Unquoted - Amortised cost				
2.34 (Previous year 2.34) Class B units of Piramal Investment Opportunities Fund Scheme I of Rs. 1 Crore each, fully paid up	233.99		233.99	
Less: Allowance for expected credit loss	(231.49)	2.50	(231.49)	2.50
Total Non Current Investments		**2.50**		**2.50**

4 Other non-current tax assets

	As At March 31, 2023	As At March 31, 2022
Advance tax and tax deducted at source (Net of provision for tax : INR 15.90; P.Y: INR 553.01)	0.84	92.33
	0.84	**92.33**

5 Current Investments

(a) Investment in mutual funds

	As At March 31, 2023	As At March 31, 2022
Quoted - FVTPL		
HDFC Liquid Fund - Daily IDCW	56.20	53.52
	56.20	**53.52**
Total units	5,510.94	5,247.55
Aggregate book value of investments	56.20	53.52
Aggregate market value of investments	56.20	53.52

6 Trade Receivables

	As At March 31, 2023	As At March 31, 2022
Unsecured, considered good	3.16	1.06
	3.16	**1.06**

Note: 1. Ageing of Trade receivables

As at March 31, 2023						
Particulars	**less than six months**	**six months to one year**	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
Undisputed Trade receivables – considered good	3.16	-	-	-	-	3.16
Undisputed Trade Receivables – considered doubtful	-	-	-	-	-	-
Disputed Trade receivables – considered good	-	-	-	-	-	-
Disputed Trade Receivables – considered doubtful	-	-	-	-	-	-
Grand total	**3.16**	**-**	**-**	**-**	**-**	**3.16**

As at March 31, 2022						
Particulars	**less than six months**	**six months to one year**	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
Undisputed Trade receivables – considered good	1.06	-	-	-	-	1.06
Undisputed Trade Receivables – considered doubtful	-	-	-	-	-	-
Disputed Trade receivables – considered good	-	-	-	-	-	-
Disputed Trade Receivables – considered doubtful	-	-	-	-	-	-
Grand total	**1.06**	**-**	**-**	**-**	**-**	**1.06**

7 Cash and cash equivalents

	As At March 31, 2023	As At March 31, 2022
Balances with banks:		
- In current account	58.39	2,204.97
	58.39	**2,204.97**

8 Bank balances other than cash and cash equivalents

	As At March 31, 2023	As At March 31, 2022
Fixed deposits with maturity more than three months but less than 12 months	1,675.00	-
	1,675.00	**-**

9 Other financial assets
Unsecured, considered good

	As At March 31, 2023	As At March 31, 2022
Interest accrued but not due on fixed deposits	2.25	-
	2.25	**-**

10 Other current assets
Unsecured, considered good

	As At March 31, 2023	As At March 31, 2022
Goods and Service Tax credit receivables	5.39	4.89
	5.39	**4.89**

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	As At March 31, 2023	As At March 31, 2022
11 Share capital		
Authorised		
20,000,000 equity shares of Rs.10/- each	**2,000.00**	**2,000.00**
Issued, subscribed and fully paid		
2,700,000 equity shares of Rs.10/- each	270.00	270.00
	270.00	**270.00**

Reconciliation of the equity shares outstanding at the beginning and at the end of the year

	For the year ended			
	March 31, 2023		March 31, 2022	
	Number	Amount	Number	Amount
At the beginning of the year	27,00,000	270.00	27,00,000	270.00
Issued during the year	-	-	-	-
At the end of the year	**27,00,000**	**270.00**	**27,00,000**	**270.00**

Rights, preferences and restrictions attached to equity shares
The Company has only one class of equity shares having a par value of INR 10 per share. Each holder of equity shares is entitled to one vote per share. There are no restrictions on payments of dividends to equity shareholders.

On winding up of the company, the holders of equity shares will be entitled to receive the residual assets of the Company, remaining after distribution of all preferential amounts in proportion to the number of equity shares held.

In the period of five years immediately preceding March, 2023
The Company has not allotted any equity shares as fully paid up without payment being received in cash or as Bonus Shares or Bought back any equity shares.

Shares held by holding company

	As at March 31, 2023		As at March 31, 2022	
	Number	Amount	Number	Amount
Equity shares of INR 10 each fully paid up held by Piramal Enterprise Limited	27,00,000	270.00	27,00,000	270.00
	27,00,000	**270.00**	**27,00,000**	**270.00**

Particulars of shareholders holding more than 5% shares of a class of shares

	As at March 31, 2023		As at March 31, 2022	
	Number	Amount	Number	Amount
Equity shares of INR 10 each fully paid up held by Piramal Enterprise Limited	27,00,000	270.00	27,00,000	270.00
	27,00,000	**270.00**	**27,00,000**	**270.00**

Details of shareholding of Promoters in the Company

	As at March 31, 2023		
	No. of shares	% of total shares	% change during the year
Piramal Enterprise Limited #	27,00,000	100%	-

	As at March 31, 2022		
	No. of shares	% of total shares	% change during the year
Piramal Enterprise Limited #	27,00,000	100%	-

Includes 10 shares of Rs. 10 each, fully paid jointly held jointly with Mr. Ajay G. Piramal & Mr. Rajesh Laddha

12 Reserves and surplus	As At March 31, 2023	As At March 31, 2022
Surplus in the Statement of Profit and Loss		
Opening balance	1,514.39	452.00
Profit for the year	13.38	1,062.39
Closing balance	**1,527.77**	**1,514.39**

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	As At March 31, 2023	As At March 31, 2022
13 Other financial liabilities		
Dues to related parties	-	483.10
	-	**483.10**
14 Other current liabilities		
Statutory dues	0.03	69.58
	0.03	**69.58**

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		For the Year ended March 31, 2023	For the year ended March 31, 2022
15	**Revenue from operations**		
	Income from services		
	- Sub - advisory fees	4.06	3.73
	Other operating revenue		
	Interest Income on financial assets	-	4,140.35
	Interest on Investments	0.12	0.15
		4.18	**4,144.23**
16	**Other income**		
	Interest income on Income tax refund	5.90	-
	Interest on Fixed Deposits	52.47	-
	Dividend income in investment in mutual funds	2.98	1.73
	Miscellaneous income	-	0.50
	Reversal of expected credit loss on financial assets	-	519.11
		61.36	**521.34**
17	**Other expenses**		
	Rates and taxes	0.04	0.03
	Auditor's remuneration		
	- Audit fees	1.50	1.69
	Legal and professional fees	2.34	7.61
	Expected credit loss on financial assets	-	231.49
	Exchange loss (net)	0.00	0.01
	Travel expenses	-	11.52
	Reversal of excess provision of earlier years	-	24.22
	Sundry balances written off	0.33	-
	CSR expenses	16.00	7.35
		20.22	**283.92**

Details in respect of Corporate Social Responsibility (CSR) Expenditure:
- Gross amount required to be spent during the year - Rs 7.55 Lakhs (Previous Year - Rs 7.35 Lakhs)
- Amount spent during the year on revenue expenditure Rs 16.00 Lakhs (Previous Year - Rs 7.35 Lakhs)
- Amount spent during the year on Capital expenditure - Rs Nil (Previous Year - Nil)
- Nature of CSR activities for current year and previous year - Education sector (Aspirational District Collaborative)
- Related party contributions - Rs. Nil (P.Y: Nil)

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18 Basic and Diluted EPS

The computation of earnings per share is set out below:

		For the year ended March 31, 2023	For the year ended March 31, 2022
Profit attributable to shareholders	(A)	13.38	1,062.39
Weighted average number of equity shares outstanding during - Basic and Diluted	(B)	27,00,000	27,00,000
Earnings per share - Basic and Diluted	(A)/(B)	0.50	39.35
Face value per share (Rs.)		10	10

19 (a) Foreign currency transactions

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Income in Foreign Currency I. Sub-advisory fees	4.06	3.73

(b) Unhedged foreign currency exposures

Particulars	As at March 31, 2023	As at March 31, 2022
Receivables	0.08 (USD 3,750)	0.11 (USD 1,250)

20 Segment Reporting

Since the Company's business activity falls under one business segment - "Investments and Investment advisory services " and business operations are concentrated in India, no further disclosures are required by Ind AS 108 "Operating Segments" specified under section 133 of the Companies Act 2013 have been made.

21 Related party disclosure

Information in accordance with the requirements of Ind AS 24 on Related Party Disclosures.

A. **Controlling Company / Holding Company**
- Piramal Enterprises Limited

B. **Fellow subsidiary with whom transactions have been carried out**
- Indiareit Investment Management Company
- Piramal Investments Opportunities Fund
- Piramal Capital and Housing Finance Limited
- PHL Fininvest Private Limited (Merged w.e.f. 16.08.2022)

C. **Other Group Company**
- India Resurgence Asset Management Business Pvt Ltd

Details of transactions	FY 2022-23			FY 2021-22		
	Controlling Company	Fellow Subsidiary	Other Group Company	Controlling Company	Fellow Subsidiary	Other Group Company
Distribution income						
- Piramal Investments Opportunities Fund	-	0.12	-	-	0.15	
	-	0.12	-	-	0.15	-
Reimbursement of Expenses						
- India Resurgence Asset Management Business Pvt Ltd	-	-	-	-	-	16.13
	-	-	-	-	-	16.13
Sub-advisory services rendered						
- Indiareit Investment Management Company	-	4.06	-	-	3.73	
	-	4.06	-	-	3.73	-
Sale of investments						
- PHL Fininvest Private Limited	-	-	-	-	25,247.00	-
	-	-	-	-	25,247.00	-
Finance received - Borrowings (Repaid)						
- Piramal Enterprises Limited	-	-	-	(30,000.00)	-	-
- Piramal Capital and Housing Finance Limited	-	-	-	-	(24,840.00)	-
	-	-	-	(30,000.00)	(24,840.00)	-
Interest paid						
- Piramal Enterprises Limited		-	-	44.32	-	-
- Piramal Capital and Housing Finance Limited	-	-	-	-	2,858.68	-
	-	-	-	44.32	2,858.68	-
Payable						
- Piramal Capital and Housing Finance Limited	-	-	-			-
- India Resurgence Asset Management Business Pvt Ltd	-	-		-	-	16.13
- Piramal Enterprises Limited	-	-	-	-	483.10	-
	-	-	-	-	483.10	16.13
Receivable						
- Indiareit Investment Management Company	-	3.08	-	-	1.00	-
- Piramal Investments Opportunities Fund	-	0.08	-	-	0.11	-
	-	3.16	-	-	1.11	-

22 Contingent Liabilities And Commitments

The Company does not have any contingent liability and capital commitment as on the reporting date (Previous year: Nil)

23 Disclosure under Micro, Small and Medium Enterprises Development Act, 2006

On the basis of the information and records available with the management, accounts payable include Rs. Nil (previous year Rs. Nil) payable to Small Scale Industrial Undertakings and Micro, Small and Medium Enterprises as defined under the Micro, Small and Medium Enterprises Development Act, 2006, (MSMED) which came into force from 2nd October 2006.

24 Capital Management

The Company manages its capital to ensure that it will be able to continue as going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance. The current capital structure of the Company consists of equity.

The capital components of the Company are as given below:

	As at 31st March 2023	As at 31st March 2022
Total Equity	270.00	270.00
Borrowings	-	-
Total Debt	-	-
Current Investments	(56.20)	(53.52)
Cash and Cash equivalents	(58.39)	(2,204.97)
Net Debt	(114.59)	(2,258.49)

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25 Risk Management

Risk Management is an integral part of the Company's business strategy. The Risk Management oversight structure includes Committees of the Board and Management Committees. Company's risk philosophy is to develop and maintain a healthy portfolio which is within its risk appetite and the regulatory framework. While the Company is exposed to various types of risks, the most important among them are liquidity risk, regulatory risk and fraud and operational risk. The measurement, monitoring and management of risks remain a key focus area for the Company.

The Board of Directors monitors the quality of audit function and also monitors compliance with regulators.
The Company's risk management strategy is based on a clear understanding of various risks, disciplined risk assessment and measurement procedures and continuous monitoring. The policies and procedures established for this purpose are continuously benchmarked with market best practices.

The Board of Directors ("BOD") reviews compliance with risk policies, monitors risk tolerance limits, reviews and analyse risk exposure and provides oversight of risk across the organization. The BOD nurtures a healthy and independent risk management function to inculcate a strong risk management culture in the Company and broadly perceives the risk arising from (i) liquidity risk, (ii) fraud risk and operational risk (iii) regulatory risk.

25.1 Fraud risk and operational risk:

The Company has an elaborate system of internal controls commensurate with the size, scale and complexity of its operations and covers funding operations, financial reporting, fraud control and compliance with laws and regulations.

Risks associated with frauds are mitigated through 100% document verification by the management and review of all the cases which are entered in the system, including corrective and remedial actions as regards people and processes.
Management monitors and evaluates the efficacy and adequacy of internal control systems in the Company, its compliance with laws and regulations, efficacy of its operating systems, adherence to the accounting procedures and policies at all offices of the Company and report directly to the Board of Directors of the company.

25.2 Regulatory risk:

The Company requires certain statutory and regulatory approvals for conducting business and failure to obtain retain or renew these approvals in a timely manner, may adversely affect operations. Any change in laws or regulations made by the government or a regulatory body that governs the business of the Company may increase the costs of operating the business, reduce the attractiveness of investment and / or change the competitive landscape.

25.3 Liquidity Risk

The following tables detail the Company's remaining contractual maturity for its financial liabilities with agreed repayment periods. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay. The contractual maturity is based on the earliest date on which the Company may be required to pay.

a)

Maturities of Financial Liabilities	31 March 2023			
	Up to 1 year	1 to 3 years	3 to 5 years	5 years & above
Trade Payables	5.93	-	-	-
Other Financial Liabilities	-	-	-	-
	5.93	-	-	-

b)

Maturities of Financial Liabilities	31 March 2022			
	Up to 1 year	1 to 3 years	3 to 5 years	5 years & above
Trade Payables	22.20	-	-	-
Other Financial Liabilities	483.10	-	-	-
	505.30	-	-	-

c)

Maturities of Financial Assets	March 31, 2023			
	Up to 1 year	1 to 3 years	3 to 5 years	5 years & above
Investments	56.20	2.50	-	-
Trade receivables	3.16	-	-	-
Other Financial Assets	2.25	-	-	-
Cash and Cash Equivalent	58.39	-	-	-
Bank balances other than above	1,675.00	-	-	-
	1,795.00	2.50	-	-

d)

Maturities of Financial Assets	March 31, 2022			
	Up to 1 year	1 to 3 years	3 to 5 years	5 years & above
Investments	53.52	2.50	-	-
Trade receivables	1.06	-	-	-
Cash and Cash Equivalent	2,204.97	-	-	-
	2,259.55	2.50	-	-

26 Fair Value Disclosures

a)

	31 March 2023		31 March 2022	
Categories of Financial Instruments:	**FVTPL**	**Amortised Cost**	**FVTPL**	**Amortised Cost**
Financial Assets				
Investments	56.20	2.50	53.52	2.50
Trade receivables#	-	3.16	-	1.06
Other Financial Assets	-	2.25	-	-
Cash & bank balances #	-	1,733.39	-	2,204.97
	56.20	1,741.29	53.52	2,208.53
Financial liabilities				
Trade payables #	-	5.93	-	22.20
Other financial liabilities #	-	-	-	483.10
	-	5.93	-	505.30

b)

Fair Value Hierarchy and Method of Valuation	31 March 2023					
Financial Instruments	**Notes**	**Carrying Value**	**Level 1**	**Level 2**	**Level 3**	**Total**
Financial Assets						
Measured at FVTPL						
Investments						
Investments in Mutual Funds	i	56.20	56.20	-	-	56.20

c)

Fair Value Hierarchy and Method of Valuation	31 March 2022					
Financial Instruments	**Notes**	**Carrying Value**	**Level 1**	**Level 2**	**Level 3**	**Total**
Financial Assets						
Measured at FVTPL						
Investments						
Investments in Mutual Funds	i	53.52	53.52	-	-	53.52

Notes:

i Market Net Asset Value (NAV) as at the reporting period have been used to determine the Fair Value of the mutual fund investments.

\# The Company has not disclosed the fair value of cash and bank balances, other financial assets, trade payables, trade receivables and other financial liabilities, because their carrying amounts are a reasonable approximation of fair value.

27 Market Risk

a) **Credit Risk**

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables and investments), including deposits with financial institutions and other financial instruments.

Reconciliation of loss allowance

Particulars	March 31, 2023	March 31, 2022
Opening balance	231.49	519.11
Add: Provision during the year	-	231.49
Less: Reversal of provisions during the year	-	(519.11)
Closing balance	231.49	231.49

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b) **Trade receivables**
The receivables of the Company are from advisory services funds. Customer credit risk is managed by each business unit subject to the Company's established policy, procedures and control relating to customer credit risk management. Outstanding customer receivables are regularly monitored.

c) **Financial instruments and cash deposits**
The credit risk on liquid funds and other financial instruments is limited because the counterparties are banks with high credit-ratings assigned by credit-rating agencies or mutual funds.

28 **Operational Risk**
Operational risk is the risk of loss resulting from inadequate or failed internal processes, people and systems or from external events. Operational risk includes legal risk but excludes strategic and reputational risks. Legal risk includes, but is not limited to, exposure to fines, penalties or punitive damages resulting from supervisory actions, as well as private settlements. Operational risk can result from a variety of factors, including failure to obtain proper internal authorizations, improperly documented transactions, failure of operational and information security procedures, computer systems, software or equipment, fraud, inadequate training and employee errors. Operational risk is sought to be mitigated by maintaining a comprehensive system of internal controls, establishing systems and procedures to monitor transactions, maintaining key back-up procedures and undertaking regular contingency planning.

29 **(a) Ageing schedule of trade payables**

Particulars	As at March 31, 2023				
	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	0.12	-	-	-	0.12
(ii)Others	1.69	2.08	2.03	-	5.81
(iii) Disputed dues — MSME	-	-	-	-	-
(iv) Disputed dues — Others	-	-	-	-	-

Particulars	As at March 31, 2022				
	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	22.17	0.03	-	-	22.20
(iii) Disputed dues — MSME	-	-	-	-	-
(iv) Disputed dues — Others	-	-	-	-	-

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30 **Analytical Ratios**

Ratio	Numerator	Denominator	For the year ended March 31, 2023	For the year ended March 31, 2022	variance (%)	Reason for variance
Current ratio	Current Assets	Current Liabilities	30230%	394%	7575%	Repayments of debts during the current year
Debt-equity ratio	Total Debt	Shareholder's Equity	0%	0%	N.A	
Debt service coverage ratio	Earnings available for debt service	Debt Service	N.A	151%	N.A	
Return on equity ratio	Net Profits after taxes	Average Shareholder's Equity	5%	393%	-99%	Increase in non-operating income on account of reversal of ECL during the previous year as compared to Current financial year
Inventory turnover ratio	N.A	N.A	N.A	N.A	N.A	
Trade receivables turnover ratio (in days)	Net Credit Sales	Average Accounts Receivable	1.92	4.01	-52%	Decrease in average debtors in current year as compared to previous year
Trade payables turnover ratio (in days)	N.A	N.A	N.A	N.A	N.A	
Net capital turnover ratio	N.A	N.A	N.A	N.A	N.A	
Net profit margin (%)	Net Profit after tax	Net Sales	20%	23%	-10%	
Return on capital employed	Earning before interest and taxes	Capital Employed	3%	246%	-99%	Due to Interest Income and profit on sale of investment during previous year.
Return on investment	Interest income	Closing investments	0%	1769%	-100%	Sale of investments during the previous year.

31 **Income Taxes**

	Year ended March 31, 2023	Year ended March 31, 2022
a. **Recognised in Profit or Loss**		
Current Tax		
In respect of the current year	15.52	301.49
Deferred Tax		
In respect of the current year	-	130.65
Taxation of earlier years	16.42	(16.35)
Total	31.94	415.79

b. **The income tax expense for the year can be reconciled to the accounting profit as follows:**

	Year ended March 31, 2023 (Amount)	Year ended March 31, 2022 (Amount)	Year ended March 31, 2023 (Effective tax rate reconciliation)	Year ended March 31, 2022 (Effective tax rate reconciliation)
Profit before tax	45.32	1,478.18		
Income tax expense calculated at 25.17% (Previous year at 25.17%), enacted adopted rate by the Company	11.41	372.06	25.17%	25.17%
Adjustments:				
Corporate social responsibility expenses	4.03	1.85	8.89%	0.13%
Incomes / Expenses not allowable /allowable in Income tax (net)	-	58.23	0.00%	3.94%
Others	0.08	-		
	15.52	432.14	34.06%	29.23%
Income tax expense recognised in profit or loss				
Add: Tax expenses / (reversal) pertaining to earlier years	16.42	(16.35)		
Total	31.94	415.79		

32 There are no transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.

33 No proceeding has been initiated during the year or pending against the Company for holding any Benami property.

34 The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

35 During the current year the Company has not traded or invested in Crypto currency or Virtual Currency.

36 The Company does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961

Piramal Investment Advisory Services Private Limited

LODHA & CO. MUMBAI-01 Chartered Accountants

(Currency : Indian Rupees in lakhs)

37 (i) The Company, has not advanced or loaned or invested funds to any other person(s) or entity(is), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

(ii) The Company, has not received any fund from any person(s) or entity(is), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

38 **Reconciliation of borrowings**

Particulars	March 31, 2023	March 31, 2022
Opening balance	-	54,856.19
Add:		
Loans taken during the year	-	-
Interest Expenses during the Year	-	2,903.47
Less:		
Loans repaid during the year	-	(54,856.19)
Interest Paid During the year	-	(2,903.47)
Closing balance	-	-

39 The figures of the previous year's have been regrouped / reclassified wherever necessary, to conform with the current year's figures.

Signatrue to Note no. 2 to 30 to the financial statements

For Lodha and Company
Chartered Accountants
Firm's Registration No: 301051E

R. P. Baradiya
Partner

Date: May 04 , 2023
Mumbai

For and on behalf of Board of Directors of
Piramal Investment Advisory Services Private Limited

Bipin Singh
Director
DIN :00058068

Date: May 04 , 2023
Mumbai

Pralhad Kulkarni
Director
DIN :03388656

Piramal Investment Advisory Services Private Limited

LODHA & CO. MUMBAI-01 Chartered Accountants

PIRAMAL INTERNATIONAL

Statement of Affairs of Piramal International (the "Company") in accordance with Section 139 (2) of the Insolvency Act 2009 as at 31 December 2022

	USD NET BOOK VALUE	USD EXPECTED NET REALISABLE VALUE
ASSETS		
Receivable	342,530	342,530
Other receivables	1	1
Total amount expected to be realised	342,531	**342,531**
LIABILITIES AND EXPECTED WINDING UP EXPENSES		
Liquidation fees	342,530	342,530
Estimated Surplus	**1**	**1**

The statement of affairs has been approved by the Board of Directors on ....

Ashraf Ramtoola

SRayRamen

Savinilorna Ramen Payandi-Pillay

The liquidation fee of USD 4,600 to be settled by the shareholder

Report of the statutory auditor on the limited statutory examination

to the board of directors of
Piramal Technologies SA, en liquidation, Matran

on the audited interim liquidation balance as of December 31, 2022

As statutory auditor, we have examined the audited interim liquidation balance (balance sheet and income statement) of Piramal Technologies SA, en liquidation for the financial year ended on December 31, 2022.

This audited interim liquidation balance is the responsibility of the board of directors. Our responsibility is to perform a limited statutory examination on this audited interim liquidation balance. We confirm that we meet the licensing and independence requirements as stipulated by Swiss law.

We conducted our examination in accordance with the Swiss Standard on the Limited Statutory Examination. This standard requires that we plan and perform a limited statutory examination to identify material misstatements in the audited interim liquidation balance. A limited statutory examination consists primarily of inquiries of company personnel and analytical procedures as well as detailed tests of company documents as considered necessary in the circumstances. However, the testing of operational processes and the internal control system, as well as inquiries and further testing procedures to detect fraud or other legal violations, are not within the scope of this examination.

Based on our limited statutory examination, nothing has come to our attention that causes us to believe that the audited interim liquidation balance does not comply with Swiss law and the company's articles of incorporation.

Lucerne, April 5, 2023

Lufida Revisions AG

L. Quaresima

Lucio Quaresima
Swiss certified auditor
Licensed audit expert
Auditor in charge

Christian Bieli
Swiss certified auditor
Licensed audit expert

Audited interim liquidation balance as of December 31, 2022
- Balance sheet as of December 31, 2022
- Income statement 2022
- Notes 2022

Piramal Technologies SA, en liquidation, Matran, Switzerland

FINANCIAL STATEMENT AS OF DECEMBER 31, 2022
Swiss francs

BALANCE SHEET

	31.12.2022	31.12.2021
ASSETS	CHF	CHF
Cash	54'082	5'165'668
Total Assets	**54'082**	**5'165'668**
LIABILITIES AND SHAREHOLDERS' EQUITY		
Liabilities		
Long Term Liabilities		
Loan from Group subordinated	-	4'100'000
Short Term Liabilities		
Accrued expenses	11'885	1'705'841
Interest payable	-	32'551
Interest bearing loans from Group	-	3'374'209
	11'885	9'212'601
Shareholders' equity		
Share Capital	5'828'708	3'300'000
Cumulated result:		
Result brought forward	(7'346'933)	(6'959'797)
Result of the period	1'560'422	(387'136)
	42'197	(4'046'933)
Total Liabilities and shareholders' equity	**54'082**	**5'165'668**

Piramal Technologies SA, en liquidation, Matran, Switzerland

FINANCIAL STATEMENT AS OF DECEMBER 31, 2022
Swiss francs

PROFIT AND LOSS ACCOUNT

	31.12.2022	31.12.2021
	CHF	CHF
Revenue		
Provision no longer required written back	1'705'841	-
Miscellaneous Income	1'668	-
Total Revenue	**1'707'509**	**-**
Expenses		
Interest on loans and advances	42'833	202'440
Rates and Taxes	37'176	3'013
Directors fees	2'500	2'500
Professional Fees	34'758	18'458
Exchange gain/loss	28'366	5'050
Unrealised exchange gain /loss	-	95'969
Impairment loss	-	57'462
Financial expenses	1'454	2'244
Total expenses	**147'087**	**387'136**
Result of the period	**1'560'422**	**(387'136)**

NOTES TO THE FINANCIAL STATEMENTS

A. **Incorporation and activity of the company**

According to its memorandum of Incorporation, the Company's objects are as follows:

To acquire a stake in other companies

To set up branch offices or subsidiaries

To participate in other companies that bears a direct or indirect relation with its purpose, to purchase or found such companies,

In a general manner, to engage in any and all financial commercial or industrial personal or real estate activities conducive to furthering its development and that have a direct or indirect bearing to its purpose.

To enter into these transactions for its own account or for third parties, as a representative, as an agent or commission agent or to have third parties enter into such transactions for the company's account.

B. **Summary of significant accounting policies**

1) **Accounting Principles**

The Company follows accounting principles as per Swiss Obligation Code

2) **Accounting for income and expenditure**

Income and expenditure are accounted for an accrual basis, irrespective of when payments are received or made

3) **Foreign currency translation**

The accounting records are kept in Swiss francs. Transactions denominated in currencies other than Swiss francs are translated into Swiss francs at the exchange rates ruling at the date of the transactions.

At the closure of the balance sheet, short-term assets, this means bank accounts, which are express in another currency than the Swiss francs, are converted at the end of the year exchange rate.

C. **Shareholders 'equity**

The share capital of the Company has been increased to the amount of CHF 5'828'708 (five million eight hundred twenty-eight thousand seven hundred eight Swiss francs). Presently into 3'300 shares of CHF 1'000 nominal value each and 2'528'708 shares of CHF 1 nominal value each, fully paid.

D. **Equivalent employment Annual Average –** There are no employees in the company.

E. **Liquidation**

Pursuant to the application by Piramal Technologies SA ('Company'), the status of the Company has been taken as '**in liquidation'** by the trade registry in Switzerland. The Company has also published three calls to the creditors intimating the liquidation. After expiry of 365 days from the third call (made on Sep. 30, 2022), final application would be made with the trade registry in Switzerland to approve the liquidation and to delete the name of the Company from register

Walker Chandiok & Co LLP

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Independent Auditor's Report

To the Members of Piramal Alternatives Private Limited (Formerly known as Piramal Asset Management Private Limited)

Report on the Audit of the Financial Statements

Opinion

1. We have audited the accompanying financial statements of **Piramal Alternatives Private Limited** (Formerly known as Piramal Asset Management Private Limited) ('the Company'), which comprise the Balance Sheet as at **31 March 2023**, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flow and the Statement of Changes in Equity for the year then ended, and notes to the financial statements, including a summary of the significant accounting policies and other explanatory information.

2. 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 ('Ind AS') specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2023, and its loss (including other comprehensive loss), its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing 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 the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

WALKER CHANDIOK & CO LLP MUMBAI CHARTERED ACCOUNTANTS

Information other than the Financial Statements and Auditor's Report thereon

4. The Company's Board of Directors are responsible for the other information. Other information does not include the financial statements and our auditor's report thereon.

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

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

   The Annual Report is not made available to us at the date of this auditor's report. We have nothing to report in this regard.

Responsibilities of Management for the Financial Statements

5. The accompanying financial statements have been approved by the Company's Board of Directors. The Company's Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS specified under section 133 of the Act and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

7. Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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CHARTERED ACCOUNTANTS

9. As part of an audit in accordance with Standards on Auditing, specified under section 143(10) of the Act 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 the override of internal control;

   - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.

   - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;

   - Conclude on the appropriateness of Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern;

   - Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation;

10. 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.

Report on Other Legal and Regulatory Requirements

11. Based on our audit, we report that the provisions of section 197 read with Schedule V to the Act are not applicable to the Company since the Company is not a public company as defined under section 2(71) of the Act. Accordingly, reporting under section 197(16) is not applicable.

12. As required by the Companies (Auditor's Report) Order, 2020 ('the Order') issued by the Central Government of India in terms of section 143(11) of the Act we give in the Annexure I a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

13. Further to our comments in Annexure I, as required by section 143(3) of the Act based on our audit, we report, to the extent applicable, that:

    a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the accompanying financial statements;

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CHARTERED ACCOUNTANTS

b) in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

c) The financial statements dealt with by this report are in agreement with the books of account;

d) in our opinion, the aforesaid financial statements comply with Ind AS specified under section 133 of the Act;

e) On the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2023 from being appointed as a director in terms of section 164(2) of the Act;

f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company as on 31 March 2023 and the operating effectiveness of such controls, refer to our separate Report in Annexure II wherein we have expressed an unmodified opinion; and

g) 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 (as amended), in our opinion and to the best of our information and according to the explanations given to us:

   i. the Company does not have any pending litigation which would impact its financial position as at 31 March 2023;

   ii. the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31 March 2023;

   iii. there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended 31 March 2023;

   iv. a. The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or securities premium or any other sources or kind of funds) by the Company to or in any person or entity, including foreign entities ('the 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 ('the Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf the Ultimate Beneficiaries;

      b. The management has represented that, to the best of its knowledge and belief, no funds have been received by the Company from any person or entity, including foreign entities ('the 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. Based on such audit procedures performed as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the management representations under sub-clauses (a) and (b) above contain any material misstatement.

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v. The Company has not declared or paid any dividend during the year ended 31 March 2023.

vi. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 requires all companies which use accounting software for maintaining their books of account, to use such an accounting software which has a feature of audit trail, with effect from the financial year beginning on 1 April 2023 and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 (as amended) is not applicable for the current financial year.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No:001076N/N500013

Sudhir Pillai

Sudhir N. Pillai
Partner
Membership No:105782

UDIN:23105782BGXTBG1017

Place: Mumbai
Date: 24 April 2023

Annexure I referred to in Paragraph 13 of the Independent Auditor's Report of even date to the members of Piramal Alternatives Private Limited (Formerly known as Piramal Asset Management Private Limited) on the financial statements for the year ended 31 March 2023

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we report that:

(i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment and right of use assets.

(B) The Company does not have any intangible assets and accordingly, reporting under clause 3(i)(a)(B) of the Order is not applicable to the Company.

(b) The property, plant and equipment and right of use assets have been physically verified by the management during the year and no material discrepancies were noticed on such verification. In our opinion, the frequency of physical verification programme adopted by the Company, is reasonable having regard to the size of the Company and the nature of its assets.

(c) The Company does not own any immovable property (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee). Accordingly, reporting under clause 3(i)(c) of the Order is not applicable to the Company.

(d) The Company has not revalued its Property, Plant and Equipment and Right of Use assets during the year. Further, the Company does not hold any intangible assets.

(c) No proceedings have been initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended) and rules made thereunder.

(ii) The Company does not hold any inventory. Accordingly, reporting under clause 3(ii)(a) of the Order is not applicable to the Company.

(iii) The Company has not made any investment in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured to companies, firms, Limited Liability Partnerships (LLPs) or any other parties during the year. Accordingly, reporting under clause 3(iii) of the Order is not applicable to the Company.

(iv) The Company has not entered into any transaction covered under sections 185 and 186 of the Act. Accordingly, reporting under clause 3(iv) of the Order is not applicable to the Company.

(v) In our opinion, and according to the information and explanations given to us, the Company has not accepted any deposits or there are no amounts which have been deemed to be deposits within the meaning of sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, reporting under clause 3(v) of the Order is not applicable to the Company.

WALKER CHANDIOK & Co LLP MUMBAI CHARTERED ACCOUNTANTS

Annexure I (Contd)

(vi) The Central Government has not specified maintenance of cost records under sub-section (1) of section 148 of the Act, in respect of Company's products/ services / business activities. Accordingly, reporting under clause 3(vi) of the Order is not applicable.

(vii) (a) In our opinion, and according to the information and explanations given to us, the Company is regular in depositing 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 other material statutory dues, as applicable, with the appropriate authorities. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, there are no statutory dues referred in sub-clause (a) which have not been deposited with the appropriate authorities on account of any dispute except for the following:

Name of the statute	Nature of dues	Gross Amount (₹)	Amount paid under Protest (₹)	Period to which the amount relates	Forum where dispute is pending	Remarks, if any
Income Tax Act, 1961*	Income Tax	90,591	-	Financial Year 2019-20	Centralized Processing Centre	None

**represent the rectification application filed by the Company.*

(viii) According to the information and explanations given to us, no transactions were surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961) which have not been previously recorded in the books of accounts.

(ix) According to the information and explanations given to us, the Company does not have any loans other borrowings from any lender. Accordingly, reporting under clause 3(ix) of the Order is not applicable to the Company.

(x) (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments), during the year. Accordingly, reporting under clause 3(x)(a) of the Order is not applicable to the Company.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or (fully, partially or optionally) convertible debentures during the year. Accordingly, reporting under clause 3(x)(b) of the Order is not applicable to the Company.

WALKER CHANDIOK & CO LLP ★ MUMBAI ★ CHARTERED ACCOUNTANTS

Annexure I (Contd)

(xi) (a) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or no material fraud on the Company has been noticed or reported during the period covered by our audit.

(b) According to the information and explanations given to us including the representation made to us by the management of the Company, no report under sub-section 12 of section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014, with the Central Government for the period covered by our audit.

(c) According to the information and explanations given to us including the representation made to us by the management of the Company, there are no whistle-blower complaints received by the Company during the year.

(xii) The Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it. Accordingly, reporting under clause 3(xii) of the Order is not applicable to the Company.

(xiii) In our opinion and according to the information and explanations given to us, all transactions entered into by the Company, with the related parties are in compliance with section 188 of the Act. The details of such related party transactions have been disclosed in the financial statements etc., as required under Indian Accounting Standard (Ind AS) 24, Related Party Disclosures specified in Companies (Indian Accounting Standards) Rules 2015 as prescribed under section 133 of the Act]. Further, according to the information and explanations given to us, the Company is not required to constitute an audit committee under section 177 of the Act.

(xiv) According to the information and explanations given to us, the Company is not required to and consequently, does not have an internal audit system as per the provisions of section 138 of the Act Accordingly, reporting under clause 3(xiv) of the Order is not applicable to the Company.

(xv) According to the information and explanation given to us, the Company has not entered into any non-cash transactions with its directors or persons connected with its directors and accordingly, reporting under clause 3(xv) of the Order with respect to compliance with the provisions of section 192 of the Act are not applicable to the Company.

(xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, reporting under clauses 3(xvi)(a), (b) and (c) of the Order are not applicable to the Company.

(d) Based on the information and explanations given to us and as represented by the management of the Company, the Group (as defined in Crore Investment Companies (Reserve Bank) Directions, 2016) does not have more than one CIC/Unregistered CIC.

(xvii) The Company has incurred cash losses in the current financial year and in the immediately preceding financial years amounting to Rs. 30.63 crores and Rs. 10.62 crores respectively.

(xviii) There has been no resignation of the statutory auditors during the year. Accordingly, reporting under clause 3(xviii) of the Order is not applicable to the Company.

WALKER CHANDIOK & Co LLP MUMBAI CHARTERED ACCOUNTANTS

Annexure I (Contd)

(xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the plans of the Board of Directors and management 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 indicating 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) According to the information and explanations given to us, the Company does not meet the criteria as specified under sub-section (1) of section 135 of the Act read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 and according, reporting under clause 3(xx) of the Order is not applicable to the Company.

(xxi) The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of standalone financial statements of the Company. Accordingly, no comment has been included in respect of said clause under this report.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No:001076N/N500013

Sudhir Pillai

Sudhir N. Pillai
Partner
Membership No:105782

UDIN:23105782BGXTBG1017

Place: Mumbai
Date: 24 April 2023

Annexure II to the Independent Auditor's Report of even date to the members of Piramal Alternatives Private Limited (Formerly known as Piramal Asset Management Private Limited) on the financial statements for the year ended 31 March 2023

Independent Auditor's Report on the internal financial controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')

1. In conjunction with our audit of the financial statements of **Piramal Alternatives Private Limited (Formerly known as Piramal Asset Management Private Limited)** ('the Company') as at and for the year ended **31 March 2023**, we have audited the internal financial controls with reference to financial statements of the Company as at that date.

Responsibilities of Management for Internal Financial Controls

2. The Company's Board of Directors 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 (the "Guidance Note") issued by the Institute of Chartered Accountants of India ('ICAI').These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of the Company's business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility for the Audit of the Internal Financial Controls with Reference to Financial Statements

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the ICAI prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements, and the Guidance Note issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.

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

5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion on the Company's internal financial controls with reference to financial statements.

WALKER CHANDIOK & Co LLP
MUMBAI
CHARTERED ACCOUNTANTS

Annexure II (Contd)

Meaning of Internal Financial Controls with Reference to Financial Statements

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

Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

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

Opinion

8. In our opinion, the Company has, in all material respects, adequate internal financial controls over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 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 issued by the ICAI.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm Registration No:001076N/N500013

Sudhir Pillai

Sudhir N. Pillai
Partner
Membership No:105782

UDIN:23105782BGXTBG1017

Place: Mumbai
Date: 24 April 2023

Piramal Alternatives Private Limited
(Formerly known as Piramal Asset Management Private Limited)

Balance Sheet
(Currency: Indian rupees in lakhs)

	Notes	As at 31 March 2023	As at 31 March 2022
ASSETS			
1 Financial assets			
(a) Cash and cash equivalents	3	**163.05**	4.51
(b) Receivables			
Other receivables	4	**110.33**	14.36
(c) Investments	5	**1,303.71**	499.09
(d) Other financial assets	6	**37.22**	-
2 Non-Financial assets			
(a) Current tax assets	7	**65.58**	21.89
(b) (i) Property, plant and equipment	8(a)	**122.39**	82.20
(ii) Right-of-use assets	8(b)	**204.63**	260.92
(c) Other non-financial assets	9	**3.39**	17.64
Total assets		**2,010.30**	**900.61**
LIABILITIES AND EQUITY			
1 Financial liabilities			
(a) Payables			
Trade payables			
(i) Total outstanding dues of creditors other than micro enterprises and small enterprises	10	**141.85**	57.73
(b) Borrowings (other than debt securities)	11	**-**	1,540.00
(c) Lease liability	12	**226.33**	268.66
(d) Other financial liabilities	13	**1,332.37**	510.88
2 Non-Financial liabilities			
(a) Provisions	14	**237.05**	111.88
(b) Other non-financial liabilities	15	**99.84**	36.39
3 Equity			
(a) Equity share capital	16	**4,900.00**	100.00
(b) Other equity	17	**(4,927.14)**	(1,724.93)
Total liabilities and equity		**2,010.30**	**900.61**
Significant accounting policies	2		

The notes referred to above form an integral part of the financial statements

As per our report of even date attached.

For Walker Chandiok & Co LLP
Chartered Accountants
Firm's Registration No:001076N/500013

Sudhir Pillai

Sudhir N. Pillai
Partner
Membership No:105782

WALKER CHANDIOK & Co LLP MUMBAI CHARTERED ACCOUNTANTS

Mumbai
Date: 24 April 2023

For and on behalf of the Board of Directors of Piramal Alternatives Private Limited

Kalpesh Kikani
Managing Director
DIN: 03534772

Anand A. Piramal
Director
DIN: 00286085

Dhiren Thakkar
Chief Financial Officer

Shreya Vartak
Company Secretary

Mumbai
Date: 24 April 2023

Mumbai
Date: 24 April 2023

Piramal Alternatives Private Limited
(Formerly known as Piramal Asset Management Private Limited)

Statement of Profit and Loss
(Currency: Indian rupees in lakhs)

	Notes	For the year ended 31 March 2023	For the year ended 31 March 2022
Revenue			
Revenue from operations			
Fee income		**615.94**	184.65
Other income	18	**45.77**	26.10
Total income		**661.71**	**210.75**
Expenses			
Finance costs	19	**94.99**	157.44
Employee benefits	20	**3,159.62**	976.41
Depreciation and amortization expenses	21	**87.86**	26.41
Other expenses	22	**470.20**	86.15
Total expenses		**3,812.67**	**1,246.41**
(Loss) before tax		**(3,150.96)**	**(1,035.66)**
Less: Tax expenses			
Current tax		-	-
Deferred tax		-	-
		-	-
(Loss) after tax		**(3,150.96)**	**(1,035.66)**
Other Comprehensive Income/(Expenses):			
A. Items that will not be reclassified to profit or loss			
Income / (Loss) on fair valuation of defined benefit plan as per actuarial valuation		**(51.25)**	(76.71)
Total Comprehensive (loss) for the year		**(3,202.21)**	**(1,112.37)**
Earnings per share [nominal value of share Rs. 10]	23		
Basic		**(25.13)**	**(103.57)**
Diluted		**(25.13)**	**(103.57)**
Significant accounting policies	2		

The notes referred to above form an integral part of the financial statements

As per our report of even date attached

For Walker Chandiok & Co LLP
Chartered Accountants
Firm's Registration No:001076N/500013

Sudhir N. Pillai
Partner
Membership No:105782

WALKER CHANDIOK & Co LLP MUMBAI CHARTERED ACCOUNTANTS

Mumbai
Date: 24 April 2023

For and on behalf of the Board of Directors of Piramal Alternatives Private Limited

Kalpesh Kikani
Managing Director
DIN: 03534772

Anand A. Piramal
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DIN: 00286085

Dhiren Thakkar
Chief Financial Officer

Shreya Vartak
Company Secretary

Mumbai
Date: 24 April 2023

Mumbai
Date: 24 April 2023

Piramal Alternatives Private Limited
(Formerly known as Piramal Asset Management Private Limited)

Statement of Changes in Equity
(Currency: Indian rupees in lakhs)

(a) Equity share capital

	Amount
Equity shares of Rs. 10 each issued, subscribed and fully paid	
Balance as at 01 April 2021	**100.00**
Changes in equity share capital during the year	-
Balance as at 31 March 2022	**100.00**
	-
Restated balance 01 April 2022	**100.00**
Changes in equity share capital during the year	4,800.00
Balance as at 31 March 2023	**4,900.00**

(b) Other equity

Particulars	Reserves and surplus	Total
	Retained earnings	
Balance as at 01 April 2021	**(612.55)**	**(612.55)**
Add: (Loss) for the year	**(1,035.67)**	(1,035.67)
Add: Other comprehensive income/ (expense) for the year	**(76.71)**	(76.71)
Total comprehensive income/(expense) for the year	**(1,112.38)**	**(1,112.38)**
Balance as at 31 March 2022	**(1,724.93)**	**(1,724.93)**
Add: (Loss) for the year	**(3,150.96)**	(3,150.96)
Add: Other comprehensive income/ (expense) for the year	**(51.25)**	(51.25)
Total comprehensive income/(expense) for the year	**(3,202.21)**	**(3,202.21)**
Balance as at 31 March 2023	**(4,927.14)**	**(4,927.14)**

Nature and purpose of reserves

1) **Retained earnings**

Retained earnings pertains to the accumulated earnings / (losses) made by the Company over the years.

As per our report of even date attached

For Walker Chandiok & Co LLP
Chartered Accountants
Firm's Registration No:001076N/500013

Sudhir N. Pillai
Partner
Membership No:105782

WALKER CHANDIOK & Co LLP ★ MUMBAI ★ CHARTERED ACCOUNTANTS

Mumbai
Date: 24 April 2023

For and on behalf of the Board of Directors of
Piramal Alternatives Private Limited

Kalpesh Kikani
Managing Director
DIN: 03534772

Anand A. Piramal
Director
DIN: 00286085

Dhiren Thakkar
Chief Financial Officer

Shreya Vartak
Company Secretary

Mumbai
Date: 24 April 2023

Mumbai
Date: 24 April 2023

Piramal Alternatives Private Limited
(Formerly known as Piramal Asset Management Private Limited)

Statement of Cash Flows
(Currency: Indian rupees in lakhs)

	Notes	For the year ended 31 March 2023	For the year ended 31 March 2022
Cash flows from operating activities			
Loss before tax		(3,150.96)	(1,035.66)
Adjustments for :			
Finance costs		94.99	157.44
Gain on sale of mutual fund units		(9.53)	(0.22)
Depreciation and amortisation		87.86	26.41
Gain on Fair Valuation		(4.63)	-
Loss on Fair Valuation		-	0.91
Income on investments		(30.77)	(25.18)
Operating cash flow before working capital changes		(3,013.04)	(876.30)
Decrease/(increase) in receivables		(95.97)	(14.02)
Decrease/(increase) in other financial assets		(37.22)	-
Decrease/(increase) in other non-financial assets		14.25	3.23
(Decrease)/ increase in trade payables		84.13	53.35
(Decrease)/ increase in provision		73.92	26.45
(Decrease)/ increase in other financial liabilities		821.49	495.88
(Decrease)/ increase in other liabilities		63.45	27.52
Cash generated from/(used in) operations		(2,088.99)	(283.89)
Income taxes paid		(43.69)	(11.47)
Net cash flows from/(used in) operating activities (A)		(2,132.68)	(295.36)
Cash flows from investing activities			
Purchase of mutual fund		(2,430.00)	(75.00)
Proceeds from sale of mutual fund		1,639.53	75.22
Income on investments		30.77	25.18
Purchase of property, plant and equipment		(71.76)	(87.95)
Net cash flows from/(used in) investing activities (B)		(831.46)	(62.55)
Cash flows from financing activities			
Proceeds from borrowings	*27*	1,115.00	470.00
Proceeds from issue of equity instruments of the Company	*16*	4,800.00	-
Repayment of borrowings	*27*	(2,655.00)	-
Lease payment			
- principal		(42.33)	(12.92)
- interest		(28.81)	(13.36)
Interest paid		(66.18)	(144.08)
Net cash flows from/(used in) financing activities (C)		3,122.68	299.64
Net increase/(decrease) in cash and cash equivalents D=(A+B+C)		158.54	(58.27)
Cash and cash equivalents at the beginning of the year (E)	*3*	4.51	62.78
Cash and cash equivalents at the end of the year (D+E)	*3*	163.05	4.51
Significant accounting policies	*2*		

The notes referred to above form an integral part of the financial statements

As per our report of even date attached

For Walker Chandiok & Co LLP
Chartered Accountants
Firm's Registration No:001076N/500013

Sudhir N. Pillai
Partner
Membership No:105782

WALKER CHANDIOK & CO LLP * MUMBAI * CHARTERED ACCOUNTANTS

Mumbai
Date: 24 April 2023

For and on behalf of the Board of Directors of Piramal Alternatives Private Limited

Kalpesh Kikani
Managing Director
DIN: 03534772

Anand A. Piramal
Director
DIN: 00286085

Dhiren Thakkar
Chief Financial Officer

Shreya Vartak
Company Secretary

Mumbai
Date: 24 April 2023

Mumbai
Date: 24 April 2023

Piramal Alternatives Private Limited

(Formerly known as Piramal Asset Management Private Limited)

Notes to the Financial Statements

1. GENERAL INFORMATION

Piramal Alternatives Private Limited ('the Company') was incorporated on 14 June 2018 with an objective to provide investment management services to private equity funds. The Company already acts as investment manager for Piramal Structured Credit Opportunities Fund. Additionally, the Company proposes to launch two new funds for which Securities and Exchange Board ("SEBI") registration is already received.

2. SIGNIFICANT ACCOUNTING POLICIES

i) Basis of preparation

The financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) and the provisions of the Companies Act, 2013 ('the Act'). The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued thereafter.

The Company's financial statements are presented in Indian Rupees (INR), which is also its functional currency.

ii) Basis of Accounting

The financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period.

The preparation of the financial statements in conformity with Ind AS requires the management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise.

iii) Use of Estimates and Judgements

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 disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the year. Accounting estimates could change from period to period. Actual results could differ from those estimates. Revisions to accounting estimates are recognised prospectively. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise.

iv) Property, plant and equipment

All property, plant and equipment are stated at cost of acquisition, less accumulated depreciation and accumulated impairment losses, if any. Direct costs are capitalised until the assets are ready for use and includes freight, duties, taxes and expenses incidental to acquisition and installation.

The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Subsequent expenditures related to an item of property, plant and equipment are added to its carrying value only when it is probable that the future economic benefits from the asset will flow to the Company & cost can be reliably measured.

Losses arising from the retirement of, and gains or losses arising from disposal of property, plant and equipment are recognised in the statement of profit and loss.

PIRAMAL ALTERNATIVES PRIVATE LIMITED

WALKER CHANDIOK & CO LLP MUMBAI CHARTERED ACCOUNTANTS

Notes to the Financial Statements

2. SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

v) Depreciation and amortisation

a. Property, plant and equipment

Depreciation is provided on a pro-rata basis using straight line method ('SLM') over the useful lives of the assets specified in Schedule II of the Companies Act, 2013.

Office equipments	5 years
Furniture and fixtures	10 years
Computer servers and network devices	6 years
Computer - end user devices	3 years
Motor car	8 years
Leasehold improvements	Amortised over lease tenure

Individual fixed assets costing less than Rupees five thousand are depreciated fully in the year of purchase or acquisition.

vi) Impairment of non financial assets

The Company assesses at each balance sheet date whether there is any indication that an asset may be impaired. For the purposes of assessing impairment, the smallest identifiable group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or groups of assets, is considered as a cash generating unit. If any such indication exists, the Company estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognised in the statement of profit and loss. If at the balance sheet date there is an indication that if a previously assessed impairment loss no longer exists or may have decreased, the recoverable amount is reassessed and the asset is reflected at the recoverable amount.

vii) Financial instruments

Financial assets and financial liabilities are recognised when a 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 fair value through profit or loss) 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 fair value through profit or loss are recognised immediately in statement of profit and loss.

Financial assets

Classification:

Financials assets that meet the following conditions are subsequently measured at amortised cost:

- 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 on the principal amount outstanding.

Financial assets that meet the following conditions are subsequently measured at fair value through other comprehensive income (FVTOCI):

- the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling the financial assets; and

- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

By default, all other financial assets are subsequently measured at fair value through profit and loss (FVTPL).

Effective interest rate method:

Income is recognised on an effective interest rate basis for financial assets other than those financial assets classified as 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.

PIRAMAL ALTERNATIVES PRIVATE LIMITED * MUMBAI

WALKER CHANDIOK & CO LLP * MUMBAI * CHARTERED ACCOUNTANTS

Notes to the Financial Statements

2. SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

Financial assets (Continued)

Financial assets at fair value through profit or loss (FVTPL):

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on remeasurement recognised in the statement of profit or loss. The net gain or loss recognised in the statement of profit or loss incorporates any dividend or interest earned on the financial asset. Dividend on financial assets at FVTPL is recognised when the Company's right to receive the dividends is established, it is probable that the economic benefits associated with the dividend will flow to the entity, the dividend does not represent a recovery of part of cost of the investment and the amount of dividend can be measured reliably.

vii) Financial instruments

All assets for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:
Level 1 — Quoted (unadjusted) market prices in active markets for identical assets
Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

Derecognition of financial assets:

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.
On derecognition of financial assets in entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable, is recognised in the statement of profit and loss.

Financial liabilities and equity instruments

Classification as debt or equity:

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and equity instrument.

Financial liabilities:

All financial liabilities are subsequently measured at amortised cost using the effective interest method or at FVTPL.

Financial liabilities are classified as at FVTPL when the financial liability is either contingent consideration recognised by the Company as an acquirer in a business combination to which Ind AS 103 applies or is held for trading or it is designated as at FVTPL.

Financial liabilities that are not held for trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method.

All liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:
Level 1 — Quoted (unadjusted) market prices in active markets for identical liabilities
Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

Derecognition of financial liabilities:

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. An exchange with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability.

PIRAMAL ALTERNATIVES PRIVATE LIMITED

WALKER CHANDIOK & CO LLP
MUMBAI
CHARTERED ACCOUNTANTS

Notes to the Financial Statements

2. **SIGNIFICANT ACCOUNTING POLICIES *(Continued)***

viii) Employee Benefits

Employee benefits include provident fund, compensated absences and long term service awards. In case of provident fund, contributions are made to the Regional Provident Fund Office.

Defined Contribution Plans

The Company's contribution to provident fund (in case of contributions to the Regional Provident Fund Office) and pension are considered as defined contribution plans, as the Company does not carry any further obligations apart from the contributions made on a monthly basis and are charged as an expense based on the amount of contribution required to be

Defined Benefit Plans

Gratuity: The liability or asset recognised in the balance sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation. The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss.

Remeasurement gains and losses arising from experience adjustments, changes in actuarial assumptions and return on plan assets (excluding interest income) are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet. Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.

Compensated absences, which are expected to be availed or encashed beyond 12 months from the end of the year are treated as other long term employee benefits. The Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. Actuarial losses/ gains are recognised in the statement of profit and loss in the year in which they arise.

ix) Provisions and Contingent Liabilities

Provisions are recognised when there is a present obligation as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation. Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

x) Revenue recognition

Fee income: Revenue from management services and trusteeship fees is recognised in statement of profit or loss over time as the services are rendered.

Dividend: Dividend income from investment is recognised when the Company's right to receive payment has been established (provided that it is probable that economic benefit will flow to the Company in the amount of dividend income can be measured reliably).

Investment Income: Income from investment in private equity funds is recognised when the Company's right to receive payment has been established (provided that it is probable that economic benefit will flow to the Company and the amount of investment income can be measured reliably). Fair value gain/ (loss) has been accounted as per Net Asset Value statement received from respective Funds

xi) Leases

The Company has adopted Ind AS 116 - Leases, which requires any lease arrangement to be recognised in the balance sheet of the lessee as a 'right-of-use' asset with a corresponding lease liability. Accordingly depreciation has been charged on such assets as against lease rental expenses in the previous year. Similarly interest expense has been recognised on lease liabilities under finance costs. As permitted by the standard, the Company has applied this standard w.e.f. 01 April 2021.

PIRAMAL ALTERNATIVES PRIVATE LIMITED

WALKER CHANDIOK & CO LLP MUMBAI CHARTERED ACCOUNTANTS

2. **SIGNIFICANT ACCOUNTING POLICIES *(Continued)***

xii) Taxes on Income

Tax expense for the period, comprising current tax and deferred tax, are included in the determination of the net profit or loss for the period. Current tax is measured at the amount expected to be paid to the tax authorities in accordance with the taxation laws prevailing in the respective jurisdictions.

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.
Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.
Current and deferred tax are recognised in profit or loss, except where they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle the asset and the liability on a net basis. Deferred tax assets and deferred tax liabilities are offset when there is a legally enforceable right to set off assets against liabilities representing current tax and where the deferred tax assets and the deferred tax liabilities relate to taxes on income levied by the same governing taxation laws.

xiii) Cash and Cash Equivalents
In the cash flow statement, cash and cash equivalents includes cash in hand, demand deposits with banks, other short-term highly liquid investments with original maturities of three months or less.

xiv) Borrowing Costs

Borrowing costs directly attributable to acquisition or construction of qualifying assets (i.e. those fixed assets which necessarily take a substantial period of time to get ready for their intended use) are capitalised. Other borrowing costs are recognised as an expense in the period in which they are incurred.

xv) Segment Reporting

The Company has only one reportable business segment, i.e. investment management and related services, for the purpose of Ind AS 108 on 'Segment Reporting'. Accordingly, the amounts appearing in the financial statements relate to the Company's single business segment.

xvi) Earnings per share (EPS)

Basic earnings per share:
Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders by the weighted average number of Equity shares outstanding during the year.

Diluted earnings per share:
Number of equity shares used in computing diluted earnings per share comprises the weighted average number of shares considered for deriving basic earnings per share and also weighted average number of equity shares which would have been issued on the conversion of all dilutive potential shares. In computing diluted earnings per share only potential equity shares that are dilutive are included.

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Notes to the Financial Statements *(Continued)*
(Currency: Indian rupees in lakhs)

3	**Cash and cash equivalents**	**As at 31 March 2023**	**As at 31 March 2022**
	Cash on hand	**0.33**	1.22
	Balance with banks		
	- Current accounts	**162.72**	3.29
	Total	**163.05**	**4.51**

4	**Other receivables**	**As at 31 March 2023**	**As at 31 March 2022**
	Receivables from related parties considered good - Unsecured	**110.33**	14.36
	Total	**110.33**	**14.36**

5 **Investments**	**As at 31 March 2023**		**As at 31 March 2022**	
	Qty.	**Amount**	**Qty.**	**Amount**
Investments within India				
Instruments at fair value through profit and loss				
Quoted Investments				
Investment in Mutual Fund				
Nippon India Overnight Fund - Growth Plan	**6,64,763**	**800.14**	-	-
Unquoted Investments				
In Jointly Controlled Entity*				
Piramal Structured Credit Opportunities Fund (AIF)				
Class C units of Rs. 100,000 each	**240.58**	**244.16**	**152.51**	151.60
Sponsor continuing interest	-	**259.41**	-	347.49
Total Investments		**1,303.71**		**499.09**

* Company has invested Rs.500 lakhs which represents sponsor share in SEBI registered AIF Category II Fund. Proportionate share of contribution for which units have been allotted is Rs.240.58 lakhs which represents 0.23% of the Fund Contribution of Piramal Structured Credit Opportunities Fund ("PSCOF"). PSCOF has been assessed as Jointly Controlled Entity as all the projects proposed to be invested under PSCOF Fund has to undergo evaluation initially by two committees in which the joint decision is being taken by Piramal group and CDPQ Fixed Income X Inc ("CDPQ") and the final decision is taken in the third committee which comprises of Piramal group representatives.

6	**Other financial assets**	**As at 31 March 2023**	**As at 31 March 2022**
	Security deposits	**37.22**	-
	Total	**37.22**	-

7	**Current tax assets**	**As at 31 March 2023**	**As at 31 March 2022**
	Tax deducted at source	**65.58**	21.89
	Total	**65.58**	**21.89**

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Piramal Alternatives Private Limited
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Notes to the Financial Statements *(Continued)*
(Currency: Indian rupees in lakhs)

3(a) Property, plant and equipment

Particulars	Computer	Office Equipment	Furniture & Fixture	Leasehold Improvements	Total
Gross Block (At Cost)					
Balance as at 01 April 2022	0.18	37.25	18.31	32.21	87.95
Addition	**47.89**	**5.01**	**6.64**	**12.22**	**71.76**
Disposals	-	-	-	-	-
Balance as at 31 March 2023	**48.07**	**42.26**	**24.95**	**44.43**	**159.71**
Depreciation / Amortization					
Balance as at 01 April 2022	0.02	2.71	0.67	2.35	**5.75**
Addition	**12.03**	**8.48**	**2.43**	**8.63**	**31.57**
Disposals		-	-	-	-
Balance as at 31 March 2023	**12.05**	**11.19**	**3.10**	**10.98**	**37.32**
Net Block (At Cost)					
Balance as at 01 April 2022	0.16	34.54	17.64	29.86	**82.20**
Addition	**35.86**	**(3.47)**	**4.21**	**3.59**	**40.19**
Disposals	-	-	-	-	-
Balance as at 31 March 2023	**36.02**	**31.07**	**21.85**	**33.45**	**122.39**

Particulars	Computer	Office Equipment	Furniture & Fixture	Leasehold Improvements	Total
Gross Block (At Cost)					
Balance as at 01 April 2021	-	-	-	-	-
Addition	0.18	37.25	18.31	32.21	87.95
Disposals	-	-	-	-	-
Balance as at 31 March 2022	**0.18**	**37.25**	**18.31**	**32.21**	**87.95**
Depreciation / Amortization					
Balance as at 01 April 2021	-	-	-	-	-
Addition	0.02	2.71	0.67	2.35	5.75
Disposals	-	-	-	-	-
Balance as at 31 March 2022	**0.02**	**2.71**	**0.67**	**2.35**	**5.75**
Net Block (At Cost)					
Balance as at 01 April 2021	-	-	-	-	-
Addition	0.16	34.54	17.64	29.86	82.20
Disposals	-	-	-	-	-
Balance as at 31 March 2022	**0.16**	**34.54**	**17.64**	**29.86**	**82.20**

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PIRAMAL ALTERNATIVES PRIVATE LIMITED

Confidential

b) **Right-of-use assets**

Particulars	Leasehold premises
Gross Block (At Cost)	
Balance as at 01 April 2022	281.59
Addition	-
Disposals	-
Balance as at 31 March 2023	**281.59**
Depreciation / Amortization	
Balance as at 01 April 2022	20.67
Addition	56.29
Disposals	-
Balance as at 31 March 2023	**76.96**
Net Block (At Cost)	
Balance as at 01 April 2022	260.92
Addition	**(56.29)**
Disposals	-
Balance as at 31 March 2023	**204.63**

Particulars	Leasehold premises
Gross Block (At Cost)	
Balance as at 01 April 2021	-
Addition	**281.59**
Disposals	-
Balance as at 31 March 2022	**281.59**
Depreciation / Amortization	
Balance as at 01 April 2021	-
Addition	20.67
Disposals	-
Balance as at 31 March 2022	**20.67**
Net Block (At Cost)	
Balance as at 01 April 2021	-
Addition	**260.92**
Disposals	-
Balance as at 31 March 2022	**260.92**

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Notes to the Financial Statements *(Continued)*
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9	**Other non-financial assets**	**As at 31 March 2023**	**As at 31 March 2022**
	Prepaid expenses	3.28	0.39
	Other advances	0.11	-
	Other advances from related parties	-	17.25
	Total	**3.39**	**17.64**

10	**Trade payables**	**As at 31 March 2023**	**As at 31 March 2022**
(i)	Total outstanding dues of micro enterprises and small enterprises (refer note 30)	-	-
(ii)	Total outstanding dues of creditors other than micro enterprises and small enterprises	141.85	57.73
	Total	**141.85**	**57.73**

10.1 Trade payables ageing*

Outstanding for following periods from due date of payment	**Particulars**	
	(i) MSME	**(ii) Others**
As at 31 March 2023		
Unbilled	-	-
Not due	-	-
Outstanding for following periods from due date		
Less than 1 year	-	141.85
1-2 years	-	-
2-3 years	-	-
More than 3 years	-	-
Total	-	**141.85**
As at 31 March 2022		
Unbilled	-	-
Not due	-	-
Outstanding for following periods from due date		
Less than 1 year	-	54.73
1-2 years	-	2.70
2-3 years	-	0.30
More than 3 years	-	-
Total	-	**57.73**

*There are no disputed Trade payables as at 31 March 2023 and 31 March 2022

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Notes to the Financial Statements *(Continued)*
(Currency: Indian rupees in lakhs)

11	**Borrowings (other than debt securities)**	**As at 31 March 2023**	**As at 31 March 2022**
	From related parties		
	Piramal Enterprises Limited (refer note 27(b)(i))	-	1,540.00
	Total	-	1,540.00

Terms of repayment and rate of interest for unsecured borrowings

	Terms of Repayment	Rate of Interest
1. Loan from Piramal Enterprises Limited	Loan is required to be paid within 15 days from end of the Loan term i.e. on or before 15-November-2022	The Lender shall be entitled to charge an arm's length interest at rates as may be agreed between the parties

Note: The effective cost for the above loans is 11.54% per annum (previous year 11.54% per

12	**Lease liability**	**As at 31 March 2023**	**As at 31 March 2022**
	Lease liability (refer note 28)	226.33	268.66
	Total	226.33	268.66

13	**Other financials liabilities**	**As at 31 March 2023**	**As at 31 March 2022**
	Employee benefits payable	1,332.37	510.88
	Total	1,332.37	510.88

14	**Provisions**	**As at 31 March 2023**	**As at 31 March 2022**
	Gratuity (refer note 24(c))	130.45	68.05
	Leave encashment	106.60	43.83
	Total	237.05	111.88

15	**Other non-financial liabilities**	**As at 31 March 2023**	**As at 31 March 2022**
	Statutory dues payable	81.11	29.49
	GST payable (net)	18.73	6.90
	Total	99.84	36.39

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Notes to the Financial Statements *(Continued)*
(Currency: Indian rupees in lakhs)

16 Equity Share capital	As at 31 March 2023	As at 31 March 2022
Authorised share capital		
60,000,000 (Previous year 1,000,000) equity shares of Rs. 10 each	6,000.00	100.00
Total	**6,000.00**	**100.00**
Issued, subscribed and paid up capital		
49,000,000 (Previous year 1,000,000) equity shares of Rs.10 each fully paid up	4,900.00	100.00
Total	**4,900.00**	**100.00**

16.1 Fully paid equity shares

	Number	Amount
Balance as at 01 April 2021	**10,00,000**	100
Add: Issued during the year	-	-
Balance as at 31 March 2022	**10,00,000**	**100**
Add: Issued during the year	4,80,00,000	4,800
Balance as at 31 March 2023	**4,90,00,000**	**4,900**

16.2 Shares held by holding company

	As at 31 March 2023 Amount	As at 31 March 2022 Amount
Equity shares of Rs. 10 each fully paid up held by Piramal Enterprises Limited 49,000,000 (31 March 2022- 1,000,000) Equity shares (including nominee director)	4,900.00	100.00
	4,900.00	**100.00**

16.3 Particulars of shareholders holding more than 5% shares of a class of shares

	As at 31 March 2023 Number	As at 31 March 2022 Number
Equity shares of Rs. 10 each fully paid up held by Piramal Enterprises Limited (100% holding company)	4,90,00,000	10,00,000

16.4 Details of shareholding of Promoters in the Company

	As at 31 March 2023			As at 31 March 2022		
	No of Shares	% of Total Shares	% Change during the year	No of Shares	% of Total Shares	% Change during the year
Equity shares of Rs. 10 each fully paid up held by Piramal Enterprises Limited	4,90,00,000	100.00%	-	10,00,000	100.00%	-
Total	**4,90,00,000**	**100.00%**	-	**10,00,000**	**100.00%**	-

16.5 Rights, preferences and restrictions attached to shares

Equity shares

The Company has one class of equity shares having a par value of Rs. 10 per share. Each holder of equity share is entitled for one vote per share. There are no restrictions on payment of dividend to equity shareholders. On winding up of the company, the holders of equity share will be entitled to receive remaining assets of the company after distribution of all preferential liabilities. The distribution will be in proportion to the number of equity shares held by the shareholders.

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Notes to the Financial Statements *(Continued)*
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17	**Other equity**	**As at 31 March 2023**	**As at 31 March 2022**
	Retained earnings	**(4,927.14)**	(1,724.93)
		(4,927.14)	**(1,724.93)**

17.1	**Retained earnings**	**As at 31 March 2023**	**As at 31 March 2022**
	Opening balance	**(1,724.93)**	(612.55)
	Net (loss) for the year	**(3,150.96)**	(1,035.67)
	Other comprehensive income for the year	**(51.25)**	(76.71)
	Total	**(4,927.14)**	**(1,724.93)**

The amount that can be distributed by the company as dividends to its equity shareholders is determined based on the financial statements of the Company and also considering the requirements of the Companies Act, 2013. Thus, the amounts reported above are not distributable in entirety. No dividend is declared till date to the shareholders of the Company.

18	**Other income**	**For the year ended 31 March 2023**	**For the year ended 31 March 2022**
	Income on investments	**30.77**	25.18
	Gain on sale of mutual fund	**9.53**	0.22
	Net gain on fair value changes	**4.63**	-
	Miscellaneous balance written back	**-**	0.10
	Interest on Income Tax Refund	**0.84**	0.60
	Total	**45.77**	**26.10**

19	**Finance costs**	**For the year ended 31 March 2023**	**For the year ended 31 March 2022**
	Interest on borrowings (refer note 27(b))	**66.18**	144.08
	Interest on lease liability (refer note 28)	**28.81**	13.36
	Total	**94.99**	**157.44**

20	**Employee benefits**	**For the year ended 31 March 2023**	**For the year ended 31 March 2022**
	Salaries, wages and bonus	**3,050.31**	959.92
	Contribution to provident and other fund	**63.29**	14.17
	Staff welfare expenses	**31.51**	0.49
	Gratuity expense (refer note 24(e))	**14.51**	1.83
	Total	**3,159.62**	**976.41**

21	**Depreciation and amortisation**	**For the year ended 31 March 2023**	**For the year ended 31 March 2022**
	Depreciation on tangible fixed assets	**31.57**	5.75
	Depreciation on Right-of-use assets	**56.29**	20.66
	Total	**87.86**	**26.41**

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Notes to the Financial Statements (Continued)
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22 Other Expenses	For the year ended 31 March 2023	For the year ended 31 March 2022
Professional fees	**298.90**	61.54
Travelling expenses	**49.70**	-
Business promotion	**3.45**	-
Office expenses	**35.35**	13.13
Royalty charge (refer note 27(b)(iv))	**4.45**	1.30
Repairs and maintenance - others	**4.96**	-
Rates and taxes	**65.85**	2.45
Communication	**2.71**	2.83
Printing and stationery	**1.48**	0.02
Auditors' remuneration (refer note 29)	**3.00**	3.05
Net loss on fair value changes	-	0.91
Insurance	**0.05**	0.39
Miscellaneous expenses	**0.30**	0.53
Total	**470.20**	**86.15**

23 Earnings per share (EPS)

Basic and diluted EPS is computed in accordance with Ind AS 33 'Earnings Per Share' specified under section 133 of the Companies Act 2013.

The computation of earnings per share is set out below:

Particulars	**For the year ended 31 March 2023**	**For the year ended 31 March 2022**
(Loss) attributable to equity holders for basic and diluted earnings	**(3,150.96)**	**(1,035.66)**
Weighted average number of Equity shares for basic EPS	**1,25,39,491**	10,00,000
Effect of dilution:	-	-
Weighted average number of Equity shares adjusted for the effect of dilution	**1,25,39,491**	**10,00,000**
Earnings per share		
- Basic	**(25.13)**	**(103.57)**
- Diluted	**(25.13)**	**(103.57)**
Nominal value of shares	**10.00**	**10.00**

The basic and diluted EPS is same as there are no potential dilutive equity shares.

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Notes to the Financial Statements *(Continued)*
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24 Employee benefits :

I. Defined contribution plan

The Company's defined contribution plans are Provident Fund & Gratuity Fund. The Company has no further obligation beyond making the contributions to such plans.
Charge to the statement of profit and loss based on contributions:

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Employer's contribution to provident fund	**60.80**	13.62

Disclosures for defined benefit plans based on actuarial valuation reports as on 31 March 2023
The Company has scheme for gratuity as part of post retirement plan. A separate trust fund is created to manage the Gratuity plan and the contributions towards the trust fund is done as guided by rule 103 of Income Tax Rules, 1962.

A. Change in defined benefit obligation

	(Funded) Gratuity For the year ended 31 March 2023	(Funded) Gratuity For the year ended 31 March 2022
Present Value of Defined Benefit Obligation as at beginning of the year	**76.18**	7.38
Interest Cost	**5.21**	0.46
Current Service Cost	**9.86**	1.84
Past Service Cost	-	-
Contributions by the employees	-	-
Liability Transferred In for employees joined	-	-
Liability Transferred Out for employees left	-	-
Benefits Paid	**(3.36)**	(10.26)
Actuarial (Gains)/Losses on Obligations - Due to Change in Demographic Assumptions	-	0.03
Actuarial (Gains)/Losses on Obligations - Due to Change in Financial Assumptions	**4.17**	(3.34)
Actuarial (Gains)/Losses on Obligations - Due to Experience	**46.67**	80.07
Present Value of Defined Benefit Obligation as at the end of the year	**138.73**	76.18

B. Change in fair value of plan assets

	(Funded) Gratuity For the year ended 31 March 2023	(Funded) Gratuity For the year ended 31 March 2022
Fair Value of Plan Assets at the Beginning of the Period	**8.13**	7.61
Interest Cost	**0.56**	0.48
Contributions by the Employer	-	-
Expected Contributions by the Employees	-	-
Assets Transferred In/Acquisitions	-	-
(Assets Transferred Out/ Divestments)	-	-
(Benefit Paid from the Fund)	-	-
(Assets Distributed on Settlements)	-	-
(Expenses and Tax for managing the Benefit Obligations- paid from the fund)	-	-
Effects of Asset Ceiling	-	-
The Effect of Changes In Foreign Exchange Rates	-	-
Return on Plan Assets, Excluding Interest Income	**(0.42)**	0.05
Fair Value of Plan Assets at the End of the Period	**8.27**	8.13

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Notes to the Financial Statements *(Continued)*
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24 **Employee benefits *(Continued)* :**
C. Amount recognised in the Balance Sheet

	(Funded) Gratuity As at 31 March 2023	(Funded) Gratuity As at 31 March 2022
Present Value of Defined Benefit Obligation as at the end of the year	(138.73)	(76.18)
Fair Value of Plan Assets as at end of the year	8.27	8.13
Net (Liability) /Asset recognised in the Balance Sheet (Refer Note 14)	(130.46)	(68.05)

D. Net interest cost for current year

	(Funded) Gratuity For the year ended 31 March 2023	(Funded) Gratuity For the year ended 31 March 2022
Present Value of Benefit Obligation as at the beginning of the year	76.18	7.38
(Fair Value of Plan Assets at the Beginning of the Period)	(8.13)	(7.61)
Net Liability/(Asset) at the Beginning	68.05	(0.23)
Interest Cost	5.21	0.46
Interest Income	(0.56)	(0.48)
Net Interest Cost for Current Year	4.65	(0.01)

E. Expenses recognised in Statement of Profit and Loss

	(Funded) Gratuity For the year ended 31 March 2023	(Funded) Gratuity For the year ended 31 March 2022
Current Service Cost	9.86	1.84
Past Service Cost	-	-
Interest Cost	4.65	(0.01)
Expected Return on Plan Assets	-	-
Curtailments Cost / (Credit)	-	-
Settlements Cost / (Credit)	-	-
Net Actuarial (gain) / loss	-	-
Total Expenses / (Income) recognised in the Statement of Profit And Loss	14.51	1.83

F. Expenses Recognized in the Other Comprehensive Income (OCI) for Current Period

	For the year ended 31 March 2023	For the year ended 31 March 2022
Actuarial (Gains)/Losses on Obligation For the Period	50.84	76.77
Return on Plan Assets, Excluding Interest Income	0.42	(0.05)
Change in Asset Ceiling	-	-
Net (Income)/Expense For the Period Recognized in OCI	51.26	76.71

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24 **Employee benefits *(Continued)*:**
G. Total amount recognized in Other Comprehensive Income consists of:

	For the year ended 31 March 2023	For the year ended 31 March 2022
Remeasurement (gains)/losses	51.26	76.71

H. Principal actuarial assumptions used:

	(%) (Funded) Gratuity For the year ended 31 March 2023	(%) (Funded) Gratuity For the year ended 31 March 2022
Expected Rate of return on Plan Assets (per annum)	7.41%	6.84%
Discount Rate (per annum)	7.41%	6.84%
Rate of Salary Increase	10.00%	9.00%
Rate of Employee Turnover	10.00%	10.00%
Mortality Rate During Employment	Indian Assured Lives Mortality (2012-14)	Indian Assured Lives Mortality (2012-14)
Mortality Rate After Employment	N.A.	N.A.

I. Other Details

	As at 31 March 2023	As at 31 March 2022
Number of Members	24	11
Per Month Salary For Members	63.71	19.75
Weighted Average Duration of the Projected Benefit Obligation	9	9
Average Expected Future Service (Years)	6	7
Defined Benefit Obligation (DBO)	138.73	76.18
Prescribed Contribution For Next Year (12 Months)	63.71	19.75

J. Balance Sheet Reconciliation

	As at 31 March 2023	As at 31 March 2022
Opening Net Liability	68.05	(0.23)
Expenses Recognized in Statement of Profit or Loss	14.51	1.83
Expenses Recognized in OCI	51.26	76.71
Net Liability/(Asset) Transfer In	-	-
Net (Liability)/Asset Transfer Out	-	-
(Benefit Paid Directly by the Employer)	(3.36)	(10.26)
(Employer's Contribution)	-	-
Net Liability/(Asset) Recognized in the Balance Sheet	130.46	68.05

K. Net Interest Cost for Next Year

	As at 31 March 2023	As at 31 March 2022
Present Value of Benefit Obligation at the End of the Period	138.73	76.18
(Fair Value of Plan Assets at the End of the Period)	(8.27)	(8.13)
Net Liability/(Asset) at the End of the Period	130.46	68.05
Interest Cost	10.28	5.21
(Interest Income)	(0.61)	(0.56)
Net Interest Cost for Next Year	9.67	4.65

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Notes to the Financial Statements *(Continued)*
(Currency: Indian rupees in lakhs)

24 Employee benefits *(Continued)* :
L. Expenses Recognized in the Statement of Profit or Loss for Next Year

	As at 31 March 2023	As at 31 March 2022
Current Service Cost	33.13	9.86
Net Interest Cost	9.67	4.65
(Expected Contributions by the Employees)	-	-
Expenses Recognized	**42.80**	14.51

M. Sensitivity Analysis

Projected Benefits Payable in Future Years From the Date of Reporting	As at 31 March 2023	As at 31 March 2022
Projected Benefit Obligation on Current Assumptions	138.73	76.18
Delta Effect of +1% Change in Rate of Discounting	(9.81)	(5.20)
Delta Effect of -1% Change in Rate of Discounting	11.09	5.91
Delta Effect of +1% Change in Rate of Salary Increase	10.71	5.73
Delta Effect of -1% Change in Rate of Salary Increase	(9.67)	(5.15)
Delta Effect of +1% Change in Rate of Employee Turnover	(2.40)	(0.82)
Delta Effect of -1% Change in Rate of Employee Turnover	2.60	0.90

N. Maturity Analysis of the Benefit Payments: From the Employer

Projected Benefits Payable in Future Years From the Date of Reporting	As at 31 March 2023	As at 31 March 2022
Projected Benefit Obligation on Current Assumptions		
1st Following Year	9.82	9.46
2nd Following Year	9.84	6.18
3rd Following Year	9.74	6.14
4th Following Year	11.34	6.02
5th Following Year	12.14	5.91
Sum of Years 6 to 10	69.29	27.86
Sum of Years 11 and above	148.31	77.59

Notes:

The Company has a defined benefit gratuity plan in India (funded). The entity's defined benefit gratuity plan requires contributions to be made to a separately administered fund. The fund is managed by a trust which is governed by the Board of Trustees. The Board of Trustees are responsible for the administration of the plan assets and for the definition of the investment strategy. During the year, there were no plan amendments, curtailments and settlements. Actuarial gains/losses are recognized in the period of occurrence under Other Comprehensive Income (OCI). All above reported figures of OCI are gross of taxation. Salary escalation & attrition rate are in line with the industry practice considering promotion and demand & supply of the employees. Salary escalation & attrition rate are in line with the industry practice considering promotion and demand & supply of the employees. Maturity Analysis of Benefit Payments is undiscounted cashflows considering future salary, attrition & death in respective year for members as mentioned above. Average Expected Future Service represents Estimated Term of Post - Employment Benefit Obligation. Any benefit payment and contribution to plan assets is considered to occur end of the year to depict liability and fund movement in the disclosures. These plans typically expose the Company to actuarial risks such as: interest rate risk, salary risk, investment risk, asset liability matching risk, mortality risk and concentration risk.

Investment risk

The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. Plan investment is a mix of investments in government securities, and other debt instruments.

WALKER CHANDIOK & Co LLP MUMBAI CHARTERED ACCOUNTANTS

PIRAMAL ALTERNATIVES PRIVATE LIMITED

24 **Employee benefits *(Continued)* :**

Interest risk

A fall in the discount rate, which is linked to the government securities rate, will increase the present value of the liability requiring higher provision. A fall in the discount rate generally increases the mark to market value of the assets depending on the duration of asset.

Salary risk

The present value of the defined benefit plan liability is calculated by reference to the future salaries of members. As such, an increase in the salary of the members more than assumed level will increase the plan's liability.

Asset Liability Matching risk

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

Mortality risk

Since the benefits under the plan is not payable for life time and payable till retirement age only, plan does not have any longevity risk.

Concentration risk

Plan is having a concentration risk as all the assets are invested with the insurance company and a default will wipe out all the assets. Although probability of this is very less as insurance companies have to follow regulatory guidelines.

PIRAMAL ALTERNATIVES PRIVATE LIMITED

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Piramal Alternatives Private Limited
(Formerly known as Piramal Asset Management Private Limited)

Notes to the Financial Statements *(Continued)*
(Currency: Indian rupees in lakhs)

25 **Fair Value Disclosures**

a)

Categories of Financial Instruments:	For the year ended 31 March 2023 FVTPL	FVTOCI	Amortised Cost*	For the year ended 31 March 2022 FVTPL	FVTOCI	Amortised Cost*
Financial Assets						
Investments	**1,303.71**	-	-	499.09	-	-
Cash & Bank Balances	-	-	**163.05**	-	-	4.51
Other Receivables	-	-	**110.33**	-	-	14.36
Other financial assets	-	-	**37.22**	-	-	-
Total Financial Assets	**1,303.71**	-	**310.60**	**499.09**	-	**18.87**
Financial liabilities						
Borrowings	-	-	-	-	-	1,540.00
Trade Payables	-	-	**141.85**	-	-	57.73
Lease liability	-	-	**226.33**	-	-	268.66
Other Financial Liabilities	-	-	**1,332.37**	-	-	510.88
Total Financial Liabilities	-	-	**1,700.55**	-	-	**2,377.27**

b) **Fair Value Hierarchy and Method of Valuation**

Particulars	For the year ended 31 March 2023				
	Carrying Value	**Level 1**	**Level 2**	**Level 3**	**Total**
Financial Assets					
Measured at FVTPL					
Investments	**1,303.71**	**800.14**	-	**503.57**	**1,303.71**

Particulars	For the year ended 31 March 2022				
	Carrying Value	**Level 1**	**Level 2**	**Level 3**	**Total**
Financial Assets					
Measured at FVTPL					
Investments	**499.09**	-	-	**499.09**	**499.09**

Notes:

* The Company has not disclosed the fair value of cash and cash equivalent, trade receivable, other receivables, other financial assets, borrowings, trade payables and other financial liabilities, because their carrying amounts are a reasonable approximation of fair value.

c) **Fair value measurements using significant unobservable inputs (level 3)**

The following table presents the changes in level 3 items for the year ended March 31, 2023

Particulars	**Investments**	**Total**
As at 01 April 2021	**500.00**	**500.00**
Additions	-	-
Deletions	-	-
Loss on fair valuation	**(0.91)**	**(0.91)**
As at 31 March 2022	**499.09**	**499.09**
Additions	-	-
Deletions	-	-
Gain on fair valuation	**4.48**	**4.48**
As at 31 March 2023	**503.57**	**503.57**

PIRAMAL ALTERNATIVES PRIVATE LIMITED

WALKER CHANDIOK & CO LLP MUMBAI CHARTERED ACCOUNTANTS

Notes to the Financial Statements *(Continued)*
(Currency: Indian rupees in lakhs)

26 Fair Value Disclosures

1) Capital Management

The Company manages its capital to ensure that it will be able to continue as going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance. The current capital structure of the Company consists of only equity.

The Company is currently managing one scheme with AUM of Rs.214,700 lakhs.
The Company determines the amount of capital required on the basis of annual as well as long term operating plans and other strategic investment plans. The funding requirements are met through equity or convertible / nonconvertible debt securities or other long-term /short-term borrowings. The Company monitors the capital structure on the basis of total debt to equity ratio and maturity profile of the overall debt portfolio of the Company.

The capital components of the Company are as given below:

	As at 31 March 2023	As at 31 March 2022
Total Equity	**4,900.00**	100.00
Borrowings	-	1,540.00
Total Debt	-	**1,540.00**
Cash & Cash equivalents	**(163.05)**	(4.51)
Net Debt/ Cash Surplus	**(163.05)**	**1,535.49**
Total debt (net) to equity ratio	**(0.03)**	**15.35**

2) Liquidity Risk

Liquidity Risk refers to insufficiency of funds to meet the financial obligations. Liquidity Risk Management implies maintenance of sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit lines to meet obligations when due.
The Company manage its liquidity risk by maintaining adequate reserves and by continuously monitoring forecast and actual cash flows, and by assessing the maturity profiles of financial assets and liabilities.

The following tables detail the Company's remaining contractual maturity for its financial liabilities with agreed repayment periods. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay. The tables include both interest and principal cash flows. To the extent that interest flows are floating rate, the rate applicable as of 31 March 2023 has been considered. The contractual maturity is based on the earliest date on which the Company may be required to pay.

Maturities of Financial Liabilities	**As at 31 March 2023**			
	Upto 1 year	**1 to 3 years**	**3 to 5 years**	**5 years & above**
Borrowings	-	-	-	-
Trade Payables	**141.85**	-	-	-
Lease liability	**47.48**	**178.85**	-	-
Other Financial Liabilities	**1,332.37**	-	-	-
	1,521.70	**178.85**	-	-

Maturities of Financial Liabilities	**As at 31 March 2022**			
	Upto 1 year	**1 to 3 years**	**3 to 5 years**	**5 years & above**
Borrowings	**1,540.00**	-	-	-
Trade Payables	**57.73**	-	-	-
Lease liability	**42.33**	**176.82**	**49.52**	-
Other Financial Liabilities	**510.88**	-	-	-
	2,150.94	**176.82**	**49.52**	

PIRAMAL ALTERNATIVES PRIVATE LIMITED

WALKER CHANDIOK & CO LLP MUMBAI CHARTERED ACCOUNTANTS

Notes to the Financial Statements *(Continued)*
(Currency: Indian rupees in lakhs)

26 Fair Value Disclosures (Continued)

The following table details the Company's expected maturity for its non-derivative financial assets. The table has been drawn up based on the undiscounted contractual maturities of the financial assets including interest that will be earned on those assets. The inclusion of information on non-derivative financial assets is necessary in order to understand the Company's liquidity risk management as the liquidity is managed on a net asset and liability basis.

Maturities of Financial Assets	As at 31 March 2023			
	Upto 1 year	1 to 3 years	3 to 5 years	5 years & above
Investments	800.14	-	-	503.57
Cash and Cash equivalents	163.05	-	-	-
Other Receivables	110.33	-	-	-
Other financial assets	-	37.22		-
	1,073.52	37.22	-	503.57

Maturities of Financial Assets	As at 31 March 2022			
	Upto 1 year	1 to 3 years	3 to 5 years	5 years & above
Investments	-	-	-	499.09
Cash and Cash equivalents	4.51	-	-	-
Other Receivables	14.36	-	-	-
	18.87	-	-	499.09

3) Market Risk

a) Credit Risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with financial institutions and other financial instruments.

Other receivables

The receivables of the Company are from advisory services funds.
Customer credit risk is managed by each business unit subject to the Company's established policy, procedures and control relating to customer credit risk management.
Outstanding customer receivables are regularly monitored.

Financial instruments and cash deposits

The credit risk on liquid funds and other financial instruments is limited because the counterparties are banks with high credit-ratings assigned by credit-rating agencies or mutual funds.

4) Operational Risk

Operational risk is the risk of loss resulting from inadequate or failed internal processes, people and systems or from external events. Operational risk includes legal risk but excludes strategic and reputational risks. Legal risk includes, but is not limited to, exposure to fines, penalties or punitive damages resulting from supervisory actions, as well as private settlements. Operational risk can result from a variety of factors, including failure to obtain proper internal authorizations, improperly documented transactions, failure of operational and information security procedures, computer systems, software or equipment, fraud, inadequate training and employee errors. Operational risk is sought to be mitigated by maintaining a comprehensive system of internal controls, establishing systems and procedures to monitor transactions, maintaining key back-up procedures and undertaking regular contingency planning.

PIRAMAL ALTERNATIVES PRIVATE LIMITED

WALKER CHANDIOK & Co LLP MUMBAI CHARTERED ACCOUNTANTS

Notes to the Financial Statements *(Continued)*
(Currency: Indian rupees in lakhs)

27 **Information in accordance with the requirements of Indian Accounting Standard 24 on Related Party Disclosures.**
(a) Name of related parties

Holding company
Piramal Enterprises Limited

Fellow subsidiary company
PHL Fininvest Private Limited #
Piramal Capital & Housing Finance Limited
Piramal Pharma Limited

Jointly Controlled Entity
Piramal Structured Credit Opportunities Fund

Other related parties where common control exists
Piramal Corporate Services Private Limited

(b) i. Transactions with holding company*

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Interest on loan		
Piramal Enterprises Limited	66.18	144.08
Total	**66.18**	**144.08**
Management Fees received		
Piramal Enterprises Limited	59.39	-
Total	**59.39**	-
Loan Taken		
Piramal Enterprises Limited	1,115.00	470.00
Total	**1,115.00**	**470.00**
Loan Repaid		
Piramal Enterprises Limited	2,655.00	-
Total	**2,655.00**	-

Particulars	As at 31 March 2023	As at 31 March 2022
Outstanding balance payable		
Piramal Enterprises Limited	-	1,540.00
Total	-	**1,540.00**

(b) ii. Transactions with fellow subsidiary company*

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Management Fees Received		
PHL Fininvest Private Limited	-	38.11
Rent & Service Charges Paid		
Piramal Pharma Limited	105.50	43.11
Insurance Expenses Paid		
Piramal Capital & Housing Finance Limited	1.50	1.60
Total	**107.00**	**82.82**

Particulars	As at 31 March 2023	As at 31 March 2022
Outstanding balance payable		
Piramal Pharma Limited	9.72	43.11
Total	**9.72**	**43.11**

(Currency: Indian rupees in lakhs)

27 **Related Party Disclosures (Continued)**

(b) iii. Transactions with Jointly Controlled Entity*

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Management Fees Received		
Piramal Structured Credit Opportunities Fund	551.55	146.54
Portfolio Income Received		
Piramal Structured Credit Opportunities Fund	30.77	25.18
Total	582.32	171.72

Particulars	As at 31 March 2023	As at 31 March 2022
Outstanding balance receivable		
Piramal Structured Credit Opportunities Fund	7.54	32.06
Total	7.54	32.06

(b) iv. Transactions with other related parties where common control exists*

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Royalty Charges Paid		
Piramal Corporate Services Private Limited	4.45	1.30
Total	4.45	1.30

Particulars	As at 31 March 2023	As at 31 March 2022
Outstanding balance payable		
Piramal Corporate Services Private Limited	2.79	0.60
Total	2.79	0.60

pursuant to order of amalgamation passed by Honourable National Company Law Tribunal dated 12th August 2022, PHL Fininvest Private Limited was merged into Piramal Enterprises Limited.

* Transaction in nature of reimbursement of expenses have not been shown in the above table

PIRAMAL ALTERNATIVES PRIVATE LIMITED ★

WALKER CHANDIOK & Co LLP ★ MUMBAI ★ CHARTERED ACCOUNTANTS

28 Leases

During the year ended 31 March 2022, the Company has taken office premises on lease. The lease period of these contract was 5 years. The right-of-use assets and lease liabilities as disclosed below, do not include short term and low value leases. In general, as usual with leases, the Company's obligations under its leases are secured by the lessor's title to or legal ownership of the leased assets.

a) Right-of-use assets
The movement in right-of-use assets has been disclosed in Note 28(b).

b) Lease liabilities

Movement in lease liabilities	As at 31 March 2023	As at 31 March 2022
Opening balance	**268.66**	-
Additions during the year	-	281.59
Deletion during the year	-	-
Finance expense	**28.81**	13.36
Payment of lease liabilities	**(71.14)**	(26.28)
Closing balance	**226.33**	**268.66**
c) Classification of current and non current		
Current	**47.48**	42.33
Non current	**178.85**	226.33
Total	**226.33**	**268.66**

d) The table below provides details regarding the contractual maturities of lease liabilities on an undiscounted basis:

As at 31 March 2023

Lease liability	Lease payments	Finance charges	Net present value
Later than one year	**208.98**	**30.13**	**178.85**
Not later than one year	**71.14**	**23.66**	**47.48**
Total undiscounted lease liabilities	**280.12**	**53.79**	**226.33**

As at 31 March 2022

Lease liability	Lease payments	Finance charges	Net present value
Later than one year	280.12	53.79	226.33
Not later than one year	71.14	28.81	42.33
Total undiscounted lease liabilities	**351.26**	**82.60**	**268.66**

e) As at 31 March 2023, there are no commitments for short term leases (31 March 2022 : Nil).

f) Amounts recognised in profit and loss	For the year ended 31 March 2023
Amortization of right-of-use asset	**56.29**
Interest expense on lease liabilities	**28.81**
Total	**85.10**

Amounts recognised in profit and loss	For the year ended 31 March 2022
Amortization of right-of-use asset	20.66
Interest expense on lease liabilities	13.36
Total	**34.02**

g) The total cash outflow for leases amount to Rs.71.14 lakhs (31 March 2022 : 26.28 lakhs).

WALKER CHANDIOK & CO LLP MUMBAI CHARTERED ACCOUNTANTS

PIRAMAL ALTERNATIVES PRIVATE LIMITED

29 Auditors' remuneration (excluding taxes)

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
As auditor		
Statutory audit	**3.00**	3.05
Total	**3.00**	**3.05**

30 Disclosures as required by the Micro, Small and Medium Enterprises Development Act, 2006 are as under:

Trade payable include Rs. Nil (previous year Rs. Nil) amount payable to Small Scale Industrial Undertakings and Micro, Small and Medium Enterprises as defined under the Micro, Small and Medium Enterprises Development Act, 2006, (MSMED). Under the MSMED which came into force from 2 October 2006, certain disclosures are required to be made relating to Micro, Small and Medium enterprises. On the basis of the information and records available with the management, the following disclosures are made for the amounts due to the Micro, Small and Medium enterprises, who have registered with the competent authorities.

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Principal amount remaining unpaid to any supplier as at the year end	-	-
Interest due there on	-	-
Amount of interest paid by the company in terms of section 16 of the MSMED, along with the amount of the payment made to the supplier beyond the appointed day during the accounting year	-	-
Amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED	-	-
Amount of interest accrued and remaining unpaid at the end of the accounting	-	-

31 Contingent liabilities and commitments

There are no contingent liabilities as at the balance sheet date. (31 March 2022 : Nil)

32 The Company has incurred significant losses in the past and in current year, arising mainly on account of high cost of salaries and finance costs since the Company was in early stages of fund management business. This has resulted in complete erosion of net worth of the Company. Further, the Company has also reported a negative net current assets position as on the balance sheet date. The continuous losses have adversely affected the cash flows of the Company. However, the management continues to adopt the going concern assumption in preparing the financial statements for the year ending ended 31 March 2023 based on the following factors:

(i) The Parent Company, Piramal Enterprises Limited (PEL), has provided financial assistance by way of credit line in form of Inter Corporate Deposits ('ICD') for an amount not exceeding Rs. 5,000 lakhs, in one or more tranches. As on 31 March 2023, the Company has Nil outstanding out of such facility provided by the Holding Company.
(ii) The Company is planning to have initial close for two new Funds in a phased manner over a period of 3-5 years. The Company is also in process of filing an application to SEBI for an additional Alternative Investment Fund. Management fees is expected to accrue from FY 2023-24 for these Funds. As on date, the Company is in fund raising mode and intends to have first close during the financial year ending 31 March 2024.
Accordingly, the Company believes would be profitable in future years and also streamline its working capital. The Company does not anticipate any challenges in its ability to continue as going concern or meeting its financial obligations.

33 Deferred tax asset

The Company has unabsorbed depreciation and brought forward business losses as on 31 March 2023 on which no deferred tax asset has been recognised. Deferred tax asset shall be created in the year in which the Company will have reasonable certainty of future taxable income as required by Indian Accounting Standard 12- "Income Taxes" as specified under Section 133 of the Companies Act, 2013 and Companies (Indian Accounting Standards) Amendment Rules, 2016. (ii) The Company has not recognized tax expense/credit (current and deferred tax) in the statement of profit and loss (including other comprehensive income) as the Company is incurring losses and there is no reasonable certainty supported by convincing evidence that sufficient future taxable profits will be available against which unused tax losses can be utilized.

Piramal Alternatives Private Limited
(Formerly known as Piramal Asset Management Private Limited)

Notes to the Financial Statements *(Continued)*
(Currency: Indian rupees in lakhs)

34 The Company is not required to spent any amount under section 135 of the Companies Act, 2013.

35 There are no transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956

36 No proceeding has been initiated during the year or pending against the Company for holding any Benami property under the Benami Transactions (Prohibition) Act, 1988, as amended, and rules made thereunder.

37 The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

38 During the current year the Company has not traded or invested in Crypto currency or Virtual Currency.

39 The Company does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961

40 The Company has not been declared wilful defaulter by any Banks or Financial Institutions.

41 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.

42 The Company does not have any immovable property whose title deeds are not held in the name of the Company.

43 The Company has not granted any loans or advances in the nature of loans to promoters, directors, key managerial personnel and related parties (as defined under the Companies Act, 2013), either severally or jointly with any other person that are repayable on demand or without specifying any terms or period of repayment.

44 The company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the company shall (i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or (ii) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
The company has not advanced or loaned or invested funds (either borrowed funds or share premium or any other source or kind of funds) to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall :
(i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
(ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

45 Figures for the previous years have been regrouped wherever necessary to confirm to current year's presentation.

As per our report of even date attached

For Walker Chandiok & Co LLP
Chartered Accountants
Firm's Registration No:001076N/500013

Sudhir N. Pillai
Partner
Membership No:105782

WALKER CHANDIOK & Co LLP MUMBAI CHARTERED ACCOUNTANTS

Mumbai
Date: 24 April 2023

For and on behalf of the Board of Directors of
Piramal Alternatives Private Limited

Kalpesh Kikani
Managing Director
DIN: 03534772

Anand A. Piramal
Director
DIN: 00286085

Dhiren Thakkar
Chief Financial Officer

Shreya Vartak
Company Secretary

Mumbai
Date: 24 April 2023

Mumbai
Date: 24 April 2023

INDEPENDENT AUDITOR'S REPORT

To the Members of

PEL Finhold Private Limited

Report on the Ind AS Financial Statements

Opinion

We have audited the accompanying Ind AS financial statements **PEL Finhold Private Limited** ("the Company"), which comprise the Balance Sheet as at 31st March, 2023, and the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the financial statements including 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 Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Ind AS, of the state of affairs (financial position) of the Company as at 31st March, 2023, and its profit (financial performance including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Basis for opinion

We conducted our audit in accordance with the standards on auditing specified under section 143 (10) of the Companies Act, 2013. 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 together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the code of ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. 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. Reporting of key audit matters as per SA 701, Key Audit Matters are not applicable to the Company as it is an unlisted company.

Information other than the financial statements and auditors' report thereon

The Company's board of directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report, Business Responsibility Report but does not include the financial statements and our auditor's report thereon.

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

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Branches : Nagpur • Pune •

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

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Ind AS financial statements that give a true and fair view of the state of affairs(financial position), profit or loss (financial performance including other comprehensive income), cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS 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 are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibility

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

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

a) 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 the override of internal control.

b) Obtain an understanding of internal control relevant to the audit in order to design audit procedures

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that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls

c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

d) Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

e) 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.

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

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards. 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 Companies Act, 2013, we give in the Annexure "A", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

MUMBAI CHARTERED ACCOUNTANTS

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 it appears from our examination of those books.

c) The Balance Sheet, the Statement of Profit and Loss, 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 Indian Accounting Standards prescribed under section 133 of the Act.

e) On the basis of the written representations received from the directors as on 31st March 2023 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 Section 164(2) of the Act.

f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, the company has not paid any remuneration to its directors during the year hence provisions of section 197 of the Act shall not be applicable.

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, as amended, in our opinion and to the best of our information and according to the explanations given to us:

i) The Company does not have any pending litigations which would impact its financial position;

j) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and

k) There are no amounts which are required to be transferred, to the Investor Education and Protection Fund by the Company.

l) (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, 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;

MUMBAI CHARTERED ACCOUNTANTS

(b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("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;

(c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

m) The company has not declared or paid any dividend during the year.

For D. DADHEECH & CO.
Chartered Accountants
FRN: 101981W

(CHANDRASHEKHAR CHAUBEY)
Partner
Membership No. 151363

For D. DADHEECH & CO.
319 Rex Chambers
W. H. Marg, Mumbai-1.
FRN : 101981W
CA Chandrashekhar Chaubey
M.No. 151363
CHARTERED ACCOUNTANTS

UDIN: 23151363BGPJHZ6813
Mumbai: April 28, 2023

Annexure 'A'
To the independent auditor's report

[Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditor's Report of even date to the members of **PEL Finhold Private Limited** on the Ind AS financial statements for the year ended 31st March 2023]

(i) The company does not hold any Property, Plant and Equipment, intangible assets and immovable properties accordingly, reporting on paragraph 3 (i) of the order is not applicable.

(ii) (a) The company does not have any inventory and hence reporting on paragraph 3 (ii) (a) of the order is not applicable.

(b) During any point of time of the year, the company has not been sanctioned working capital limits from banks or financial institutions and hence reporting on paragraph 3 (ii) (b) of the order is not applicable.

(iii) During the year the company has not made any investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties and hence reporting on paragraph 3 (iii) of the order is not applicable.

(iv) In our opinion, based on our examination and according to information and explanation given to us, the company has not granted any loans or provided any guarantees or given any security or made any investments to which the provision of section 185 and 186 of the Companies Act, 2013 applies and hence reporting on paragraph 3 (iv) of the order is not applicable.

(v) In our opinion, based on our examination and according to information and explanation given to us, the company has not accepted any deposits and hence reporting on paragraph 3 (v) of the order is not applicable.

(vi) The Central Government of India has not prescribed the maintenance of cost records under sub-section (1) of section 148 of the Act for any of the activities of the company and accordingly paragraph 3 (vi) of the order is not applicable.

(vii) (a) The Company is regular in depositing undisputed statutory dues including income-tax and any other statutory dues as applicable to the Company to the appropriate authorities.

(b) There are no dues of income tax which have not been deposited on account of any disputes.

(viii) There are no unrecorded transactions in the books of accounts which have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961(43 of 1961).

(ix) (a) In our opinion and based on our examination and according to information and explanation given to us, the company does not have any loans or other borrowings from any lender and hence reporting on paragraph 3 (ix) (a) to (f) of the order is not applicable.

(x) a. According to the information and explanations given to us and based on our examination of the records of the company, the company has not raised any money by way of initial public offer or further public offer (including debt instruments).

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 made any preferential allotment or private placement of shares or fully, partly or optionally convertible debentures during the year. Accordingly, the provisions stated in paragraph 3 (x)(b) of the Order are not applicable to the Company.

(xi) (a) No fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

(b) No report under sub-section (12) of section 143 of the Companies 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 and upto the date of this report.

(c) The company has not received any whistle-blower complaints during the year and hence reporting on paragraph 3 (xi) (c) of the order is not applicable.

(xii) The Company is not a Nidhi Company and hence reporting on paragraph 3(xii) of the Order is not applicable to the Company.

(xiii) In our opinion and according to the information and explanations given to us and based on our examination of the records of the company, transactions with the related parties are in compliance with section 188 of the Act. Where applicable, the details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards. Further provisions of section 177 of the Act are not applicable to the company.

(xiv) Internal audit is not applicable to the Company; hence paragraph 3(xiv) of the Order is not applicable to the Company.

(xv) In our opinion during the year the Company has not entered into any non-cash transactions with its directors or persons connected with its directors. and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.

(xvi) According to the information and explanation given to us and based on our examination of the records of the company, the Company is not required to be registered under section 45IA of the Reserve Bank of India Act, 1934.

(xvii) The company has not incurred any cash losses in the current financial year; however, it has incurred following cash losses during the preceding financial year: -

(Amount in Lakhs.)

Particulars	Current F.Y.	P.Y.
Net Loss	Nil	197.06
Non-Cash Items	-	-
Cash Losses	Nil	197.06

MUMBAI CHARTERED ACCOUNTANTS

(xviii) There has been no resignation of statutory auditors during the year.

(xix) On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and 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 indicating 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) According to the information and explanations given to us and based on our examination of the records of the company, the provisions of section 135 of the Act are not applicable to the Company. Hence, the provisions of paragraph (xx)(a) to (b) of the Order are not applicable to the Company.

(xxi) According to the information and explanations given to us, the Company does not have any Subsidiary, Associate or Joint Venture. Accordingly, reporting under clause 3(xxi) of the Order is not applicable.

For D. DADHEECH & CO.
Chartered Accountants
FRN: 101981W

For D. DADHEECH & CO. 319 Rex Chambers W. H. Marg, Mumbai-1. FRN : 101981W CA Chandrashekhar Chaubey M.No. 151363 CHARTERED ACCOUNTANTS

(CHANDRASHEKHAR CHAUBEY)
Partner
Membership No. 151363

UDIN: 23151363BGPJHZ6813
Mumbai: April 28, 2023

Annexure "B"
To the independent auditor's report

(Referred to in paragraph 2 (f) under 'Report on other legal and regulatory requirements' section of our report to the Members of **PEL Finhold Private Limited** of even date)

Report on the internal financial controls over financial reporting 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 **PEL Finhold Private Limited** ("the Company") as at March 31, 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 board of directors of the Company 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. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company 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") issued by the Institute of Chartered Accountants of India and the standards on auditing prescribed under Section 143 (10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those standards and the guidance note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting were established and maintained and if such controls operated effectively in all material respects.

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

MUMBAI
CHARTERED ACCOUNTANTS

Meaning of internal financial controls over financial reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles.

A company's internal financial control over financial reporting includes those policies and procedures that (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (ii) 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 (iii) 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.

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 of 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 and according to the information and explanations given to us, the Company has, in all material respects, an adequate internal financial control system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 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 D. DADHEECH & CO.
Chartered Accountants
FRN: 101981W

For D. DADHEECH & CO.
319 Rex Chambers
W. H. Marg, Mumbai-1.
FRN 101981W
CA Chandrashekhar Chaubey
M No. 151363
CHARTERED ACCOUNTANTS

(CHANDRASHEKHAR CHAUBEY)
Partner
Membership No. 151363

UDIN: 23151363BGPJHZ6813
Mumbai: April 28, 2023

PEL Finhold Private Limited

Balance Sheet

(Currency: Rs in lakhs)

Particulars	Note No	As at 31.03.2023	As at 31.03.2022
ASSETS			
Non-current assets			
(a) Other non-current assets	3	-	87.96
Current assets			
(a) Financial Assets			
(i) Cash and cash equivalents	4	16.95	53.86
(iii) Other financial assets	5	131.71	-
(b) Other current assets	6	63.80	0.06
Total Assets		**212.46**	**141.88**
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share capital	7	2,353.00	2,353.00
(b) Other Equity	8	(2,205.75)	(2,211.59)
Liabilities			
Current liabilities			
(a) Financial Liabilities			
(i) Trade Payables:-			
(A) total outstanding dues of micro enterprises and small enterprises		0.02	-
(B) total outstanding dues of creditors other than micro enterprises and small enterprises.		1.12	0.12
(a) Other current liabilities	9	63.26	0.35
(b) Current Tax Liabilities (Net)	10	0.81	-
Total Equity and Liabilities		**212.46**	**141.88**
See accompanying notes to the Financial Statements			

For M/s. D. Dadheech & Co.
Firm Registration Number :101981W
Chartered Accountants

For D. DADHEECH & CO. 319 Rex Chambers W. H. Marg, Mumbai-1. FRN : 101981W CA Chandrashekhar Chaubey M.No. 151363 CHARTERED ACCOUNTANTS

Chandrashekhar Chaubey
Partner
Membership No. 151363

Mumbai
Date : April 28, 2023

For and on behalf of the Board of Directors
PEL Finhold Private Limited

Nirad Navalkar
Director

Bipin Singh
Director

Ankit Arora
Chief Financial Officer

Nicole Moniz
Company Secretary

Mumbai
Date : April 28, 2023

PEL Finhold Private Limited

PEL Finhold Private Limited
Statement of Profit and loss
(Currency: Rs in lakhs)

Particulars	Note No	For the year ended 31.03.2023	For the year ended 31.03.2022
I. Revenue from operations	11	3.56	-
II. Other Income	11	6.60	-
III. Total Income	(I + II)	**10.16**	-
IV. Expenses:			
Employee benefits expense		1.66	0.02
Finance costs	12	0.00	175.65
Depreciation and amortisation expense		-	-
Other expenses	13	0.68	21.39
Total Expenses		**2.34**	**197.06**
V. Profit before exceptional items and tax	(III - IV)	**7.82**	**(197.06)**
VI. Exceptional items		-	-
VII. Profit / (Loss) before tax	(V-VI)	**7.82**	**(197.06)**
VIII. Tax expense:			
(1) Current tax		1.98	-
(2) Deferred tax		-	-
IX. Profit / (Loss) from continuing operations	(VII-VIII)	**5.84**	**(197.06)**
X. Profit / (Loss) from discontinued operations		-	-
XI. Tax expense from discontinuing operations		-	-
XII. Profit / (Loss) from discontinuing operations after tax	(X-XI)	-	-
XIII. Profit / (Loss) for the period	(IX+XII)	**5.84**	**(197.06)**
XIV. Other Comprehensive Income			
A. (i) Items that will not be reclassified to profit or loss		-	-
(ii) Income tax relating to items that will not be reclassified to profit or loss		-	-
B. (i) Items that will be reclassified to profit or loss		-	-
(ii) income tax relating to items that will be reclassified to profit or loss		-	-
XV. Total Comprehensive Income for the period (XIII+XIV)	(XIII+XIV)	**5.84**	**(197.06)**
XVI. Earning per equity share (for discontinued operation):			
1. Basic EPS (In Rs.)		-	-
2. Diluted EPS (In Rs.)		-	-
XVI. Earning per equity share (for discontinued & continuing operation):	15		
1. Basic EPS (In Rs.)		0.02	(2.85)
2. Diluted EPS (In Rs.)		0.02	(2.85)
See accompanying notes to the Financial Statements			

For M/s. D. Dadheech & Co.
Firm Registration Number :101981W
Chartered Accountants

Chandrashekhar Chaubey
Partner
Membership No. 151363

For D. DADHEECH & CO. 319 Rex Chambers W. H. Marg, Mumbai-1. FRN : 101981W CA Chandrashekhar Chaubey M.No. 151363 CHARTERED ACCOUNTANTS

For and on behalf of the Board of Directors
PEL Finhold Private Limited

Ninad Navalkar
Director

Bipin Singh
Director

Ankit Arora
Chief Financial Officer

Nicole Moniz
Company Secretary

Mumbai
Date : April 28, 2023

Mumbai
Date : April 28, 2023

PEL Finhold Private Limited

PEL Finhold Private Limited

Cash Flow Statement

(Currency: Rs in lakhs)

	Particulars	For the year ended 31.3.2023	For the year ended 31.3.2022
A.	**CASH FLOW FROM OPERATING ACTIVITIES**		
	Profit /Loss before tax	7.82	(197.06)
	Adjustments :		
	Interest expense	0.00	175.65
	Interest income on fixed deposits	(3.56)	-
	Interest income on income tax refunds	(6.60)	-
	(Operating Loss) before Working Capital Changes	**(2.34)**	**(21.41)**
	Adjustments For Changes In Working Capital :		
	- (Increase) in Other Current Assets	(63.74)	(0.06)
	- Increase / (Decrease) in Trade Payables	1.01	-
	- (Increase) in Other Financial Assets	(131.71)	-
	- Increase / (Decrease) in Other Current Liabilities	62.91	(108.94)
	Cash Generated From Operations	**(133.87)**	**(130.41)**
	- Taxes Paid (Net of Refunds)	86.80	-
	Net Cash From / (Used in) Operating Activities (A)	**(47.07)**	**(130.41)**
B.	**CASH FLOW FROM INVESTING ACTIVITIES**		-
	Interest received	10.16	-
	Bank deposits with maturity more than three months	-	-
	Net Cash From /(Used in) Investing Activities (B)	**10.16**	**-**
C.	**CASH FLOW FROM FINANCING ACTIVITIES**		
	Proceeds from Allotment of Equity Share Capital	-	2,350.00
	Inter-corporate deposit from PEL, Net	-	(2,150.00)
	Interest expense on loans taken	-	(175.65)
	Net Cash From / (Used in) Financing Activities (C)	**-**	**24.35**
	Net Increase / (Decrease) in Cash & Cash Equivalents (A)+(B)+ (C)	**(36.91)**	**(106.06)**
	Cash and Cash Equivalents as at 31.3.2022	53.86	159.93
	Cash and Cash Equivalents as at 31.3.2023	**16.95**	**53.86**
	Cash and Cash Equivalents Comprise of:		
	Balances with Banks	16.95	53.86

The above Statement of cash flows should be read in conjunction with the accompanying notes

As per our report of even date attached

For M/s. D. Dadheech & Co.
Firm Registration Number :101981W
Chartered Accountants

For D. DADHEECH & CO. CHARTERED ACCOUNTANTS 319 Rex Chambers W. H. Marg, Mumbai-1. FRN : 101981W CA Chandrashekhar Chaubey M.No. 151363

Chandrashekhar Chaubey
Partner
Membership No. 151363

Mumbai
Date : April 28, 2023

For and on behalf of the Board of Directors
PEL Finhold Private Limited

Ninad Navalkar
Director

Bipin Singh
Director

Ankit Arora
Chief Financial Officer

Nicole Moniz
Company Secretary

PEL Finhold Private Limited

Mumbai
Date : April 28, 2023

PEL Finhold Private Limited
Statement of Changes in Equity for the year ended March 31, 2023
(Currency: Rs in lakhs)

A. Equity Share Capital

(1) Current reporting period

Balance at the beginning of the current reporting period	Changes in equity share capital during the current year	Balance at the end of the current reporting period
2,353.00	-	2,353.00

(2) Previous reporting period

Balance at the beginning of the current reporting period	Changes in equity share capital during the current year	Balance at the end of the current reporting period
3.00	2,350.00	2,353.00

B. Other Equity

(1) Current reporting period

	Reserves and Surplus		
Particulars	Capital Contribution	Retained Earnings	Total
Balance at the beginning of the current reporting period	4,552.39	(6,763.98)	(2,211.59)
Total Comprehensive Income for the current year		5.84	5.84
Balance at the end of the current reporting period	4,552.39	(6,758.14)	(2,205.75)

(2) Previous reporting period

	Reserves and Surplus		
Particulars	Capital Contribution	Retained Earnings	Total
Balance at the beginning of the current reporting period	4,552.39	(6,566.92)	(2,014.53)
Total Comprehensive Income for the current year		(197.06)	(197.06)
Balance at the end of the current reporting period	4,552.39	(6,763.98)	(2,211.59)

For M/s. D. Dadheech & Co.
Firm Registration Number :101981W
Chartered Accountants

Chandrashekhar Chaubey
Partner
Membership No. 151363

For D. DADHEECH & CO. 319 Rex Chambers W. H. Marg, Mumbai-1. FRN : 101981W CA Chandrashekhar Chaubey M.No. 151363 CHARTERED ACCOUNTANTS

Mumbai
Date : April 28, 2023

For and on behalf of the Board of Directors
PEL Finhold Private Limited

Ninad Navalkar
Director

Bipin Singh
Director

Ankit Arora
Chief Financial Officer

Nicole Moniz
Company Secretary

PEL Finhold Private Limited

Mumbai
Date : April 28, 2023

1. BACKGROUND

The Company was incorporated on 21st August, 2014 to undertake the business involving all types of financial and investment services having CIN U65190MH2014PTC257414.

2. SIGNIFICANT ACCOUNTING POLICIES

i) Compliance with Ind AS

The separate financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to the existing accounting standard requires a change in the accounting policy hitherto in use.

Historical Cost convention

The separate financial statements have been prepared on the historical cost basis.

ii) Basis of preparation and presentation

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current and non current classification of assets and liabilities.

iii) Financial instruments

Financial assets and financial liabilities are recognised 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 fair value through profit or loss) 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 fair value through profit or loss are recognised immediately in profit or loss.

iv) Provisions, contingent liabilities and contingent assets

Provisions are recognised when there is a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

v) Revenue recognition

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the amortised cost and at the effective interest rate applicable.

MUMBAI

PEL Finhold Private Limited

vi) Current tax

Current tax expense is recognised on a annual basis under the taxes payable method, based on the estimated tax liability computed after taking credit for allowances and exemption in accordance with the Income Tax Act, 1961. In case of matters under appeal due to disallowance or otherwise, full provision is made when the said liabilities are accepted by the Company.

Deferred tax is recognised in respect of timing differences between taxable income and accounting income i.e. differences that originate in one period and are capable of reversal in one or more subsequent periods. The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognised using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax assets are recognised only to the extent there is reasonable certainty that the asset can be realised in future; however, where there is unabsorbed depreciation or carried forward loss under taxation laws, deferred tax assets are recognised only if there is a virtual certainty supported by convincing evidence that sufficient future taxable income will be available against which such deferred tax assets can be realised. Deferred tax assets are reviewed as at each balance sheet date and written down or written up to reflect the amount that is reasonably/ virtually certain (as the case may be) to be realised.

vii) Cash and Cash Equivalents

In the cash flow statement, cash and cash equivalents includes balance in bank account.

viii) Provisions and Contingent Liabilities

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

MUMBAI
CHARTERED ACCOUNTANTS

PEL Finhold Private Limited

PEL Finhold Private Limited
Notes to Financial Statements
(Currency: Rs in lakhs)

	As at 31.03.2023	As at 31.03.2022
3. OTHER NON- CURRENT ASSETS		
Advance tax and tax deducted at source (net of provision for tax)	-	87.96
TOTAL	-	87.96

	As at March 31, 2023	As at March 31, 2022
4. CASH AND CASH EQUIVALENTS		
Balance with Banks		
- Current Accounts	16.95	53.86
TOTAL	16.95	53.86

	As at March 31, 2023	As at March 31, 2022
5. OTHER FINANCIAL ASSETS		
Dues from related party	6.56	
Interest accrued but not due on fixed deposits	0.15	-
Fixed deposits with banks with with original maturity of more than 12 months	125.00	-
TOTAL	131.71	-

	As at March 31, 2023	As at March 31, 2022
6. OTHER CURRENT ASSETS		
Balances with statutory authorities	63.80	0.06
TOTAL	63.80	0.06

Particulars	As at March 31, 2023	As at March 31, 2022
7. SHARE CAPITAL		
AUTHORISED 2,40,00,000 (previous year 2,40,00,000) Equity Shares of Rs.10/- each	2,400.00	2,400.00
ISSUED, SUBSCRIBED & PAID UP 2,35,30,000 (previous year 2,35,30,000) Equity Shares of Rs.10/- each	2,353.00	2,353.00
TOTAL	2,353.00	2,353.00

MUMBAI CHARTERED ACCOUNTANTS

PEL Finhold Private Limited

PEL Finhold Private Limited
Notes to Financial Statements
(Currency: Rs in lakhs)

a) Reconciliation of the equity shares outstanding at the beginning and at the end of the period

Equity Shares	As at March 31, 2023		As at March 31, 2022	
	No. of shares in Lakhs	Amount in Rs.in Lakhs	No. of shares in Lakhs	Amount in Rs.in Lakhs
Balance at the beginning of the year	235.30	2,353.00	0.30	3.00
Add: Issued during the year	-	-	235.00	2,350
Balance at the end of the year	**235.30**	**2,353.00**	**235.30**	**2,353.00**

b) Rights, preferences and restrictions attached to shares

Equity Shares: The company has one class of equity shares having a par value of Rs. 10 per share. Each shareholder is eligible for one vote per share held. 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 holding company

	As at March 31, 2023		As at March 31, 2022	
	No. of shares in Lakhs	Amount in Rs.in Lakhs	No. of shares in Lakhs	Amount in Rs.in Lakhs
Piramal Enterprises Limited	235.30	2,353.00	235.30	2,353.00

d) Details of shares held by shareholders holding more than 5% of the aggregate shares in the company

	As at March 31, 2023		As at March 31, 2022	
	No. of shares in Lakhs	Amount in Rs.in Lakhs	No. of shares in Lakhs	Amount in Rs.in Lakhs
Piramal Enterprises Limited	235.30	2,353.00	235.30	2,353.00

e) Details of shareholding of Promoters in the Company

	As at March 31, 2023			As at March 31, 2022		
	No. of shares	% of total shares	% change during the year	No. of shares	% of total shares	% change during the year
Piramal Enterprises Limited	235.30	100.00%	0.00%	235.30	100.00%	0.33333%
Rajesh Laddha #	0.00	0%	0.00%	0.00	0%	-0.03329%

Appointed Nominee held on behalf of Piramal Enterprises Limited

f) The Company had alloted 2,35,00,000 equity shares of Rs 10 each (issue price), fully paid to Piramal Enterprises Limited during the financial year ended March 31, 2022.

	As at March 31, 2023	As at March 31, 2022
8. OTHER EQUITY		
Capital Contribution	4,552.39	4,552.39
Retained Earnings		
As per Last Balance Sheet	(6,763.98)	(6,566.92)
Profit/(Loss) for the year	5.84	(197.06)
	(6,758.14)	(6,763.98)
TOTAL	**(2,205.75)**	**(2,211.59)**

	As at March 31, 2023	As at March 31, 2022
9. OTHER CURRENT LIABILITIES		
Accrued expenses	0.40	0.33
Statutory dues	62.86	0.02
TOTAL	**63.26**	**0.35**

10. CURRENT TAX LIABILITIES

Provision for tax (net of advance tax and tax deducted at source)	0.81	-
TOTAL	**0.81**	-

MUMBAI

PEL Finhold Private Limited

PEL Finhold Private Limited
Notes to Financial Statements

23 Ratio analysis

Ratio	Numerator	Denominator	For the year ended March 31, 2023	For the year ended March 31, 2022	variance (%)	Reason for variance
Current ratio	Current Assets	Current Liabilities	3.26	115.36	-97%	Repayment of outstanding liability during the current year
Debt-equity ratio	N.A	N.A	N.A	N.A	N.A	No debt during both the finanicial years
Debt service coverage ratio	Profit After Tax+Interest+Depreciation	Interest+Principal Repayments	N.A	(0.12)	-	No debt during both the finanicial years
Return on equity ratio	Profit After Tax	Average Shareholder Equity	0.01	0.21	-95%	Infusion of equity share capital during the previous year
Inventory turnover ratio	N.A	N.A	N.A	N.A	N.A	No revenue during both the finanicial years
Trade receivables turnover ratio (in days)	N.A	N.A	N.A	N.A	N.A	No revenue during both the finanicial years
Trade payables turnover ratio (in days)	N.A	N.A	N.A	N.A	N.A	No revenue during both the finanicial years
Net capital turnover ratio	N.A	N.A	N.A	N.A	N.A	No revenue during both the finanicial years
Net profit ratio (%)	N.A	N.A	N.A	N.A	N.A	No revenue during both the finanicial years
Return on capital employed	Earning before interest and Taxes	Capital Employed	0.04	-1.39	-103%	Infusion of equity share capital during the previous year and profit during the current year
Return on investment	N.A	N.A	N.A	N.A	N.A	No investments during both the finanicial years

*N.A - Not Applicable

24. The financial statements were approved by board of directors on April 28, 2023

25. Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.

Signature to note 1 to 25 of Financial Statements.

As per our report of even date attached

For M/s. D. Dadheech & Co.
Firm Registration Number :101981W
Chartered Accountants

For D. DADHEECH & CO. 319 Rex Chambers W. H. Marg, Mumbai-1. FRN : 101981W CA Chandrashekhar Chaubey M.No. 151363 CHARTERED ACCOUNTANTS

Chandrashekhar Chaubey
Partner
Membership No. 151363

Mumbai
Date : April 28 , 2023

For and on behalf of the Board of Directors
PEL Finhold Private Limited

Bipin Singh
Director

Ninad Navalkar
Director

Ankit Arora
Chief Financial Officer

Nicole Moniz
Company Secretary

Mumbai
Date : April 28 , 2023

PEL Finhold Private Limited

Piramal Dutch IM Holdco B.V. (i.l.)

located, Amsterdam

Report on the annual accounts
2022

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Financial statements

Balance sheet as at 31 December 2022
(Before distribution of result)

Assets

		31-12-2022		31-12-2021	
		$	$	$	$
Current assets					
Receivables	*1*		243		40.547
Cash					
Citi Bank		23.619		3.052.029	
Fixed deposit		-		60.000.000	
			23.619		63.052.029
			23.862		63.092.576

Balance sheet as at 31 December 2022

Liabilities

		31-12-2022		31-12-2021	
		$	$	$	$
Shareholders' equity	*2*				
Issued share capital	*3*	1		20.816.001	
Other reserve		32.183.814		28.526.422	
Distributed dividend		- 37.440.000		-	
Result for the year		5.258.715		4.797.393	
			2.530		54.139.816
Long-term liabilities					
Liabilities to group companies	*4*	-		8.600.000	
			-		8.600.000
Current liabilities, accruals and deferred income					
Liabilities to group companies	*5*	-		330.099	
Other liabilities and accrued expenses	*6*	21.332		22.661	
			21.332		352.760
			23.862		63.092.576

Profit and loss account for the year 2022

		2022		2021	
		$	$	$	$
General expenses	7	- 5.391.330		- 5.558.887	
Total operating expenses			- 5.391.330		- 5.558.887
Operating result			5.391.330		5.558.887
Other interest and similar income	8	30.186		29.003	
Interest and similar expenses	9	- 162.801		- 790.497	
Financial income and expense			- 132.615		- 761.494
Result of ordinary activities before taxation			5.258.715		4.797.393
Taxation			-		-
Net result after taxes			5.258.715		4.797.393

Notes to the financial statements

Entity information

Registered address and registration number trade register

The registered and actual address of Piramal Dutch IM Holdco B.V. (in liquidation) is Schiphol Boulevard 403, Tower C-4, 1118 BK Schiphol, The Netherlands. Piramal Dutch IM Holdco B.V. (i.l.) is registered at the trade register under number 65514769.

General notes

The most important activities of the entity

The activities of Piramal Dutch IM Holdco B.V. (i.l.) consist mainly of: financing and holding activities. The Company is put into voluntarily liquidation on 30 November 2022. The process of liquidation will be completed in the calendar year 2023.

The exemption of consolidation

Consolidation has not taken place, since Piramal Dutch IM Holdco B.V. (i.l.) has no subsidiaries.

On that basis Piramal Dutch IM Holdco B.V. (i.l.) can be classified as a micro sized company.

General accounting principles

The accounting standards used to prepare the financial statements

The financial statement is drawn up in accordance with the provisions of Title 9, Book 2 of the Dutch Civil Code and the Dutch Accounting Standards, as published by the Dutch Accounting Standards Board ('Raad voor de Jaarverslaggeving').

Assets and liabilities are generally valued at historical cost, production cost or at fair value at the time of acquisition. If no specific valuation principle has been stated, valuation is at historical cost.

Conversion of amounts denominated in foreign currency

Items included in the financial statements of Piramal Dutch IM Holdco B.V. (i.l.) are valued with due regard for the currency in the economic environment in which the corporation carries out most of its activities (the functional currency). The financial statements are denominated in USD; this is both the functional currency and presentation currency of Piramal Dutch IM Holdco B.V.

Foreign currency translation for the balance sheet

At the end of the reporting date, all monetary assets and liabilities denominated in foreign currencies are converted into USD at the rate of exchange prevailing at the balance sheet date, whereas non-monetary items that are measured in terms of historical cost in a foreign currency shall be translated using the exchange rate prevailing at the month of the transaction.

Accounting principles

Accounting principles for determining the result

The result is the difference between the realisable value of the goods/services provided and the costs and other charges during the year. The results on transactions are recognised in the year in which they are realised.

Income tax expense

Tax on the result is calculated based on the result before tax in the profit and loss account, taking account of the losses available for set-off from previous financial years and exempt profit components and after the addition of non-deductible costs. Due account is also taken of changes which occur in the deferred tax assets and deferred tax liabilities in respect of changes in the applicable tax rate.

Notes to the balance sheet

Fixed assets

	31-12-2022	31-12-2021
	$	$

Current assets

1 Receivables

	31-12-2022	31-12-2021
Receivables from group companies	243	11.544
Receivables from third parties	-	29.003
	243	40.547

2 Shareholders' equity

Movements in equity were as follows:

	Issued share capital	Other reserve	Result for the year	Total
	$	$	$	$
Balance as at 1 January 2021	20.816.001	28.526.422	4.797.393	54.139.816
Result for the year	-	-	5.258.715	5.258.715
Appropriation of result	-	4.797.393	- 4.797.393	-
Revaluate repaid shares	1.140.001	- 1.140.001		-
Repayment shares	- 21.956.001	-	-	- 21.956.001
Dividend		- 33.579.814	- 3.860.186	- 37.440.000
Balance as at or the year 2022	1	- 1.396.000	1.398.529	2.530

3 Issued share capital

After the repayment of shares during the period, the issued share capital of Piramal Dutch IM Holdco B.V. (i.l.) amounts to EUR 1 divided into 1 ordinary shares with a nominal value of EUR 1 each, which is translated into USD at the rate of exchange at the date of issue of the share.

On 24th of June 2021 PEL-DRG Holdco B.V. merged with Piramal Dutch IM Holdco B.V. (i.l.) and ceased to exist. The Company legally obtained all assets and liabilities of PEL-DRG Holdco BV.

	31-12-2022	31-12-2021
	$	$
Long-term liabilities		
4 Long-term liabilities		
Liabilities to group companies	-	8.600.000
	-	8.600.000
Liabilities to group companies		
Liability to IndiaReit Investment Management Company, Mauritius	-	8.600.000
	-	8.600.000
Current liabilities, accruals and deferred income		
5 Liabilities to group companies		
Liabilities to group companies	-	330.099
	-	330.099
Liabilities to group companies		
Liability to IndiaReit Investment Management Company, Mauritius	-	330.099
	-	330.099
6 Other liabilities and accrued expenses		
Audit fees and other accrued expenses	21.332	22.661

Appropriation of result

The management of the company proposes to appropriate the result as follows:

From the gain for the year 2022 in the amount of $ 5.258.715 an amount of $ 3.860.186 was distributed as dividend. The remaining amount of $ 1,398.529 will be added to the other reserves.

This proposal needs to be determined by the General Meeting and has therefore not yet been processed in these accounts.

Notes to the profit and loss account

	2022	2021
	$	$
7 General expenses		
Audit costs, review of the annual accounts	-	- 32.577
Currency translation differences	- 1.887	- 4.101
Bank expenses	2.212	1.654
VAT refund	-	- 4.694
Fair value gain/ loss on contingent consideration	- 5.474.191	- 13.122.452
Foreign Taxes	-	10.450.000
Professional charges	82.536	- 2.846.718
	- 5.391.330	- 5.558.887

8 Interest and similar income

	2022	2021
Interest receivable FD Barclays	30.186	29.003
	30.186	29.003

9 Interest and similar expenses

	2022	2021
Interest liabilities to group companies	66.444	416.582
Interest liabilities to Barclays	96.357	373.915
	162.801	790.497

Interest liabilities to group companies

	2022	2021
Interest liabilities to Piramal Enterprises Ltd.	66.444	416.582

Future outlook

The Company is put into voluntarily liquidation on 30 November 2022. The process of liquidation will be completed in the calendar year 2023.

25 January 2023
Piramal Dutch IM Holdco B.V. (i.l.)

DocuSigned by:

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V.V. Agarwal
Liquidator

INDEPENDENT AUDITOR'S REPORT

To the Members of

Piramal Consumer Products Private Limited

Report on the Ind AS Financial Statements

Opinion

We have audited the accompanying Ind AS financial statements **Piramal Consumer Products Private Limited** ("the Company"), which comprise the Balance Sheet as at 31st March, 2023, and the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the financial statements including 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 Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Ind AS, of the state of affairs (financial position) of the Company as at 31st March, 2023, and its profit (financial performance including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Basis for opinion

We conducted our audit in accordance with the standards on auditing specified under section 143 (10) of the Companies Act, 2013. 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 together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the code of ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. 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. Reporting of key audit matters as per SA 701, Key Audit Matters are not applicable to the Company as it is an unlisted company.

Information other than the financial statements and auditors' report thereon

The Company's board of directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexures to Board's

A-3, Mandovi Apartment, Chedda Nagar, Chembur West, Mumbai, MH – 400089 Contact No. +91 9527821820, 9423689220. Email: mayur@themkc.in

Report, Business Responsibility Report but does not include the financial statements and our auditor's report thereon.

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

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

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Ind AS financial statements that give a true and fair view of the state of affairs(financial position), profit or loss (financial performance including other comprehensive income), cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS 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 are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibility

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

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

a) 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

Mayur Khandelwal & Co. ★ Chartered Accountants ★

detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

b) 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 Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls

c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

d) Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

e) 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.

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

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards. 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 Companies Act, 2013, we give

Mayur Khandelwal & Co. ★ Chartered Accountants ★

in the Annexure "A", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

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 it appears from our examination of those books.

c) The Balance Sheet, the Statement of Profit and Loss, 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 Indian Accounting Standards prescribed under section 133 of the Act.

e) On the basis of the written representations received from the directors as on 31st March 2023 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 Section 164(2) of the Act.

f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, the company has not paid any remuneration to its directors during the year hence provisions of section 197 of the Act shall not be applicable.

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, as amended, in our opinion and to the best of our information and according to the explanations given to us:

i. The Company does not have any pending litigations which would impact its financial position;

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and

iii. There are no amounts which are required to be transferred, to the Investor Education and Protection Fund by the Company.

iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"),

Mayur Khandelwal & Co. * Chartered Accountants * 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) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("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;

(c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

v. The company has not declared or paid any dividend during the year.

For M/s. Mayur Khandelwal & Co.
Chartered Accountants
FRN: 134723W

(MAYUR KHANDELWAL)
Partner
Membership No. 146156

Mayur Khandelwal & Co. * Chartered Accountants *

UDIN: 23146156BGZEDI9620
Mumbai: May 03, 2023

Annexure 'A'
To the independent auditor's report

[Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditor's Report of even date to the members of **Piramal Consumer Products Private Limited** on the Ind AS financial statements for the year ended 31st March 2023]

(i) The company does not hold any Property, Plant and Equipment, intangible assets and immovable properties accordingly, reporting on paragraph 3 (i) of the order is not applicable.

(ii) (a) The company does not have any inventory and hence reporting on paragraph 3 (ii) (a) of the order is not applicable.

(b) During any point of time of the year, the company has not been sanctioned working capital limits from banks or financial institutions and hence reporting on paragraph 3 (ii) (b) of the order is not applicable.

(iii) According to the information explanation provided to us, the Company has not made any investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties. Hence, the requirements under paragraph 3(iii) of the Order are not applicable to the Company.

(iv) In our opinion, based on our examination and according to information and explanation given to us, the company has not granted any loans or provided any guarantees or given any security or made any investments to which the provision of section 185 and 186 of the Companies Act, 2013 applies and hence reporting on paragraph 3 (iv) of the order is not applicable.

(v) In our opinion, based on our examination and according to information and explanation given to us, the company has not accepted any deposits and hence reporting on paragraph 3 (v) of the order is not applicable.

(vi) The Central Government of India has not prescribed the maintenance of cost records under sub-section (1) of section 148 of the Act for any of the activities of the company and hence reporting on paragraph 3 (vi) of the order is not applicable.

(vii) (a) The Company is regular in depositing undisputed statutory dues including income-tax and any other statutory dues as applicable to the Company to the appropriate authorities.

(b) There are no dues of income tax which have not been deposited on account of any disputes.

(viii) There are no unrecorded transactions in the books of accounts which have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961(43 of 1961).

Mayur Khandelwal & Co. Chartered Accountants

(ix) (a) In our opinion, based on our examination and according to information and explanation given to us, the company does not have any loans or other borrowings from any lender and hence reporting on paragraph 3 (ix) (a) to (f) of the order is not applicable.

(x) a. According to the information and explanations given to us and based on our examination of the records of the company, the company has not raised any money by way of initial public offer or further public offer (including debt instruments).

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 made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year.

(xi) (a) No fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

(b) No report under sub-section (12) of section 143 of the Companies 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 and upto the date of this report.

(c) The company has not received any whistle-blower complaints during the year and hence reporting on paragraph 3 (xi) (c) of the order is not applicable.

(xii) The Company is not a Nidhi Company and accordingly, paragraph 3(xii) of the Order is not applicable to the Company.

(xiii) In our opinion and according to the information and explanations given to us and based on our examination of the records of the company, transactions with the related parties are in compliance with section 188 of the Act. Where applicable, the details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards. Further provisions of section 177 of the Act are not applicable to the company.

(xiv) Internal audit is not applicable to the Company; hence paragraph 3(xiv) of the Order is not applicable to the Company.

(xv) In our opinion during the year the Company has not entered into any non-cash transactions with its directors or persons connected with its directors. and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.

(xvi) According to the information and explanation given to us, the Company is not required to be registered under section 45IA of the Reserve Bank of India Act, 1934.

(xvii) The company has not incurred cash losses in the financial year and immediately preceding financial year.

(xviii) There has been no resignation of statutory auditors during the year.

(xix) On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based

Mayur Khandelwal & Co. Chartered Accountants

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 indicating 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) According to the information and explanations given to us, the provisions of section 135 of the Act are not applicable to the Company. Hence, the provisions of paragraph 3 (xx) (a) to (b) of the Order are not applicable to the Company.

(xxi) According to the information and explanations given to us, the Company does not have any Subsidiary, Associate or Joint Venture. Accordingly, reporting under clause 3(xxi) of the Order is not applicable.

For M/s. Mayur Khandelwal & Co.
Chartered Accountants
FRN: 134723W

Mayur Khandelwal & Co. Chartered Accountants

(MAYUR KHANDELWAL)
Partner
Membership No. 146156

UDIN: 23146156BGZEDI9620
Mumbai: May 03, 2023

Annexure "B"
To the independent auditor's report

(Referred to in paragraph 2 (f) under 'Report on other legal and regulatory requirements' section of our report to the Members of **Piramal Consumer Products Private Limited** of even date)

Report on the internal financial controls over financial reporting 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 **Piramal Consumer Products Private Limited** ("the Company") as at March 31, 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 board of directors of the Company 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. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company 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") issued by the Institute of Chartered Accountants of India and the standards on auditing prescribed under Section 143 (10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those standards and the guidance note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting were established and maintained and if such controls operated effectively in all material respects.

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

Mayur Khandelwal & Co. ★ Chartered Accountants ★

external purposes in accordance with generally accepted accounting principles.

A company's internal financial control over financial reporting includes those policies and procedures that (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (ii) 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 (iii) 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.

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 of 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 and according to the information and explanations given to us, the Company has, in all material respects, an adequate internal financial control system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 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 M/s. Mayur Khandelwal & Co.
Chartered Accountants
FRN: 134723W

Mayur Khandelwal & Co. ★ Chartered Accountants ★

(MAYUR KHANDELWAL)
Partner
Membership No. 146156

UDIN: 23146156BGZEDI9620
Mumbai: May 03, 2023

Piramal Consumer Products Private Limited
Balance Sheet
(Currency: Indian Rupees in Lakhs)

Particulars	Note No	As at 31.03.2023	As at 31.03.2022
ASSETS			
Non-current assets			
(a) Financial Assets			
(i) Other Financial Assets	3	-	-
(b) Other non-current assets	4	0.66	28.56
Current assets			
(a) Financial Assets			
(i) Cash and cash equivalents	5	65.81	2,289.33
(ii) Other financial assets	6	2,278.06	-
(b) Other current assets	7	-	0.22
Total Assets		**2,344.53**	**2,318.11**
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share capital	8	1,457.04	1,457.04
(b) Other Equity	9	884.00	851.84
Liabilities			
Current liabilities			
(a) Financial Liabilities			
i) Trade Payable			
(A) total outstanding dues of micro enterprises and small enterprises; and		0.07	-
(B) total outstanding dues of creditors other than micro enterprises and small enterprises.		2.89	8.83
(b) Other Current Liabilities	10	0.53	0.40
Total Equity and Liabilities		**2,344.53**	**2,318.11**
See accompanying notes to the Financial Statements			

For M/s. Mayur Khandelwal & Co.
Firm Registration Number :134723W
Chartered Accountants

Mayur Khandelwal
Partner
Membership No. 146156

Mayur Khandelwal & Co. Chartered Accountants

Mumbai
Date : May 03, 2023

For and on behalf of the Board of Directors
Pirmal Consumer Products Privare Limited

Ninad Navalkar
Director

Bipin Singh
Director

Purushottam Tamhankar
Chief Financial Officer

Dhwani Chheda
Company Secretary

Mumbai
Date : May 03, 2023

Piramal Consumer Products Private Limited

Piramal Consumer Products Private Limited
Statement of Profit and loss
(Currency: Indian Rupees In Lakhs)

Particulars	Note No	For the Year Ended 31.03.2023	For the Year Ended 31.03.2022
I. Revenue from operations	11	71.27	151.35
II. Other Income	12	2.66	-
III. Total Income	(I + II)	73.93	151.35
IV. Expenses:			
Employee benefit expenses	13	9.44	7.13
Finance costs		0.00	-
Depreciation and amortisation expense		-	-
Other expenses	14	2.34	1.72
Total Expenses		11.78	8.85
V. Profit before exceptional items and tax	(III - IV)	62.15	142.50
VI. Exceptional items		-	-
VII. Profit / (Loss) before tax	(V-VI)	62.15	142.50
VIII. Tax expense:			
(1) Current tax		15.62	20.86
(2) Deferred tax		-	-
(3)Taxation of earlier years		14.37	
IX. Profit/(Loss) from continuing operations	(VII-VIII)	32.16	121.64
X. Profit/(Loss) from discontinued operations		-	-
XI. Tax expense from discontinuing operations		-	-
XII. Profit/(Loss) from discontinuing operations after tax	(X-XI)	-	-
XIII. Profit / (Loss) for the period	(IX+XII)	32.16	121.64
XIV. Other Comprehensive Income			
A. (i) Items that will not be reclassified to profit or loss		-	-
(ii) Income tax relating to items that will not be reclassified to profit or loss		-	-
B. (i) Items that will be reclassified to profit or loss		-	-
(ii) income tax relating to items that will be reclassified to profit or loss		-	-
XV. Total Comprehensive Income for the period (XIII+XIV)	(XIII+XIV)	32.16	121.64
XVI. Earning per equity share (for discontinued operation):			
1. Basic EPS (In Rs.)		-	-
2. Diluted EPS (In Rs.)		-	-
XVI. Earning per equity share (for discontinued & continuing operation):	15		
1. Basic EPS (In Rs.)		0.22	0.83
2. Diluted EPS (In Rs.)		0.22	0.83
See accompanying notes to the Financial Statements			

For M/s. Mayur Khandelwal & Co.
Firm Registration Number :134723W
Chartered Accountants

Mayur Khandelwal
Partner
Membership No. 146156

Mumbai
Date : May 03, 2023

Mayur Khandelwal & Co. * Chartered Accountants *

For and on behalf of the Board of Directors
Pirmal Consumer Products Privare Limited

Ninad Navalkar
Director

Bipin Singh
Director

Purushottam Tamhankar
Chief Financial Officer

Dhwani Chheda
Company Secretary

Mumbai
Date : May 03, 2023

Piramal Consumer Products Private Limited *

Piramal Consumer Products Private Limited
Statement of Cash Flow
(Currency: Indian Rupees In Lakhs)

	Particulars	For the Year ended 31.3.2023	For the Year ended 31.3.2022
A.	**CASH FLOW FROM OPERATING ACTIVITIES**		
	Profit before tax	62.15	142.50
	Adjustments :	-	-
	Interest income on loans given	-	(151.35)
	Provision for expected credit losses	-	0.14
	Interest on Fixed Deposits	(71.27)	-
	Interest on income tax refunds	(2.66)	-
	Interest expenses on others	0.00	-
	(Operating Loss) before Working Capital Changes	**(11.78)**	**(8.71)**
	Adjustments For Changes In Working Capital :		
	- (Increase) in Other Current Assets	0.22	(0.01)
	- (Increase) in Other Financial Assets	(2,278.05)	-
	- Increase / (Decrease) in Trade Payables	(5.87)	8.24
	- Increase / (Decrease) in Other Current Liabilities	0.13	0.15
	Cash Generated From Operations	**(2,295.35)**	**(0.33)**
	- Taxes Paid (Net of Refunds)	(2.10)	(35.87)
	Net Cash From / (Used in) Operating Activities (A)	**(2,297.45)**	**(36.20)**
B.	**CASH FLOW FROM INVESTING ACTIVITIES**		
	Interest received	73.93	151.35
	Net Cash From /(Used in) Investing Activities (B)	**73.93**	**151.35**
C.	**CASH FLOW FROM FINANCING ACTIVITIES**	-	-
	Net Increase / (Decrease) in Cash & Cash Equivalents (A)+(B)+ (C)	**(2,223.52)**	**115.15**
	Cash and Cash Equivalents as at 31.3.2022	2,289.33	2,174.18
	Cash and Cash Equivalents as at 31.3.2023	**65.81**	**2,289.33**
	Cash and Cash Equivalents Comprise of:		
	Balances with Banks	**65.81**	**2,289.33**

The above Statement of cash flows should be read in conjunction with the accompanying notes

For M/s. Mayur Khandelwal & Co.
Firm Registration Number :134723W
Chartered Accountants

Mayur Khandelwal
Partner
Membership No. 146156

Mayur Khandelwal & Co. Chartered Accountants

Mumbai
Date : May 03, 2023

For and on behalf of the Board of Directors
Pirmal Consumer Products Privare Limited

Ninad Navalkar
Director

Bipin Singh
Director

Purushottam Tamhankar
Chief Financial Officer

Dhwani Chheda
Company Secretary

Mumbai
Date : May 03, 2023

Piramal Consumer Products Private Limited

Piramal Consumer Products Private Limited
Statement of Changes in Equity for the year ended March 31, 2023
(Currency: Indian Rupees In Lakhs)

A. Equity Share Capital

(1) Current reporting period

Balance at the beginning of the current reporting period	Changes in equity share capital during the current year	Balance at the end of the current reporting period
1,457.04	-	1,457.04

(2) Previous reporting period

Balance at the beginning of the current reporting period	Changes in equity share capital during the current year	Balance at the end of the current reporting period
1,457.04	-	1,457.04

B. Other Equity

(1) Current reporting period

Reserves and Surplus			
Particulars	Capital Contribution	Retained Earnings	Total
Balance at the beginning of the current reporting period	-	851.84	851.84
Total Comprehensive Income for the current year	-	32.16	32.16
Balance at the end of the current reporting period	-	884.00	884.00

(2) Previous reporting period

Reserves and Surplus			
Particulars	Capital Contribution	Retained Earnings	Total
Balance at the beginning of the current reporting period	-	730.19	730.19
Total Comprehensive Income for the current year	-	121.65	121.65
Balance at the end of the current reporting period	-	851.84	851.84

For M/s. Mayur Khandelwal & Co.
Firm Registration Number :134723W
Chartered Accountants

Mayur Khandelwal
Partner
Membership No. 146156

Mayur Khandelwal & Co. Chartered Accountants

Mumbai
Date : May 03, 2023

For and on behalf of the Board of Directors
Pirmal Consumer Products Privare Limited

Ninad Navalkar
Director

Bipin Singh
Director

Purushottam Tamhankar
Chief Financial Officer

Dhwani Chheda
Company Secretary

Mumbai
Date : May 03, 2023

Piramal Consumer Products Private Limited

Piramal Consumer Products Private Limited
Notes to Financial Statements for the year ended March 31,2023

1. BACKGROUND

The Company was incorporated on July 18, 2012 and is a investment holding Company having CIN U74120MH2012PTC233525

2. SIGNIFICANT ACCOUNTING POLICIES

i) Compliance with Ind AS

The separate financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act.
Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to the existing accounting standard requires a change in the accounting policy hitherto in use.

Historical Cost convention

The separate financial statements have been prepared on the historical cost basis.

ii) Basis of preparation and presentation

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current and non current classification of assets and liabilities.

iii) Financial instruments

Financial assets and financial liabilities are recognised 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 fair value through profit or loss) 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 fair value through profit or loss are recognised immediately in profit or loss.

iv) Provisions, contingent liabilities and contingent assets

Provisions are recognised when there is a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

v) Revenue recognition

Sale of goods: Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer, based on the applicable incoterms. The Company recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the Company and the revenue recognition criteria have been complied.

Mayur Khandelwal & Co. * Chartered Accountants

Piramal Consumer Products Private Limited

vi) **Taxation**

Tax expense for the period, comprising current tax and deferred tax, are included in the determination of the net profit or loss for the period. Current tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act, 1961.

vii) **Current tax**

Current tax expense is recognised on a annual basis under the taxes payable method, based on the estimated tax liability computed after taking credit for allowances and exemption in accordance with the Income Tax Act, 1961. In case of matters under appeal due to disallowance or otherwise, full provision is made when the said liabilities are accepted by the Company.

Deferred tax is recognised in respect of timing differences between taxable income and accounting income i.e. differences that originate in one period and are capable of reversal in one or more subsequent periods. The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognised using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax assets are recognised only to the extent there is reasonable certainty that the asset can be realised in future; however, where there is unabsorbed depreciation or carried forward loss under taxation laws, deferred tax assets are recognised only if there is a virtual certainty supported by convincing evidence that sufficient future taxable income will be available against which such deferred tax assets can be realised. Deferred tax assets are reviewed as at each balance sheet date and written down or written up to reflect the amount that is reasonably/ virtually certain (as the case may be) to be realised.

viii) **Cash and Cash Equivalents**
In the cash flow statement, cash and cash equivalents includes balance in bank account.

xi) **Foreign Currency Transaction**
The transaction in foreign exchange are accounted at the exchange rate prevailing on the date of transactions. Gain or loss resulting from the settlement of such transaction and from the transiation monetary assets and liabilities denominated in foreign currency are recognised in the Statement of Profit and Loss.

x) **Investments and Other Financial assets**
<u>**Equity instruments**</u>
The Company subsequently measures all equity investments at fair value. Where the Company's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss. Dividends from such investments are recognised in profit or loss when the Company's right to receive payments is established.

Mayur Khandelwal & Co. Chartered Accountants

Piramal Consumer Products Private Limited

Piramal Consumer Products Private Limited
Notes to Financial Statements (Continued)
(Currency: Indian Rupees in Lakhs)

	As at March 31, 2023	As at March 31, 2022
3 OTHER FINANCIAL ASSETS		
Deposits	0.10	0.10
Less: provision for expected credit losses	(0.10)	(0.10)
TOTAL	-	-

	As at March 31, 2023	As at March 31, 2022
4 OTHER NON CURRENT ASSETS		
Advance tax and tax deducted at source [Net of Provision of tax: Rs.2,98,27,305; Previous year: Rs.2,66,86,030]	0.66	28.56
TOTAL	**0.66**	**28.56**

	As at March 31, 2023	As at March 31, 2022
5 CASH AND CASH EQUIVALENTS		
Balance with Banks		
- in current account	65.81	2,289.33
TOTAL	**65.81**	**2,289.33**

	As at March 31, 2023	As at March 31, 2022
6 OTHER FINANCIAL ASSETS		
Interest accrued but not due on fixed deposits	3.06	-
Fixed deposits with banks with with original maturity of more than three months but less than 12 months	2,275.00	-
TOTAL	**2,278.06**	-
7 OTHER CURRENT ASSETS		
Balances with with government / statutory audthorities	-	0.22
TOTAL	-	**0.22**

8 SHARE CAPITAL

Particulars	As at March 31, 2023		As at March 31, 2022	
	Number	Rs. In Lakhs	Number	Rs. In Lakhs
<u>Authorised</u>				
Equity Shares of Rs. 10/- each	7,50,00,000	7,500.00	7,50,00,000	7,500.00
	7,50,00,000	**7,500.00**	**7,50,00,000**	**7,500.00**
<u>Issued</u>				
<u>Subscribed & Fully Paid Up</u>				
Equity Shares of Rs. 10/- each fully paid-up	1,45,70,380	1,457.04	1,45,70,380	1,457.04
Total	**1,45,70,380**	**1,457.04**	**1,45,70,380**	**1,457.04**

Mayur Khandelwal & Co. ★ Chartered Accountants ★

Piramal Consumer Products Private Limited

Piramal Consumer Products Private Limited
Notes to Financial Statements (Continued)
(Currency: Indian Rupees In Lakhs)

a) Reconciliation of shares:

Particulars	Equity Shares As at March 31, 2023		Equity Shares As at March 31, 2022	
	Number	Rs. In Lakhs	Number	Rs. In Lakhs
At the beginning of the year	1,45,70,380	1,457.04	1,45,70,380	1,457.04
Issued during the period	-	-	-	-
At the end of the Year	**1,45,70,380**	**1,457.04**	**1,45,70,380**	**1,457.04**

b) **Terms / rights attached to equity share:**

Equity shares of Rs.10/- each fully paid. Each holder of equity shares is entitled to one vote of shares.
In the event of the liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholder.

c) **Shares held by holding company**

Name of Shareholder	As at March 31, 2023 No. of shares	Rs. In Lakhs	As at March 31, 2022 No. of shares	Rs. In Lakhs
Piramal Enterprises Limited	1,45,70,379	1,457.04	1,45,70,379	1,457.04

d) **Details of shareholders holding more than 5% shares in the Company**

Name of Shareholder	As at March 31, 2023 No. of Shares held	% of Holding	As at March 31, 2022 No. of Shares held	% of Holding
Piramal Enterprises Limited	1,45,70,379	99.99%	1,45,70,379	99.99%

e) **Details of shareholding of Promoters in the Company**

	As at March 31, 2023		
	No. of shares	% of total shares	% change during the year
Piramal Enterprises Limited	1,45,70,379	99.99%	-
Bipin Singh *	1	0.01%	N.A.

	As at March 31, 2022		
	No. of shares	% of total shares	% change during the year
Piramal Enterprises Limited	1,45,70,379	99.99%	-
Rajesh Laddha *	1	0.01%	-100%

* The shares held by Rajesh Laddha / Bipin Singh are jointly held with Piramal Enterprises Limited

	As at March 31, 2023	As at March 31, 2022
9 OTHER EQUITY		
Retained Earnings		
As per last Balance Sheet	851.83	730.19
Profit for the year	32.16	121.64
TOTAL	**883.99**	**851.83**

	As at March 31, 2023	As at March 31, 2022
10 OTHER CURRENT LIABILITIES		
Accrual Expenses	0.53	0.33
Other liabilities	-	0.07
TOTAL	**0.53**	**0.40**

Mayur Khandelwal & Co. ★ Chartered Accountants

Piramal Consumer Products Private Limited ★

Piramal Consumer Products Private Limited
Notes to Financial Statements (Continued)
(Currency: Indian Rupees in Lakhs)

	For the year ended March 31, 2023	For the year ended March 31, 2022
11 REVENUE FROM OPERATIONS		
Other Operating Income		
Interest received	71.27	151.35
	71.27	**151.35**

	For the year ended March 31, 2023	For the year ended March 31, 2022
12 OTHER INCOME		
Interest income		
- Income tax refund	2.66	-
TOTAL	**2.66**	**-**

	For the year ended March 31, 2023	For the year ended March 31, 2022
13 EMPLOYEE BENEFITS EXPENSES		
Salaries and Wages	9.43	7.12
Staff Welfare	0.01	0.01
TOTAL	**9.44**	**7.13**

14 OTHER EXPENSES	For the year ended March 31, 2023	For the year ended March 31, 2022
Professional fees	1.79	0.20
Auditors' remuneration (refer note below)	0.26	0.05
Rates & Taxes	0.35	1.31
Bank charges	0.02	0.02
Provision for expected credit losses	-	0.14
Sundry balances written off (net)	(0.08)	-
TOTAL	**2.34**	**1.72**

Note : Breakup of Auditors' remuneration

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Auditors' remuneration in respect of:		
- Statutory Audit (excluding taxes)	0.25	0.05
- Other services	0.01	-
TOTAL	**0.26**	**0.05**

15 Earnings Per Share (EPS) – EPS is calculated by dividing the profit attributable to the equity shareholders by the weighted average number of equity shares outstanding during the year. Numbers used for calculating basic and diluted earnings per equity share are as stated below:

The computation of earnings per share is set out below:

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Profit attributable to shareholders	32.16	121.64
Number of Shares	1,45,70,380	1,45,70,380
Weighted average number of Shares	1,45,70,380	1,45,70,380
Earning Per Share (In Rupees)	0.22	0.83
Face value per share (In Rupees)	10.00	10.00

Mayur Khandelwal & Co. * Chartered Accountants

Piramal Consumer Products Private Limited

(Currency: Indian Rupees In Lakhs)

16 Income Tax Relating to Operations

a) Income tax recognised in profit or loss

	For the year ended March 31, 2023	For the year ended March 31, 2022
Current tax		
In respect of the current year	15.62	20.86
	15.62	20.86
Deferred tax		
In respect of the current year	-	-
Total income tax expense recognised in the current year	-	-

b) Income tax recognised in other comprehensive income

	For the year ended March 31, 2023	For the year ended March 31, 2022
Current tax	-	-
Deferred tax	-	-
Total income tax recognised in other comprehensive income	-	-

The Income Tax expense for the year can be reconciled to the accounting profit as follows:		
Profit / (Loss) before tax	62.15	142.50
Income Tax expense calculated @25.17%	15.64	35.87
Others	(0.02)	(15.01)
Income Tax expense recognised in profit or loss	15.62	20.86

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Piramal Consumer Products Private Limited

(Currency: Indian Rupees In Lakhs)

17 Capital Management

The Company manages its capital to ensure that it will be able to continue as going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance. The capital structure of the Company primarily consists of total equity only.

The Company determines the amount of capital required on the basis of annual as well as operating plans and other strategic investment plans.The funding requirements are met through equity or other long-term /short-term borrowings from Piramal Enterprises Limited, the Holding Company.

Foreign Currency Risk Management
There are no derivative / forward contracts outstanding as on March 31, 2023

18 Related Party Disclosures

(A) Controlling Company
- Piramal Enterprises Limited

(B) Fellow subsidiary company
- Piramal Systems and Technologies Private Limited
- PHL Fininvest Pvt Ltd *

* w.e.f from 01.04.2022 onwards PHL Fininvest Pvt Ltd has been merged into Piramal Enterprises Limited as per composite scheme of arrangement, approved by the Hon'ble National Company Law Tribunal on 12 August 2022.

(C) Details of Transactions and closing balances

	Controlling / Fellow subsidiary	
	March 31,2023	March 31, 2022
Loan Received / (Given)		
- PHL Fininvest Pvt Ltd	-	(2,100.00)
Loan Repayment to / (repayment from)		
- PHL Fininvest Pvt Ltd	-	(2,100.00)
Employee benefits expense		
- Piramal Enterprises Limited	9.44	7.13
Rates & taxes		
- Piramal Enterprises Limited	1.69	1.28
Interest Paid / (Received)		
- PHL Fininvest Pvt Ltd	(71.27)	(151.35)
Payables		
- Piramal Enterprises Limited	2.78	8.48

19 Disclosures as required by the Micro, Small and Medium Enterprises Development Act, 2006 ("MSMED Act") are as under:

Particulars	As at March 31, 2023	As at March 31, 2022
Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end	0.07	-
Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end	0.00	-
Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
Interest paid, other than under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
Interest paid, under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
Interest due and payable towards suppliers registered under MSMED Act, for payments already made	-	-
Further interest remaining due and payable for earlier years	-	-

The above information regarding Micro, Small and Medium Enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company.

Mayur Khandelwal & Co. Chartered Accountants

Piramal Consumer Products Private Limited

Piramal Consumer Products Private Limited
Notes to Financial Statements (Continued)
(Currency: Indian Rupees In Lakhs)

20 Risk Management

The Company's activities expose it to liquidity risk.

Liquidity Risk refers to insufficiency of funds to meet the financial obligations. Liquidity Risk Management implies maintenance of sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit lines to meet obligations when due. The funding requirements are met through equity or other long-term /short-term borrowings from Piramal Enterprises Limited, the Hodling Company.

21 Ageing schedule of trade payables

Particulars	As at March 31, 2023			
	Outstanding for following periods from due date of payment			
	Less than 1 year	1-2 years	2-3 years	Total
(i)MSME	0.07	-	-	0.07
(ii)Others	2.86	0.03	-	2.89
(iii) Disputed dues — MSME	-	-	-	-
(iv) Disputed dues — Others	-	-	-	-

Particulars	As at March 31, 2022			
	Outstanding for following periods from due date of payment			
	Less than 1 year	1-2 years	2-3 years	Total
(i)MSME	-	-	-	-
(ii)Others	8.83	-	-	8.83
(iii) Disputed dues — MSME	-	-	-	-
(iv) Disputed dues — Others	-	-	-	-

22 The financial statements were approved by board of directors on May 03, 2023

23 There are no contingent liabilities for the year ended March 31, 2023 (Previous year : Nil)

Mayur Khandelwal & Co. ★ Chartered Accountants ★

Piramal Consumer Products Private Limited ★

24 Other Statutory Information

i The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.

ii The company does not have any transaction with struck off companies.

iii The Company does not have any such transactions which is not recorded in the books of account that has been surrendered or disclosed as income during the year in the tax assessments under the income tax act, 1961 (such as search or survey or any other relevant provisions of the Income Tax Act 1961).

iv The Company do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

v The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

vi The Company has not been declared as a wilful defaulter by any bank or financial institution (as defined under Companies Act, 2013) or consortium thereof, in accordance with the guidance on wilful defaulters issued by Reserve Bank of India.

vii The Company has complied with the number of layers prescribed under clause (87) of Section 2 of the act read with companies (Restriction on number of Layers) Rules, 2017.

viii The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

ix Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

(b) provided any guarantee, security or the like on behalf of the Ultimate Beneficiaries

x No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources of kind of funds) to any other person(s) of entity(ies), including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the intermediary shall lend or invest in a party ("Ultimate Beneficiaries") identified by or on behalf of the Company. There are no funds received from any party(s) (Funding Party) with the understanding that the Company shall whether, directly or indirectly lend or invest in other persons or entities ("Ultimate beneficiaries") identified by or on behalf of the funding party or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

Mayur Khandelwal & Co. * Chartered Accountants

Piramal Consumer Products Private Limited *

25 Ratio disclosure

Ratio	Numerator	Denominator	For the year ended March 31, 2023	For the year ended March 31, 2022	variance (%)	Reason for variance
Current ratio	Current Assets	Current Liabilities	672.64	248.15	171%	Increase in current assets and decrease in current liabilities in the current year viz-a-viz previous year
Debt-equity ratio	N.A.	N.A.	N.A	N.A	N.A	
Debt service coverage ratio	N.A.	N.A.	N.A	N.A	N.A	
Return on equity ratio	Profit After Tax	Shareholder's Equity	0.01	0.05	-74%	Lower current year profits as compared to previous year
Inventory turnover ratio	N.A.	N.A.	N.A	N.A	N.A	
Trade receivables turnover ratio (in days)	N.A.	N.A.	N.A	N.A	N.A	
Trade payables turnover ratio (in days)	N.A.	N.A.	N.A	N.A	N.A	
Net capital turnover ratio	Revenue from Operations	Working Capital	0.03	0.07	-54%	Decrease in revenue during the year
Net profit ratio (%)	Profit After Tax	Revenue from Operations	0.45	0.80	-44%	Decrease in revenue during the year
Return on capital employed	Earnings before interest and taxes	Capital Employed	0.03	0.06	-57%	Lower current year profits as compared to previous year
Return on investment	N.A	N.A	N.A	N.A	N.A	

N.A.: Not Applicable

Mayur Khandelwal & Co. Chartered Accountants

Piramal Consumer Products Private Limited

26 Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.

Signature to note 1 to 26 of Financial Statements

As per our report of even date attached
For M/s. Mayur Khandelwal & Co.
Firm Registration Number :134723W
Chartered Accountants

Mayur Khandelwal
Partner
Membership No. 146156

Mumbai
Date : May 03, 2023

For and on behalf of the Board of Directors
Piramal Consumer Products Private Limited

Ninad Navalkar
Director

Bipin Singh
Director

Purushottam Tamhankar
Chief Financial Officer

Dhwani Chheda
Company Secretary

Mumbai
Date : May 03, 2023

Walker Chandiok & Co LLP
Chartered Accountants
11th Floor, Tower II, One International Center
S B Marg, Prabhadevi (W)
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T R Chadha & Co LLP
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Independent Auditor's Report

To the Members of Piramal Capital & Housing Finance Limited (formerly known as Dewan Housing Finance Corporation Limited)

Report on the Audit of the Standalone Financial Statements

Opinion

1. We have audited the accompanying standalone financial statements of **Piramal Capital & Housing Finance Limited (formerly known as Dewan Housing Finance Corporation Limited)** ('the Company'), which comprise the Balance Sheet as at **31 March 2023**, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flow and the Statement of Changes in Equity for the year then ended, and notes to the standalone financial statements, including a summary of the significant accounting policies and other explanatory information.

2. 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 ('Ind AS') specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, the relevant circulars, guidelines and directions issued by the Reserve Bank of India (RBI) from time to time ('RBI Guidelines') and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2023, and its loss (including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing 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 financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter – Business Combination

4. We draw attention to Note 39B to the accompanying standalone financial statements with respect to approval of the resolution plan submitted by the erstwhile Piramal Capital & Housing Finance Limited ('ePCHFL') in respect of the Corporate Insolvency Resolution Process of Dewan Housing Finance Corporation Limited ("DHFL") under Section 31 of the Insolvency and Bankruptcy Code, 2016, consequent to which ePCHFL had merged into DHFL with effect from 30 September 2021 (hereinafter referred to as 'the business combination'). As is more fully described in the aforesaid note, the aforesaid business combination had been given effect in the accompanying Statement for the year ended 31 March 2022 in line with the accounting principles prescribed for reverse acquisition business combinations under Ind AS 103, Business Combinations, and other applicable Indian Accounting Standards, except to the extent effect given in accordance with the accounting treatment prescribed in the resolution plan approved by the National Company Law Tribunal vide their order dated 7 June 2021. Based on the opinion of legal and tax experts, the Company had not recognized certain deferred tax assets and had recognized a provision against contingent tax liabilities pertaining to income tax

obligation of DHFL for the year ended 31 March 2020 and 31 March 2021, while determining the fair value of assets and liabilities acquired by way of the business combination. As explained in Note 39B to the accompanying standalone financial statements during the year ended 31 March 2023, the Company received assessment order from Income Tax Department completing the assessment proceedings u/s 143(3) of the Income Tax Act, 1961 for the financial year ended 31 March 2021 wherein Company's submissions relating to uncertain tax position of DHFL were accepted by the assessing officer. Further, in view of the management, the tax assessment for the financial year ended 31 March 2020 is time barred. Accordingly, as disclosed in the said Note 32, the Company has reversed the contingent tax provision of Rs. 3,32,754 lakhs in the current year and disclosed the same as "Reversal of Tax Provision – Earlier Years" in the standalone financial statement.

Our opinion is not modified in respect of this matter.

Key Audit Matters

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

6. We have determined the matters described below to be the key audit matters to be communicated in our report.

Key audit matter	How our audit addressed the key audit matter
Expected Credit Loss allowance on financial assets Refer note 2.(iv) for significant accounting policy and note 44.4 for financial disclosures in the accompanying financial statements As at 31 March 2023, the Company has reported gross loan assets of Rs. 4,715,148 lakhs against which an impairment loss allowance of Rs. 720,488 lakhs has been recognised based on the Expected Credit Loss ("ECL") approach as laid down under 'Ind AS 109 – Financial Instruments' (Ind AS 109). The estimation of ECL on financial assets is complex and involves significant management judgement and estimates, including the following: • Models used to estimate ECL are inherently judgmental with high estimation uncertainty which involves determining Probability of Default (PD), Loss Given Default (LGD) and Exposure at Default (EAD). • Completeness and accuracy of the data from internal and external sources used in the models.	Our audit focused on assessing the appropriateness of the models used including management's judgment and estimates used in the expected credit loss assessment through procedures that included, but were not limited to the following: • Considered the Company's accounting policies for expected credit loss of financial assets and assessed compliance of the policies in terms of Ind AS 109. • Understood management's processes, systems and controls implemented in relation to ECL allowance process. Evaluated the design and tested the operating effectiveness of key internal financial controls over such process. • Obtained an understanding of the modelling techniques adopted by the Company including the key inputs and assumptions. Since modelling assumptions and parameters are based on external data, we assessed whether the same were relevant and representative of current circumstances.

Key audit matter	How our audit addressed the key audit matter
• Ind AS 109 requires the Company to measure ECLs on a forward-looking basis reflecting future economic conditions. Significant management judgement is applied in determining the economic scenario used. • Qualitative adjustments are made by the Management to the results obtained from ECL models to address any identified impairment or emerging trends as well as risks not captured by models. These adjustments are inherently subjective and significant management judgement is involved in estimating these amounts. • In respect of purchased or originated credit impaired financial assets, cumulative changes, at the portfolio level, in lifetime expected credit losses since initial recognition are recognised as a loss allowance. Significant management judgement is applied to assess such changes. The disclosures prescribed under Ind AS 107 and RBI directives is also an area of focus for the management and auditors. Considering the significance of ECL to the overall financial statements and the degree of management's estimates and judgments involved in this matter that requires significant auditor attention, we have considered expected credit loss allowance on financial assets to be a key audit matter.	• Assessed the critical assumptions and input data used in the estimation of expected credit loss for specific key credit risk parameters, such as the classification of loan assets into stages as described in the accounting policy, Exposure at default (EAD), probability of default (PD) or loss given default (LGD); • On sample basis tested the completeness and accuracy of the input data used for calculation of ECL by applying the PD and LGD rates and agreed the data with the underlying books of accounts and records; • Evaluated whether the methodology applied by the Company is compliant with the requirements of the relevant accounting standards and confirmed that the calculations are performed in accordance with the approved methodology, including mathematical accuracy of the workings. • Assessed the appropriateness and adequacy of the related presentation and disclosures made in the accompanying financial statements in accordance with the applicable accounting standards and related RBI circulars and guidelines.
Information Technology (IT) systems and controls impacting financial reporting The IT environment of the Company is complex and involves a number of independent and interdependent IT systems used in the operations of the Company for processing and recording a large volume of transactions. As a result, there is a high degree of reliance and dependency on such IT systems for the financial reporting process of the Company.	Our audit procedures with respect to this matter included, but were not limited to the following: In assessing the controls over the IT systems of the Company, we involved our technology specialists to obtain an understanding of the IT environment, IT infrastructure and IT systems. We evaluated and tested relevant IT general controls and IT application controls of the "in-scope" IT systems identified as relevant for our audit of the standalone financial statements and financial reporting process of the Company.

Key audit matter	How our audit addressed the key audit matter
Appropriate IT general controls and IT application controls are required to ensure that such IT systems are able to process the data as required, completely, accurately, and consistently for reliable financial reporting. We have identified certain key IT systems ("in-scope" IT systems) which have an impact on the financial reporting process and the related control testing as a key audit matter because of the high level of automation, significant number of systems being used by the Company for processing financial transactions, the complexity of the IT architecture and its impact on the financial records and financial reporting process of the Company.	On such "in-scope" IT systems, we have tested key IT general controls with respect to the following domains: a. Program change management, which includes that program changes are moved to production environment as per defined procedures and relevant segregation of environment is ensured. b. User access management, which includes user access provisioning, de-provisioning, access review, password management, sensitive access rights and segregation of duties to ensure that privilege access to applications, operating system and databases in the production environment were granted only to authorized personnel. c. Other areas that were assessed under the IT control environment included backup management, interface, batch processing and monitoring. We also evaluated the design and tested the operating effectiveness of key IT application controls within key business processes, which included testing automated calculations, automated accounting procedures, system interfaces, system reconciliation controls and key system generated reports, as applicable. Where control deficiencies were identified, we tested compensating controls or performed alternative audit procedures, where necessary.
Principal Business Criteria and Impairment Assessment of Goodwill Refer note 2.(xviii) for the accounting policy and note 49 for the disclosures in the accompanying financial statements As disclosed in note 39A, the Company had recognized Rs. 1,025,681 lakhs as Goodwill arising from the merger of erstwhile Piramal Housing Finance Limited with Piramal Finance Limited and Piramal Capital Limited on 31 March 2018 in line with the scheme of arrangement approved by the NCLT. Further, the Company has impaired Goodwill amounting to Rs. 1,025,681 lakhs in the current financial year as mentioned in note 49.	Our audit procedures on impairment assessment of Goodwill and compliance with Principal Business Criteria included, but were not limited to, the following: • Assessed the management's identification of CGU, the allocation of assets and the methodology adopted by the management in its impairment assessment of Goodwill with reference to the requirements of the prevailing accounting standards;

Key audit matter	How our audit addressed the key audit matter
As per the requirements of Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021 ('RBI Directions') a Housing Finance Company ('HFC') is required to comply with the Principal Business Criteria ('PBC') to be eligible to continue to hold the Housing Finance Company license. In order to meet the PBC, the Company has adopted a revised business strategy to reduce the Assets under Management ('AUM') in the wholesale lending business, acquired as above, as further described in Note 49. In accordance with the requirements of Ind AS 36 Impairment of Assets, the Company tests Goodwill allocated to various cash generating units (CGUs) for impairment annually, or more frequently when there is an indication that the Goodwill may be impaired. In performing such impairment assessment, management compared the carrying value of the separately identifiable CGU with the respective value in use based on discounted cash flow forecast to determine if any impairment loss should be recognised. The management of the Company has used an external valuation specialist in assessing the recoverable amount of the cash generating unit as aforesaid. The preparation of discounted cashflow forecasts for the purpose of assessing impairment of Goodwill involves estimating future cash flows, growth rates and discount rates considering the impact of revision in business strategy to maintain PBC criteria which are judgmental and inherently uncertain. Given the complexity and judgement involved in assessment of impairment of Goodwill made by the Company and the criticality of meeting the PBC for a HFC, these matters have been considered of most significance and hence, the same has been considered as key audit matter. The above matter is also considered to be fundamental to the understanding of the users of the financial statements.	• Evaluated the assumptions adopted in the preparation of the cash flow forecasts for the purpose of the impairment assessment of the Goodwill, including projected future growth rates for income and expenses. Further, ensured such forecasts are consistent with the business plans approved by the Board of Directors; • Obtained the revised business strategy of the Company approved by the Board of Directors in order to achieve the PBC threshold as stated in the RBI Directions. Compared this with actual reduction in AUM of wholesale lending business and increase in retail housing business to evaluate management's assessment of meeting such criteria within the time period allowed by RBI; • Obtained and reviewed the external valuation reports, considered by the Company for its impairment assessment and assessed the competence, capabilities and objectivity of the experts engaged; • Involved our valuation specialists to assess the appropriateness of the valuation methodology used for calculation of the recoverable value in the valuation report obtained by the management. • Assessed the impact of changes in the key assumptions, i.e., growth rates and the discount rates, adopted in the discounted cash flow forecasts on the conclusions reached in the impairment assessments and assessed whether there were any indicators of the management bias in the selection of these assumptions; • Tested the arithmetical accuracy of the computation of recoverable amounts of cash generating units; • Evaluated the adequacy of financial statement disclosures, including disclosures of key assumptions and judgements in accordance with applicable accounting standards.

Information other than the Financial Statements and Auditor's Report thereon

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

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

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

   When we read the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

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

8. The accompanying standalone financial statements have been approved by the Company's Board of Directors. The Company's Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS specified under section 133 of the Act and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

10. Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

11. Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Standards on Auditing 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.

12. As part of an audit in accordance with Standards on Auditing, specified under section 143(10) of the Act 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 the override of internal control;

    - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls;

    - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;

    - Conclude on the appropriateness of Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern;

    - Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation;

13. 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.

14. 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.

15. 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.

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Other Matter

16. The audit of the standalone financial statements of the Company for the year ended 31 March 2022-was carried out and reported jointly by K. K. Mankeshwar & Co. and Walker Chandiok & Co LLP, who have expressed an unmodified opinion vide audit report dated 26 May 2022 which has been furnished to T R Chadha & Co LLP, the incoming joint statutory auditor of the Company and has been relied upon by them for the purpose of their joint audit of the standalone financial statements.

    Our opinion is not modified in respect of this matter.

Report on Other Legal and Regulatory Requirements

17. As required by section 197(16) of the Act based on our audit, 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.

18. As required by the Companies (Auditor's Report) Order, 2020 ('the Order') issued by the Central Government of India in terms of section 143(11) of the Act we give in the Annexure A, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

19. Further to our comments in Annexure A, as required by section 143(3) of the Act based on our audit, we report, to the extent applicable, that:

    a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the accompanying standalone financial statements;

    b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

    c) The standalone financial statements dealt with by this report are in agreement with the books of account;

    d) In our opinion, the aforesaid standalone financial statements comply with Ind AS specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 the relevant circulars, guidelines and directions issued by the Reserve Bank of India (RBI) from time to time ('RBI Guidelines'), note 39B to the extent effect given in accordance with the accounting treatment prescribed in the resolution plan approved by the National Company Law Tribunal vide their order dated 7 June 2021 as is more fully described in the said Note;

    e) On the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2023 from being appointed as a director in terms of section 164(2) of the Act;

    f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company as on 31 March 2023 and the operating effectiveness of such controls, refer to our separate Report in Annexure B wherein we have expressed an unmodified opinion; and

CHANDIOK & CO LLP CHARTERED ACCOUNTANTS

Chadha & Co

g) 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 (as amended), in our opinion and to the best of our information and according to the explanations given to us:

i. The Company, as detailed in note 36(a) to the standalone financial statements, has disclosed the impact of pending litigations on its financial position as at 31 March 2023;

ii. The Company, as detailed in note 45 to the standalone financial statements, has made provision as at 31 March 2023, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts;

iii. The following delays were noted in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company during the year ended 31 March 2023

Amount (₹ in Lakhs)	Due date	Date of payment
5.75	28 December 2019	19 August 2022
7.57	28 September 2020	23 August 2022
17.58	28 March 2021	23 August 2022
12.46	29 September 2021	23 August 2022
11.55	27 December 2021	19 August 2022

Refer Note 17 for reasons of delay in transferring the above amounts.

iv. a. The management has represented that, to the best of its knowledge and belief, as disclosed in note 51(vii) to the standalone financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or securities premium or any other sources or kind of funds) by the Company to or in any person(s) or entity(ies), including foreign entities ('the 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 ('the Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf the Ultimate Beneficiaries;

b. The management has represented that, to the best of its knowledge and belief, as disclosed in note 51(viii) to the standalone financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ('the 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. Based on such audit procedures performed as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the management representations under sub-clauses (a) and (b) above contain any material misstatement.

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v. The Company has not declared or paid any dividend during the year ended 31 March 2023.

vi. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 requires all companies which use accounting software for maintaining their books of account, to use such an accounting software which has a feature of audit trail, with effect from the financial year beginning on 1 April 2023 and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 (as amended) is not applicable for the current financial year.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No:001076N/N500013

Rakesh Rathi
Partner
Membership No:045228

UDIN:23045228BGYRWS6401

Place: Mumbai
Date: 05 May 2023

For **T R Chadha & Co LLP**
Chartered Accountants
Firm's Registration No:006711N/N500028

Hitesh Garg
Partner
Membership No:502955

UDIN:23502955BGQPWH8087

Place: Mumbai
Date: 05 May 2023

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Annexure A referred to in Paragraph 18 of the Independent Auditor's Report of even date to the members of Piramal Capital & Housing Finance Limited on the standalone financial statements for the year ended 31 March 2023

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit, and to the best of our knowledge and belief, we report that:

(i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment and right of use assets.

(B) The Company has maintained proper records showing full particulars of intangible assets.

(b) The property, plant and equipment and right of use assets, have been physically verified by the management during the year and no material discrepancies were noticed on such verification. In our opinion, the frequency of physical verification programme adopted by the Company, is reasonable having regard to the size of the Company and the nature of its assets.

(c) The title deeds of all the immovable properties held by the Company (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in note 11 to the standalone financial statements are held in the name of the Company.

(d) The Company has not revalued its Property, Plant and Equipment including Right of Use assets or intangible assets during the year.

(e) No proceedings have been initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended) and rules made thereunder.

(ii) (a) The Company does not hold any inventory. Accordingly, reporting under clause 3(ii)(a) of the Order is not applicable to the Company.

(b) As disclosed in note 14 to the standalone financial statements, the Company has been sanctioned a working capital limit in excess of Rs. 5 crore by banks and financial institutions based on the security of current assets. The quarterly statements, in respect of the working capital limits have been filed by the Company with such banks and/or financial institutions and such statements are in agreement with the books of account of the Company for the respective periods, which were subject to audit/review.

(iii) (a) The Company is a Housing Finance Company and its principal business is to give loans. Accordingly, reporting under clause 3(iii)(a) of the Order is not applicable to the Company.

(b) In our opinion, and according to the information and explanations given to us, the investments made, guarantees provided, security given and terms and conditions of the grant of all loans and advances in the nature of loans and guarantees provided are, prima facie, not prejudicial to the interest of the Company.

Annexure A (Contd)

('c) The Company is a Housing Finance Company ('HFC'), registered under provisions of the National Housing Bank Act, 1987 and rules made thereunder and is regulated by various regulations, circulars and norms issued by the Reserve Bank of India including Master Circular – Prudential norms on Income Recognition, Asset Classification and Provisioning pertaining to Advances. In respect of loans and advances in the nature of loans granted by the Company, we report that the schedule of repayment of principal and payment of interest has been stipulated and the repayments/receipts of principal and interest are regular except for instances as below:

Particulars – Days past due	Total amount due (INR in Lakhs)	No. of Cases
1-29 days	159,885	79,935
30-59 days	60,347	23,084
60-89 days	99,974	11,193
90 or more days	163,512	24,195
Purchased or Originated Credit Impaired	98,268	37,324
Total	**581,986**	**175,731**

Above figures are net of Fair Value adjustments on account of business combination (refer note no. 39B to the financial statements). Further, the above table does not include loans which are classified as fair value through profit or loss.

(d) According to the information and explanations given to us, the total amount which is overdue for more than 90 days in respect of loans and advances in the nature of loans given in course of the business operations of the Company aggregates to Rs 163,512 lakhs as at 31 March 2023 in respect of 24,195 number of loans. Further, reasonable steps as per the policies and procedures of the Company have been taken for recovery of such principal and interest amounts overdue.

('e) The Company is a Housing Finance Company and its principal business is to give loans. Accordingly, reporting under 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, which are repayable on demand or without specifying any terms or period of repayment.

(iv) The Company is a Housing Finance Company and engaged in the business of financing. Accordingly, the provision of Section 185 is not applicable to the Company. In our opinion, and according to the information and explanations given to us, the Company has complied with the provisions of sections 186(1) of the Act in respect of loans and investments made. The other provisions of Section 186 are not applicable to the Company.

(v) In our opinion, and according to the information and explanations given to us, the Company has not accepted any deposits or there are no amounts which have been deemed to be deposits within the meaning of sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, reporting under clause 3(v) of the Order is not applicable to the Company.

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T R Chadha & Co LLP Chartered Accountants

Annexure A (Contd)

(vi) The Central Government has not specified maintenance of cost records under sub-section (1) of section 148 of the Act, in respect of Company's products/ services/ business activities. Accordingly, reporting under clause 3(vi) of the Order is not applicable.

(vii) (a) In our opinion, and according to the information and explanations given to us, 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 other material statutory dues, as applicable, have generally been regularly deposited with the appropriate authorities by the Company, though there have been slight delays in a few cases. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, there are no statutory dues referred in sub-clause (a) which have not been deposited with the appropriate authorities on account of any dispute except for the following:

Name of the statute	Nature of dues	Gross Amount (₹ In Lakhs)	Amount paid under Protest (₹ In Lakhs)	Period to which the amount relates	Forum where dispute is pending	Remarks, if any
The Income Tax Act, 1961	Income tax	24	-	Assessment year 2014-15	Income Tax Appellate Tribunal	-
The Income Tax Act, 1961	Income tax	3,968	-	Assessment year 2017-18	Assessing Officer	-
The Income Tax Act, 1961	Income tax	6,747	-	Assessment year 2018-19	Commissioner of Income Tax (Appeal)	-
The Income Tax Act, 1961	TDS	5,534	435	Assessment year 2017-18	Commissioner of Income Tax (Appeal)	-
The Income Tax Act, 1961	TDS	511	40	Assessment year 2018-19	Commissioner of Income Tax (Appeal)	-
The Income Tax Act, 1961	TDS	510	40	Assessment year 2019-20	Commissioner of Income Tax (Appeal)	-

Annexure A (Contd)

Name of the statute	Nature of dues	Gross Amount (₹ In Lakhs)	Amount paid under Protest (₹ In Lakhs)	Period to which the amount relates	Forum where dispute is pending	Remarks, if any
The Income Tax Act, 1961	TDS	1,268	100	Assessment year 2020-21	Commissioner of Income Tax (Appeal)	-
The Income Tax Act, 1961	Income tax	2,735	-	Assessment year 2020-21	Commissioner of Income Tax (Appeal)	-
The Income Tax Act, 1961	Income tax	5,004	-	Assessment year 2022-23	Rectification request filed with CPC	-
The Income Tax Act, 1961	Disallowances of expenses & exemptions availed	726	-	Assessment year 2017-18	Income Tax Appellate Tribunal	-
The Income Tax Act, 1961	Disallowances of expenses & exemptions availed	1,238	-	Assessment year 2021-22	Bombay High court	-
Goods and Service Tax Act, 2017	Variation in RCM Liability and Input Tax Credit	21	-	Financial Year 2017-18	Adjudicating Officer	-

(viii) According to the information and explanations given to us, no transactions were surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961) which have not been previously recorded in the books of account.

(ix) (a) According to the information and explanations given to us, the Company has not defaulted in repayment of its loans or borrowings or in the payment of interest thereon to any lender.

(b) According to the information and explanations given to us including representation received from the management of the Company, and on the basis of our audit procedures, we report that the Company has not been declared a willful defaulter by any bank or financial institution or government or any government authority.

Annexure A (Contd)

(c) In our opinion and according to the information and explanations given to us, money raised by way of term loans were applied for the purposes for which these were obtained, though idle funds which were not required for immediate utilisation have been invested in readily realisable liquid investments.

(d) In our opinion and according to the information and explanations given to us, and on an overall examination of the financial statements of the Company, funds raised by the Company on short term basis have, prima facie, not been utilised for long term purposes.

(e) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, 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, the Company has not raised any loans during the year on the pledge of securities held in its subsidiaries, joint venture or associate company.

(x) (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments), during the year. Accordingly, reporting under clause 3(x)(a) of the Order is not applicable to the Company.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or (fully, partially or optionally) convertible debentures during the year. Accordingly, reporting under clause 3(x)(b) of the Order is not applicable to the Company.

(xi) (a) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or no material fraud on the Company has been noticed or reported during the period covered by our audit.

(b) According to the information and explanations given to us including the representation made to us by the management of the Company, no report under sub-section 12 of section 143 of the Act has been filed by the auditors in Form ADT- 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014, with the Central Government for the period covered by our audit.

(c) According to the information and explanations given to us including the representation made to us by the management of the Company, there are no whistle-blower complaints received by the Company during the year.

(xii) The Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it. Accordingly, reporting under clause 3(xii) of the Order is not applicable to the Company.

(xiii) In our opinion and according to the information and explanations given to us, all transactions entered into by the Company, with the related parties are in compliance with sections 177 and 188 of the Act. The details of such related party transactions have been disclosed in the standalone financial statements etc., as required under Indian Accounting Standard (Ind AS) 24, Related Party Disclosures specified in Companies (Indian Accounting Standards) Rules 2015 as prescribed under section 133 of the Act.

WALKER CHANDIOK & CO LLP MUMBAI CHARTERED ACCOUNTANTS

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Annexure A (Contd)

(xiv) (a) In our opinion and according to the information and explanations given to us, the Company has an internal audit system as per the provisions of section 138 of the Act which is commensurate with the size and nature of its business.

(b) We have considered the reports issued by the Internal Auditors of the Company till date for the period under audit.

(xv) According to the information and explanation given to us, the Company has not entered into any non-cash transactions with its directors or persons connected with its directors and accordingly, reporting under clause 3(xv) of the Order with respect to compliance with the provisions of section 192 of the Act are not applicable to the Company.

(xvi) (a) The Company is a Housing Finance Company having a valid Certificate of Registration under Section 29A of the NHB Act, 1987 and is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 in terms of exemption granted under Master Direction - Exemptions from the provisions of RBI Act, 1934 dated 25 August 2016 (as amended). Accordingly, reporting under clause 3(xvi) (a) and (b) of the Order is not applicable to the Company.

(c) According to the information and explanations given to us, the Company is not a Core Investment Company (CIC) as defined in the regulations made by the RBI. Accordingly, reporting under clause 3(xvi)(c) of the Order is not applicable to the Company.

(d) Based on the information and explanations given to us and as represented by the management of the Company, the Group (as defined in Core Investment Companies (Reserve Bank) Directions, 2016) has only one CIC as part of the Group.

(xvii) The Company has not incurred any cash losses in the current financial year as well as the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors during the year. Accordingly, reporting under clause 3(xviii) of the Order is 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 realisation of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements, our knowledge of the plans of the Board of Directors and management 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 indicating 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.

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Annexure A (Contd)

(xx) According to the information and explanations given to us, the Company does not have any unspent amounts towards Corporate Social Responsibility in respect of any ongoing or other than ongoing project as at the end of the financial year. Accordingly, reporting under clause 3(xx) of the Order is not applicable to the Company.

(xxi) The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of standalone financial statements of the Company. Accordingly, no comment has been included in respect of said clause under this report.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No:001076N/N500013

Rakesh Rathi
Partner
Membership No:045228

UDIN:23045228BGYRWS6401

Place: Mumbai
Date: 05 May 2023

For **T R Chadha & Co LLP**
Chartered Accountants
Firm's Registration No:006711N/N500028

Hitesh Garg
Partner
Membership No:502955

UDIN:23502955BGQPWH8087

Place: Mumbai
Date: 05 May 2023

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Annexure B to the Independent Auditor's Report of even date to the members of Piramal Capital & Housing Finance Limited (formerly Dewan Housing Finance Corporation Limited) on the standalone financial statements for the year ended 31 March 2023

Independent Auditor's Report on the internal financial controls with reference to the standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')

1. In conjunction with our audit of the standalone financial statements of **Piramal Capital & Housing Finance Limited (formerly known as Dewan Housing Finance Corporation Limited)** ('the Company') as at and for the year ended **31 March 2023**, we have audited the internal financial controls with reference to financial statements of the Company as at that date.

Responsibilities of Management and Those Charged with Governance for Internal Financial Controls

2. The Company's Board of Directors is responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting ('the Guidance Note') issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of the Company's business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility for the Audit of the Internal Financial Controls with Reference to Standalone Financial Statements

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to standalone financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the ICAI prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements, and the Guidance Note issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.

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

5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to financial statements.

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Annexure B (Contd)

Meaning of Internal Financial Controls with Reference to Financial Statements

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

Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

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

Opinion

8. In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to standalone financial statements and such controls were operating effectively as at 31 March 2023, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No:001076N/N500013

Rakesh Rathi
Partner
Membership No:045228

UDIN:23045228BGYRWS6401

Place: Mumbai
Date: 05 May 2023

For **T R Chadha & Co LLP**
Chartered Accountants
Firm's Registration No:006711N/N500028

Hitesh Garg
Partner
Membership No:502955

UDIN:23502955BGQPWH8087

Place: Mumbai
Date: 05 May 2023

Piramal Capital & Housing Finance Limited
(formerly known as Dewan Housing Finance Corporation Limited)

Standalone Balance Sheet
as at March 31, 2023

(Currency : Rs in lakhs)

		Note	As at March 31, 2023	As at March 31, 2022
	ASSETS			
1	**Financial assets:**			
(a)	Cash and cash equivalents	3	101,533	461,860
(b)	Bank balances other than (a) above	4	68,145	54,038
(c)	Derivative financial instruments	45	9,811	2,749
(d)	Loans	5	4,183,582	4,756,018
(e)	Investments	6	1,317,495	1,391,395
(f)	Other financial assets	7	84,773	112,535
2	**Non-financial assets:**			
(a)	Current tax assets (net)	8	72,393	62,106
(b)	Deferred tax assets (net)	9	142,427	-
(c)	Property, Plant and Equipment	11	32,307	38,517
(d)	Right-of-use assets	11	23,945	12,171
(e)	Intangible assets under development	11	353	1,217
(f)	Goodwill	11	-	1,025,681
(g)	Other intangible assets	11	11,648	5,678
(h)	Other non-financial assets	10	36,385	46,255
	Total Assets		6,174,797	7,970,220
	LIABILITIES AND EQUITY			
	Liabilities			
1	**Financial liabilities:**			
(a)	Payables			
	Trade payables			
	(i) Total outstanding dues of micro and small enterprises	12	241	134
	(ii) Total outstanding dues of creditors other than micro and small enterprises	12	28,764	51,875
(b)	Debt securities	13	2,552,399	2,871,266
(c)	Borrowings (other than debt securities)	14	1,464,478	1,491,055
(d)	Deposits	15	31,552	266,600
(e)	Subordinated debt liabilities	16	12,688	12,660
(f)	Other financial liabilities	17	166,502	89,925
2	**Non-financial liabilities:**			
(a)	Current tax liabilities (net)	18	59,208	340,889
(b)	Provisions	19	6,099	10,200
(c)	Deferred tax liabilities (net)	9	-	60,746
(d)	Other non-financial liabilities	20	362,877	548,949
	Equity			
(a)	Equity share capital	21	2,136,469	2,136,469
(b)	Other equity	22	(646,482)	89,452
	Total Liabilities and Equity		6,174,797	7,970,220
	Significant accounting policies	2		

The notes referred to above forms an integral part of the financial statements.

As per our report of even date attached

For Walker Chandiok & Co LLP
Chartered Accountants
Firm Registration No. 001076N/N500013

Rakesh Rathi
Partner
Membership No: 045228

For T R Chadha & Co LLP
Chartered Accountants
Firm's Registration No: 006711N/N500028

Hitesh Garg
Partner
Membership No: 502955

For and on behalf of the Board of Directors of
Piramal Capital & Housing Finance Limited

Jairam Sridharan
Managing Director
DIN: 05165390

Ajay Piramal
Chairman
DIN: 00028116

Vikash Singhla
Chief Financial Officer

Bipin Singh
Company Secretary

Mumbai, May 5, 2023

Piramal Capital & Housing Finance Limited
(formerly known as Dewan Housing Finance Corporation Limited)

Standalone Statement of Profit and Loss
For the year ended March 31, 2023

(Currency : Rs in lakhs)

	Note	For the year ended March 31, 2023	For the year ended March 31, 2022
Revenue from operations			
Interest income	*23*	632,243	590,332
Rental income		118	118
Fees and commission income	*24*	26,817	13,411
Total Revenue from operations		659,178	603,861
Other income	*25*	5,851	6,611
Total Income		665,029	610,472
Expenses			
Finance costs	*26*	345,333	333,224
Fees and commission expenses	*27*	2,988	1,645
Net loss on fair value changes	*28*	77,211	41,808
Net loss on derecognition of financial instruments under amortised cost category	*29(a)*	326,553	2,206
Impairment on financial instruments	*29(b)*	(15,928)	62,725
Employee benefits expenses	*30*	56,104	29,469
Depreciation, amortisation and impairment	*11*	9,497	5,236
Other expenses	*31*	118,202	48,489
Total Expenses		919,960	524,802
Profit/(Loss) before exceptional items and tax		(254,931)	85,670
Less: Exceptional items			
Impairment of Goodwill	*49*	1,025,681	
Transaction Cost on Merger	*39B*		14,272
Profit/(Loss) before tax		(1,280,612)	71,398
Less: Tax Expenses	*32*		
Current tax		-	56,325
Reversal of tax provisions – Earlier years		(332,754)	-
Deferred tax		(205,375)	(37,502)
		(538,129)	18,823
Profit/(Loss) for the year		(742,483)	52,575
Other comprehensive Income			
Items that will not be reclassified to Statement of profit or loss			
Remeasurement of the defined benefit plan		130	47
Equity Instruments Measure through OCI		8,981	-
Income tax relating to items that will not be reclassified to Statement of profit or loss		(2,293)	(12)
Items that will be reclassified to Statement of profit or loss			
Remeasurement gain/(loss) on hedge accounting		1,343	1,299
Debt Instruments Measure through OCI		(1,705)	
Income tax relating to items that will be reclassified to Statement of profit or loss		91	(327)
Net other comprehensive Income		6,547	1,007
Total comprehensive Income for the year		(735,936)	53,582
Earnings per equity share (Basic and Diluted) (Rs.)	*33*	(3.48)	0.25
Significant accounting policies	*2*		

The notes referred to above forms an integral part of the financial statements.

As per our report of even date attached.

For Walker Chandiok & Co LLP
Chartered Accountants
Firm Registration No. 001076N/N500013

For T R Chadha & Co LLP
Chartered Accountants
Firm's Registration No. 006711N/N500028

For and on behalf of the Board of Directors of Piramal Capital & Housing Finance Limited

Rakesh Rathi
Partner
Membership No: 045228

Hitesh Garg
Partner
Membership No: 502955

Jairam Sridharan
Managing Director
DIN: 05165390

Ajay Piramal
Chairman
DIN: 00028116

Vikash Singhla
Chief Financial Officer

Bipin Singh
Company Secretary

Mumbai, May 5, 2023

Piramal Capital & Housing Finance Limited

(formerly known as Dewan Housing Finance Corporation Limited)

Standalone Cash Flow Statement

For the year ended March 31, 2023

(Currency : Rs in lakhs)

		For the year ended March 31, 2023	For the year ended March 31, 2022
A.	**Cash flow from operating activities**		
	Profit / (loss) before tax	(1,280,612)	71,398
	Gain on Sale of Investments	(8,374)	(8,220)
	Interest income from fixed deposits	(4,837)	(251)
	Provision for Doubtful Advances	13,399	
	Goodwill written off	1,025,681	
	(Gain)/Loss on fair valuation	85,585	50,029
	Allowance for expected credit loss on loans and loan commitments	(15,928)	62,725
	Interest on lease payment	1,972	523
	Finance Cost	345,333	333,224
	Change in provision for gratuity and compensated absence	517	416
	Loss on derecognition of financial assets/Liabilities	326,553	2,206
	Gain on sale of fixed assets	(262)	
	Depreciation and amortisation	9,497	5,235
	Operating cash flow before working capital changes	498,524	517,285
	Decrease / (Increase) in Loans	159,381	376,503
	Decrease / (Increase) in Investments	(256,111)	(58,418)
	Decrease / (Increase) in other financials assets	27,762	67,189
	Decrease / (Increase) in other Non financials assets	(3,529)	(4,440)
	Increase / (Decrease) in Trade Payables	(3,002)	11,123
	Increase / (Decrease) in Provisions	130	(2,799)
	Increase / (Decrease) in other financials liabilities	63,685	4,725
	Increase / (Decrease) in other non financials liabilities	6,978	(971)
	Cash (used in)/from operations	493,818	910,197
	Less: Income taxes (paid) / refund	40,787	(41,693)
	Net cash (used in)/from operating activities (a)	534,605	868,504
B	**Cash flow from investing activities**		
	Purchase of Fixed assets	(14,475)	(4,597)
	Sale proceeds from Fixed assets	11,540	-
	Investments/Additional investment in Subsidiaries	(9,613)	-
	Payment of consideration for business acquisition (refer below note)		(191,847)
	Invesments in mutual funds	(5,244,200)	(1,015,500)
	Redemptions from mutual funds	5,385,714	1,081,659
	Interest income from fixed deposits	4,837	1,002
	Investment in fixed deposits	(104,208)	(338,643)
	Redemption from fixed deposits	90,025	435,422
	Net cash (used in)/ from Investing activities (b)	119,620	(32,504)
C	**Cash flow from financing activities**		
	Payment of Lease Liability	(5,972)	(2,882)
	Borrowings taken during the year	810,925	891,899
	Borrowings repaid during the year	(1,729,505)	(1,727,983)
	Net cash (used in)/from financing activities (c)	(924,552)	(838,966)
	Net (decrease) in cash and cash equivalents (a+b+c)	(270,327)	(2,966)

Piramal Capital & Housing Finance Limited
(formerly known as Dewan Housing Finance Corporation Limited)

Standalone Cash Flow Statement
For the year ended March 31, 2023

(Currency : Rs in lakhs)

	For the year ended March 31, 2023	For the year ended March 31, 2022
Cash and cash equivalents as at beginning of the year	461,860	355,901
Add: Cash and cash equivalent transferred under Scheme of merger	-	108,924
Cash and cash equivalents as at end of the year	191,533	461,860
Cash and Cash Equivalents Comprise of:		
Cash on hand	-	574
Balances with banks in current accounts	191,533	186,819
Fixed deposits (with original maturity less than 3 months)	-	274,467
	191,533	[illegible]

The standalone cash flow statement has been prepared under the 'Indirect Method' set out in Indian Accounting Standard-7, "Statement of cash flow"

Note: During the previous year, the Company has paid Rs.1,471,747 lakhs in cash of which Rs.1,280,000 lakhs paid out of acquired cash and has issued Rs.1,953,252 lakhs of NCD as part of resolution plan approved by NCLT dated June 7, 2021. (Refer note 39B)

The notes referred to above forms an integral part of the financial statements.

As per our report of even date attached.

For Walker Chandiok & Co LLP
Chartered Accountants
Firm Registration No. 001076N/N500013

Rukesh Rathi
Partner
Membership No: 045228

For T R Chadha & Co LLP
Chartered Accountants
Firm's Registration No: 006711N/N500028

Hitesh Garg
Partner
Membership No: 502955

For and on behalf of the Board of Directors of Piramal Capital & Housing Finance Limited

Jairam Sridharan
Managing Director
DIN: 05165390

Ajay Piramal
Chairman
DIN: 00028116

Vikash Singhla
Vikash Singhla
Chief Financial Officer

Bipin Singh
Company Secretary

Mumbai, May 5, 2023

Piramal Capital & Housing Finance Limited
(formerly known as Dewan Housing Finance Corporation Limited)

Standalone Statement of changes in equity
For the year ended March 31, 2023

(Currency : Rs in lakhs)

A. Equity Share Capital:

Particulars	Amount
Balance as at March 31, 2021	1,928,372
Less: Cancellation of shares upon business combination (Refer Note 39B)	(1,928,372)
Add: Issue of shares pursuant to business combination (Refer Note 39B)	2,136,469
Balance as at March 31, 2022	2,136,469
Add: Issues during the year	-
Balance as at March 31, 2023	2,136,469

B. Other Equity:

Particulars	Reserves and Surplus					Other Comprehensive Income			Total
	Amalgamation Adjustment Reserve	Statutory Reserve	Capital Reserve	Securities Premium	Retained Earnings	Debt Instruments Measured through OCI	Equity Instruments Measured through OCI	Cash flow hedging reserve	
Balance as at March 31, 2021		50,150	3	16,080	155,655			(1,596)	220,292
Add/(Less): Transfer during the year		10,515			-			972	11,487
Add: Profit during the year					52,574				52,574
Add: Other Comprehensive Income (net of tax)					35				35
Less: Transfer to statutory reserve fund					(10,515)				[illegible]
Add: Transfer on account of reverse merger (Refer Note 39B)	(398,370)	183,699	17,263	220,885					23,676
Less: Transfer to Share Capital on account of reverse merger (Refer Note 39B)			(3)	(16,080)	(192,015)				[illegible]
Balance as at March 31, 2022	(398,370)	244,564	17,263	220,885	3,734			(624)	89,452
Add/(Less): Transfer during the year						(1,276)	6,720	1,005	6,449
Add: Profit during the year					(742,483)				(742,483)
Add: Other comprehensive income (net of tax)					100				100
Balance as at March 31, 2023	(398,370)	244,564	17,263	220,885	(735,639)	(1,276)	6,720	381	(646,482)

The notes referred to above forms an integral part of the financial statements

As per our report of even date attached.

For Walker Chandiok & Co LLP
Chartered Accountants
Firm Registration No 001076N/N500013

Rakesh Rathi
Partner
Membership No: 045228

For T R Chadha & Co LLP
Chartered Accountants
Firm's Registration No: 006711N/N500028

Hitesh Garg
Partner
Membership No: 502955

For and on behalf of the Board of Directors of
Piramal Capital & Housing Finance Limited

Jairam Sridharan
Managing Director
DIN: 05165390

Ajay Piramal
Chairman
DIN: 00028116

Vikash Singhla
Chief Financial Officer

Bipin Singh
Company Secretary

Mumbai, May 5, 2023

1A. GENERAL INFORMATION

Piramal Capital & Housing Finance Limited (formerly known as Dewan Housing Finance Corporation Limited) (the Company) was incorporated in India on April 11, 1984 and has been carrying on, as its main business of providing loans to customers for construction or purchase of residential property, loans against property, loans to real estate developers, loans to SMEs, etc. The company is registered with National Housing Bank (NHB) under Section 29A of the National Housing Bank Act, 1987. The registered office of the Company is in Unit No.601, 6th Floor, Amiti Building, Agastya Corporate Park, Kamani Junction, Opp. Fire Station, LBS Marg, Kurla West, Mumbai City, 400070.

Also, refer to note 39B with respect to business combination pursuant to Resolution Plan and order passed by Hon'ble National Company Law Tribunal ("NCLT"). From the implementation date i.e. September 30, 2021, as specified in the NCLT order, along with other developments as explained below, the Company became the wholly-owned subsidiary of Piramal Enterprises Limited.

These standalone financial statements issued under the name of Piramal Capital & Housing Finance Limited represent the continuation of the financials of erstwhile Piramal Capital & Housing Finance Limited (ePCHFL)(accounting acquirer), as more fully explained in the note 39B.

The Company is a public limited company and its debts are listed on the Bombay Stock Exchange (BSE India) and the National Stock Exchange (NSE), India.

The standalone financial statements were authorised by the Board of Directors for issue in accordance with resolutions passed on May 5, 2023.

1B. Basis of Preparation

i) Statement of compliance and basis of preparation and presentation of standalone financial statements

The standalone financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) and the provisions of the Companies Act, 2013 ('the Act') read with note 39B to the extent effect given in accordance with the accounting treatment prescribed in the resolution plan approved by the National Company Law Tribunal vide their order dated June 7, 2021 as is more fully described in the said note. The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued thereafter.

The standalone financial statements have been prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015 as per Section 133 of the Companies Act, 2013 and relevant amendment rules issued thereafter ("Ind AS") on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period as explained below and accounting for business combination carried out by the Company during the year (as more fully explained in note 39B), the relevant provisions of the Companies Act, 2013 (the "Act") and the guidelines and directives issued by the Reserve Bank of India (RBI) and National Housing Bank ("NHB") to the extent applicable.

The standalone Balance Sheet, the standalone Statement of Profit and Loss and the standalone statement of Changes in Equity are prepared and presented in the format prescribed in the Division III of Schedule III to the Companies Act, 2013 (the "Act"). The Statement of Cash Flows has been prepared and presented as per the requirements of Ind AS 7 "Statement of Cash Flows". The Balance Sheet, Statement of Profit and Loss, Statement of Cash Flow, Statement of Changes in Equity, summary of the significant accounting policies and other explanatory information are together referred as the financial statements of the Company.

Accounting policies have been consistently applied except where a newly-issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.
All amounts included in the standalone financial statements are reported in lakhs of Indian rupees (Rs. in lakhs) except share and per share data, unless otherwise stated. Due to rounding off, the numbers presented throughout the document may not add up precisely to the totals and percentages may not precisely reflect the absolute figures.

ii) Basis of Accounting

The standalone financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period and accounting for business combination carried out by the Company during the year (as more fully explained in note 39B). The standalone financial statements are prepared and presented on going concern basis.

(Currency : Rs in lakhs)

(iii) **Use of Estimates and Judgements**

The preparation of the standalone 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 disclosure of contingent assets and liabilities at the date of the standalone financial statements and the reported amounts of revenues and expenses during the year. Accounting estimates could change from period to period. Actual results could differ from those estimates. Revisions to accounting estimates are recognised prospectively. The Management believes that the estimates used in preparation of the standalone financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise.

Following areas entail a high degree of estimate and judgement or complexity in determining the carrying amount of certain assets and liabilities.

1. Business Combination - Note 39B
2. Measurement of defined benefit obligations; key actuarial assumptions – Note 41
3. Fair Valuation of financial assets and liabilities - Note 42
4. Impairment of financial assets – Note 44
5. Impairment of Goodwill – Note 49
6. Income tax - Note 2(xii)
7. Evaluation of business Model - Note 2 (iv)
8. Provision and Liabilities - Note 2(vii)
9. Useful Life of Property, Plant and Equipment (PPE) and Intangible assets - Note 2 (i)

2. SIGNIFICANT ACCOUNTING POLICIES

i) Property, plant and equipment

All Property, Plant and Equipment are stated at cost of acquisition, less accumulated depreciation and accumulated impairment losses, if any, except for fair valued assets on business combination (Refer note 39B). Direct costs are capitalised until the assets are ready for use and includes freight, duties, taxes and expenses incidental to acquisition and installation.

The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Subsequent expenditures related to an item of Property, Plant and Equipment are added to its book value only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance.

Losses arising from the retirement of, and gains or losses arising from disposal of Property, Plant and Equipment are recognised in the Statement of Profit and Loss.

Depreciation is provided on a pro-rata basis on the straight line method ('SLM') over the estimated useful lives of the assets less their residual values specified in Schedule II of the Companies Act, 2013.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

Individual Property, Plant and Equipment costing less than Rupees five thousand are depreciated fully in the year of purchase or acquisition.

The estimated useful lives of Property, Plant and Equipment are as stated below:

Building	60 years
Office Equipment	5 years
Furniture and fixtures	10 years
Computers Servers and Network	6 years
Computer - End user device	3 years
Motor Vehicle	8 years (Refer note below)
Leasehold Improvements	Amortised on SLM over lease tenure or 5 years whichever is lower

The Company has determined the remaining useful life of the PPE acquired on date of acquisition, as per Companies Act 2013. The value of PPE acquired is depreciated/amortised over such remaining useful life determined on straight line method basis which best reflects the usage of asset to the accounting acquirer.

For vehicles given to employee as a perquisite and forming the part of their employment, amortisation is done basis the employment agreement which may vary between 3 to 5 years.

WALKER CHANDIOK & CO LLP CHARTERED ACCOUNTANTS MUMBAI

T R Chadha & Co. LLP MUMBAI Chartered Accountants

ii) **Intangible Assets**

Intangible assets are stated at acquisition cost except for fair valued assets on business combination (Refer note 39B), net of accumulated amortisation and accumulated impairment losses, if any.
Gains or losses arising from the retirement or disposal of an intangible asset are determined as the difference between the disposal proceeds and the carrying amount of the asset and are recognised as income or expense in the Statement of Profit and Loss.

Intangible assets not ready for use on the date of Balance Sheet is disclosed as 'Intangible assets under development'.
Intangible Assets other than Goodwill are amortized on a straight line basis over their finite useful lives over the following period:

Computer Software	6 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

Individual intangible assets costing less than Rupees five thousand are depreciated fully in the year of purchase or acquisition.
Goodwill on acquisition is included in intangible assets. Goodwill and intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired.
Goodwill is carried at cost less accumulated impairment losses.

Self generated software
The Company recognises internally generated intangible assets when it is certain that the future economic benefit attributable to the use of such intangible assets are probable to flow to the Company and the expenditure incurred for development of such intangible assets can be measured reliably. The cost of an internally generated intangible asset comprises all directly attributable costs necessary to create, produce, and prepare the asset to be capable of operating in the manner intended by the Company. The intangible assets including those internally generated are amortised using the straight line method over a period of five years, which is the Management's estimate of its useful life. The useful lives of intangible assets are reviewed at each financial year end and adjusted prospectively, if appropriate

iii) **Impairment of non financial assets**

The Company assesses at each Balance Sheet date whether there is any indication that an asset may be impaired. For the purposes of assessing impairment, the smallest identifiable group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or groups of assets. is considered as a cash generating unit. If any such indication exists, the Company estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognised in the Statement of Profit and Loss. If at the Balance Sheet date there is an indication that previously assessed impairment loss no longer exists or may have decreased, the recoverable amount is reassessed and the asset is reflected at the recoverable amount.

iv) **Financial instruments**
Recognition and initial measurement
Financial assets and financial liabilities are recognised 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 fair value through profit or loss) 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 fair value through profit or loss are recognised immediately in profit or loss.

Financial assets
Financial assets that meet the following conditions are subsequently measured at amortised cost:
- 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 on the principal amount outstanding.

Financial assets that meet the following conditions are subsequently measured at fair value through Other Comprehensive Income (FVTOCI):
- the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling the financial assets; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

By default, all other financial assets are subsequently measured at fair value through profit and loss (FVTPL).

iv) **Financial instruments** ***(Continued)***

Debt and other instruments

Subsequent measurement of debt and other instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its debt and other instruments:

Evaluation of Business Model

Classification and measurement of financial instruments depends on the results of the solely payments of principal and interest on the principal amount outstanding ("SPPI") and the business model test. The Company determines the business model at a level that reflects how the Company's financial instruments are managed together to achieve a business objective.

The Company monitors financial assets measured at amortised cost or fair value through other comprehensive income that are derecognised prior to their maturity to understand the reason for their disposal and whether the reasons are consistent with the objective of the business for which the asset was held. Monitoring is part of the Company's continuous assessment of whether the business model for which the remaining financial assets are held continues to be appropriate and if it is not appropriate whether there has been a change in business model and so a prospective change to the classification of those instruments.

Amortised cost

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.

Effective interest rate method

Income is recognised on an effective interest rate basis for financial assets other than those financial assets classified as 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 to:

– the gross carrying amount of the financial asset; or
– the amortised cost of the financial liability.

When calculating the effective interest rate for financial instruments other than purchased or originated credit-impaired ('POCI') assets, the Company estimates future cash flows considering all contractual terms of the financial instrument, but not ECL. For purchased or originated credit-impaired financial assets, a credit-adjusted effective interest rate is calculated using estimated future cash flows including ECL.

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 other than purchase or originated credit impaired 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. In respect of purchased or originated credit impaired assets, such positive or negative adjustment to the carrying amount of the asset is reflected through change in lifetime ECL since initial recognition. Favourable changes in lifetime ECL are recognised as an impairment gain, even if the favourable changes are more than the amount, if any, previously recognised in profit or loss account as impairment losses.

The Company calculates interest income by applying the EIR to the gross carrying amount of financial assets other than credit-impaired assets.

For financial assets that were credit-impaired on initial recognition, interest income is calculated by applying the credit-adjusted effective interest rate to the amortised cost of the asset. The calculation of interest income does not revert to a gross basis, even if the credit risk of the asset improves.

The Company considers only DSA cost while calculating interest income for retail loans by applying the EIR to the gross carrying amount of financial assets other than credit-impaired assets. Since the processing fees income collected from the customers approximately equates to the corresponding file cost incurred, the same is not considered for EIR computation.

Financial assets at fair value through profit or loss (FVTPL)

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any dividend or interest earned on the financial asset. Dividend on financial assets at FVTPL is recognised when the Company's right to receive the dividends is established, it is probable that the economic benefits associated with the dividend will flow to the entity, the dividend does not represent a recovery of part of cost of the investment and the amount of dividend can be measured reliably.

Changes in the fair value of financial assets at FVTPL are recognised in the statement of profit and loss.

Wholesale loan book acquired through business combination is accounted as FVTPL instruments.

Walker Chandiok & Co LLP Chartered Accountants

T R Chadha & Co LLP Mumbai Chartered Accountants

iv) **Financial instruments *(Continued)***

Fair value through Other Comprehensive Income (FVTOCI)

Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVTOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in the statement of profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is

reclassified from equity to the statement of profit or loss and recognised in other gains/(losses). Interest income from these financial assets is included in other income using the effective interest rate method.

Fair value measurement

Fair value measurements under Ind AS are categorised into fair value hierarchy 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 quoted prices (unadjusted) in active markets for identical assets or liabilities that the Company can access on measurement date;
- Level 2 inputs, other than quoted prices included within level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 where unobservable inputs are used for the valuation of assets or liabilities.

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

Impairment of financial assets

The Company applies the expected credit loss ("ECL") model for recognising impairment loss on financial assets measured at amortised cost, loan commitments, trade receivables and other contractual rights to receive cash or other financial asset.

Wholesale lending:

The expected credit loss is a product of exposure at default, probability of default and loss given default. The Company has devised an internal model to evaluate the probability of default and loss given default based on the parameters set out in Ind AS 109. The Company has a dedicated Asset Monitoring team which evaluates asset performance on a continued basis to flag of early warning signals. Probability of default have been adjusted with forward looking inputs from anticipated change in future macro-economic conditions to comply with IndAS 109. The forward looking macro-economic conditions based adjustment is driven through a multi linear regression model which forecasts systemic gross non-performing assets under baseline future economic scenarios. Accordingly, the financial instruments are classified into Stage 1 – Standard Assets with zero to thirty days past due (DPD), Stage 2 – Significant Credit Deterioration or overdue between 31 to 90 days or OTR cases and Stage 3 – Default Assets with overdue for more than 90 days.

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

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

Default assets wherein the management does not expect any realistic prospect of recovery are written off to the Statement of Profit and Loss.

Retail lending:

The Company uses ECL allowance for financial assets measured at amortised cost, which are not individually significant, and comprise of a large number of homogeneous loans that have similar characteristics. The expected credit loss is a product of exposure at default, probability of default and loss given default. Due to lack of 5-year internal PD/LGD data, the Company uses external PD/LGD data from credit bureau agency (TransUnion for Mar-22) for potential credit losses. Further, the estimates from the above sources have been adjusted with forward looking inputs from anticipated change in future macro-economic conditions to comply with IndAS 109. The forward looking macro-economic conditions based adjustment is driven through a multi linear regression model which forecasts systemic gross non-performing assets under baseline future economic scenarios.

Financial liabilities and equity instruments

The financial instruments are classified into Stage 1 – Standard Assets with zero to thirty days past due (DPD), Stage 2 – Significant Credit Deterioration or overdue for more than thirty days to 90 days or OTR cases and Stage 3 – Default Assets with overdue for more than 90 days.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk (as represented by days past due status of the individual accounts) since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

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

Default assets wherein the management does not expect any realistic prospect of recovery are written off to the Statement of Profit and Loss.

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(v) Financial Instruments *(Continued)*

Impairment - POCI Financial Assets

POCI financial assets are assets that are credit-impaired on initial recognition. For POCI assets, lifetime ECL are incorporated into the calculation of the effective interest rate on initial recognition. Consequently, POCI assets do not carry an impairment allowance on initial recognition. The amount recognised as a loss allowance subsequent to initial recognition is equal to the changes in lifetime ECL since initial recognition of the asset. A favourable change for such assets create an impairment gain.

Derecognition of financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.

On derecognition of financial assets in entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable, is recognised in the statement of profit and loss.

Financial assets are written off either partially or in their entirety only when the Company has no reasonable expectation of recovery.

Reclassification of financial assets and liabilities

After initial recognition of financial assets and liabilities, no re-classification is made except for financial assets where there is a change in the business model for managing those assets. The Company's management determines change in the business model as a result of external or internal changes which are significant to the Company's operations. Such changes are evident to external parties. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognized gains, losses (including impairment gains or losses) or interest.

Sale of Financial assets measured at Amortised Cost

Entity reclassifies financial assets if the entity changes its business model for managing those financial assets Such changes are expected to be very infrequent. Such changes are determined by the entity's senior management as a result of external or internal changes and must be significant to the entity's operations and demonstrable to external parties. Accordingly, a change in an entity's business model will occur only when an entity either begins or ceases to perform an activity that is significant to its operations;

The Company may occasionally sale portfolio classified under amortised pool for liquidity management. recovery management in case of stressed pool or for any specific regulatory compliance which will not lead to change in business model.

Further, if the sales are infrequent or insignificant in value, the sale of amortised cost pool will also not lead to Change in Business Model.

Foreign exchange gains and losses

The fair value of financial assets denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of each reporting period. For foreign currency denominated financial assets measured at amortised cost or FVTPL, the exchange differences are recognised in profit or loss except for those which are designated as hedging instruments in a hedging relationship.

Classification as debt or equity

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity Instrument

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 are recognised at the proceeds received.

Financial liabilities

All financial liabilities are subsequently measured at amortised cost using the effective interest rate method or at FVTPL.

Financial liabilities are classified as at FVTPL when the financial liability is either contingent consideration recognised by the Company as an acquirer in a business combination to which Ind AS 103 applies or is held for trading or it is designated as at FVTPL.

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method.

The effective interest 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 and points 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.

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iv) **Financial instruments *(Continued)***

Foreign exchange gains and losses

For financial liabilities that are denominated in a foreign currency and are measured at amortised cost at the end of each reporting period, the foreign exchange gains and losses are determined based on the amortised cost of the instruments and are recognised in profit and loss.

Derecognition of financial liabilities

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired An exchange between the Company and the lender of debt and other instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability.

Derivatives and hedging activities

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured to their fair value at the end of each reporting period. Resulting gain/loss due to subsequently remeasurement of derivatives is recognised in the statement of profit and loss immediately unless the derivative is designated and is effective as a hedging instrument, in which event the timing of the recognition in the statement of profit and loss depends on the nature of the hedge relationship.

A derivative with a positive fair value is recognised as a financial asset whereas a derivative with a negative fair value is recognised as a financial liability

Embedded derivatives

Derivatives embedded in a host contract that is an asset within the scope of Ind AS 109 are not separated. Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Derivatives embedded in all other host contract are separated only if the economic characteristics and risks of the embedded derivative are not closely related to the economic characteristics and risks of the host and are measured at fair value through profit or loss. Embedded derivatives closely related to the host contracts are not separated.

Embedded foreign currency derivatives

Embedded foreign currency derivatives are not separated from the host contract if they are closely related. Such embedded derivatives are closely related to the host contract, if the host contract is not leveraged, does not contain any option feature and requires payments in one of the following currencies:

- the functional currency of any substantial party to that contract,
- the currency in which the price of the related good or service that is acquired or delivered is routinely denominated in commercial transactions around the world,
- a currency that is commonly used in contracts to purchase or sell non-financial items in the economic environment in which the transaction takes place (i.e. relatively liquid and stable currency)

Foreign currency embedded derivatives which do not meet the above criteria are separated and the derivative is accounted for at fair value through profit and loss. The Company currently does not have any such derivatives which are not closely related.

Hedge accounting

The Company designates certain hedging instruments, which include derivatives and non-derivatives in respect of foreign currency risk, as either fair value hedges, cash flow hedges, or hedges of net investments in foreign operations. Hedges of foreign exchange risk on firm commitments are accounted for as cash flow hedges. The Company applies hedge accounting for transactions that meet specified criteria.

At the inception of a hedge relationship, the Company formally designates and documents the hedge relationship to which the Company wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge. The documentation includes the Company's risk management objective and strategy for undertaking hedge, the hedging / economic relationship, the hedged item or transaction, the nature of the risk being hedged, hedge ratio and how the Company would assess the effectiveness of changes in the hedging instrument's fair value in offsetting the exposure to changes in the hedged item's cash flows attributable to the hedged risk. Such hedges are expected to be highly effective in achieving offsetting changes in cash flows and are assessed on an on-going basis to determine that they actually have been highly effective throughout the financial reporting periods for which they were designated.

(v) Financial instruments *(Continued)*

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

A cash flow hedge is a hedge of the exposure to variability in cash flows that is attributable to a particular risk associated with a recognised asset or liability (such as all or some future interest payments on variable rate debt) or a highly probable forecast transaction and could affect profit or loss.

For designated and qualifying cash flow hedges, the effective portion of the cumulative gain or loss on the hedging instrument is initially recognised directly in OCI within equity (cash flow hedge reserve). The ineffective portion of the gain or loss on the hedging instrument is recognised immediately as finance cost in the statement of profit and loss.

The amount recognised in the cash flow hedge reserve is reclassified from OCI to profit or loss as a reclassification adjustment in the same period as the hedged cash flows affect profit or loss, and in the same line item in the statement of profit or loss.

If the hedging derivative expires or is sold, terminated or exercised, or the hedge no longer meets the criteria for cash flow hedge accounting, or the hedge designation is revoked, then hedge accounting is discontinued prospectively. If the hedged cash flows are no longer expected to occur, then the Company immediately reclassifies the cumulative amount in the hedging reserve from OCI to the statement of profit or loss.

Investment in Subsidiaries and Associates

Investment in subsidiaries and associates are recognized and carried at cost. Where the carrying amount of an investment is greater than its estimated recoverable amount, it is written down immediately to its recoverable amount and the difference is transferred to the Statement of Profit and Loss. On disposal of investment, the difference between the net disposal proceeds and the carrying amount is charged or credited to the Statement of Profit and Loss.

v) Assets held for sale

Assets 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 are generally measured at the lower of their carrying amount and fair value less costs to sell. Losses on initial classification as held for sale and subsequent gains and losses on re-measurement are recognised in profit or loss.

vi) Employee Benefits

Employee benefits include provident fund, compensated absences and gratuity. In case of Provident fund, contributions are made to the Regional Provident Fund Office.

Defined Contribution Plans

The Company's contribution to provident fund to the Regional Provident Fund office are considered as defined contribution plans, as the Company does not carry any further obligations apart from the contributions made on a monthly basis and are charged as an expense based on the amount of contribution required to be made.

Defined Benefit Plans

The Company contributes to Defined Benefit Plans comprising of Gratuity and Compensated absences.

Gratuity: The Company provides for gratuity, a defined benefit plan (the "Gratuity Plan") in accordance with the Payment of Gratuity Act, 1972. The Gratuity Plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment. Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

The Company has a policy on compensated absences which are both accumulating and non-accumulating in nature. The expected cost of accumulating compensated absences is determined by actuarial valuation performed by an independent actuary at each Balance Sheet date using projected unit credit method on the additional amount expected to be paid / availed as a result of the unused entitlement that has accumulated at the Balance Sheet date. Expense on non-accumulating compensated absences is recognized in the period in which the absences

Employee Share-based payments

The Holding company has issued stock options to certain employees of the Company. These transactions are recognised as equity-settled share based payment transactions. The stock compensation expense is determined based on fair value of options and the holding company's estimate of options that will eventually vest and is recognised over the vesting period in the statement of profit and loss with corresponding increase in liability payable to holding company as the cost is recovered by the holding company in entirety.

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vii) **Provisions, Contingent Liabilities and Commitments**

Provisions are recognised when there is a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material). The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

Commitments are future liabilities for contractual expenditure. The commitments are classified and disclosed as follows:

i. The estimated amount of contracts remaining to be executed on capital account and not provided for; and

ii Other non-cancellable commitments, if any, to the extent they are considered material and relevant in the opinion of the Management.

viii) **Revenue recognition**

Interest income from a financial asset (including Lease rental discounting assets) is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

Loan processing fees income is accounted for on effective interest basis except for processing fees income collected from the customers which approximates to the corresponding file cost incurred. Arranger fees income is accounted for on accrual basis.

Delayed payment interest (penal interest and the like) levied on customers for delay in repayments/ non payment of contractual cashflows is recognised on realisation.

Dividend income from investments is recognised when the Company's right to receive payment has been established (provided that it is probable that the economic benefits will flow to the Company and the amount of dividend income can be measured reliably).

The gain / loss on account of redemption of units of mutual funds is recognised in the period in which redemption occurs.

ix) **Foreign Currency Transactions**

In preparing the standalone financial statement, transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences on monetary items are recognised in profit or loss in the period in which they arise.

x) **Exceptional Items**

When items of income and expense within profit or loss from ordinary activities are of such size, nature or incidence that their disclosure is relevant to explain the performance of the enterprise for the period, the nature and amount of such items is disclosed separately as exceptional items.

xi) **Leases**

The Company recognises right-of-use asset representing its right to use the underlying asset for the lease term at the lease commencement date. The cost of the right-of-use asset measured at inception shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date less any lease incentives received, plus any initial direct costs incurred and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset or restoring the underlying asset or site on which it is located. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment.

The Company measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using incremental borrowing rate. The lease payments shall include fixed payments, variable lease payments, residual value guarantees, exercise price of a purchase option where the Company is reasonably certain to exercise that option and payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments. The company recognises the amount of the re-measurement of lease liability due to modification as an adjustment to the right-of-use asset and statement of profit and loss depending upon the nature of modification. Where the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Company recognises any remaining amount of the re-measurement in statement of profit and loss.

The Company has elected not to apply the requirements of Ind AS 116 Leases to short-term leases of all assets that have a lease term of 12 months or less and leases for which the underlying asset is of low value. The lease payments associated with these leases are recognized as an expense on a straight-line basis over the lease term.

xii) Taxes on Income

Tax expense for the year, comprising current tax and deferred tax, are included in the determination of the net profit or loss for the year. Current tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act, 1961.

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the standalone financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.
Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting year.

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current income tax assets against current income tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.
While determining the tax provisions, the Company assesses whether each uncertain tax position is to be considered separately or together with one or more uncertain tax positions depending upon the nature and circumstances of each uncertain tax position.

xiii) Cash and Cash Equivalents

In the cash flow statement, Cash and cash equivalent comprises cash in hand ,demand deposits and time deposits with original maturity of less than three months held with bank and debit balance in cash credit account. Credit balance in cash credit account are shown within borrowings in financial liabilities in the balance sheet.

xiv) Borrowing Costs

Borrowing costs directly attributable to acquisition or construction of qualifying assets (i.e. those fixed assets which necessarily take a substantial period of time to get ready for their intended use) are capitalised.
Borrowing costs include interest expense calculated using the EIR method. EIR includes interest, amortization of ancillary cost, incurred in connection with the borrowing of funds. Other borrowing costs are recognised as an expense in the period in which they are incurred.

xv) Earnings per share

Basic earnings per share
The basic earnings per share is computed by dividing the net profit attributable to the equity shareholders by weighted average number of equity shares outstanding during the reporting year.

Diluted earnings per share
Number of equity shares used in computing diluted earnings per share comprises the weighted average number of shares considered for deriving basic earnings per share and also weighted average number of equity shares which would have been issued on the conversion of all dilutive potential shares. In computing diluted earnings per share only potential equity shares that are dilutive are included.

xvi) Segment accounting

In accordance with Ind AS 108, Segment Reporting, the Chief Executive Officer and Managing Director is the Company's chief operating decision maker ("CODM"). The Company has identified only one reportable business segment as it deals mainly in provision of lending business.

xvii) Securitization and direct assignment

The Company transfers loans through securitisation and direct assignment transactions. The transferred loans are de-recognised and gains/losses are accounted for, only if the Company transfers substantially all risks and rewards specified in the underlying assigned loan contract.

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xviii) **Business Combinations and Goodwill**

The acquisition method of accounting is used to account for all business combinations except under common control, regardless of whether equity instruments or other assets are acquired. The consideration transferred for the acquisition of a business comprises the:

- fair values of the assets transferred;
- liabilities incurred to the former owners of the acquired business;
- equity interests issued by the Company; and
- fair value of any asset or liability resulting from a contingent consideration arrangement

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date. The Company recognises any non-controlling interest in the acquired entity on an acquisition-by-acquisition basis at the non-controlling interest's proportionate share of the acquired entity's net identifiable assets.

Acquisition-related costs are expensed as incurred.

The excess of the
- consideration transferred;
- amount of any non-controlling interest in the acquired entity, and
- acquisition-date fair value of any previous equity interest in the acquired entity

over the fair value of the net identifiable assets acquired is recorded as goodwill. After initial recognition, goodwill is measured at cost less any accumulated impairment losses. Any impairment loss for goodwill is recognised in the statement of profit or loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

If those amounts are less than the fair value of the net identifiable assets of the business acquired, the difference is recognised as capital reserve in other equity.

Where settlement of any part of cash consideration is deferred, the amounts payable in the future are discounted to their present value as at the date of exchange. The discount rate used is the entity's incremental borrowing rate, being the rate at which a similar borrowing could be obtained from an independent financier under comparable terms and conditions.

Contingent consideration is classified either as equity or a financial liability. Amounts classified as a financial liability are subsequently remeasured to fair value with changes in fair value recognised in profit or loss.

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date. Any gains or losses arising from such remeasurement are recognised in profit or loss or other comprehensive income, as appropriate.

xix) **Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 31, 2023, MCA amended the Companies (Indian Accounting Standards) Rules, 2015 by issuing the Companies (Indian Accounting Standards) Amendment Rules, 2023, applicable from April 1, 2023, as below:**

Ind AS 1 – Presentation of Financial Statements

The amendments require companies to disclose their material accounting policies rather than their significant accounting policies. Accounting policy information, together with other information, is material when it can reasonably be expected to influence decisions of primary users of general purpose financial statements.

Ind AS 12 – Income Taxes

The amendments clarify how companies account for deferred tax on transactions such as leases and decommissioning obligations. The amendments narrowed the scope of the initial recognition exemption of Ind AS 12 so that it no longer applies to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences. Accordingly, companies will need to recognise a deferred tax asset and a deferred tax liability for temporary differences arising on transactions such as initial recognition of a lease and a decommissioning provision.

Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors

The definition of a "change in accounting estimates" has been replaced with a definition of "accounting estimates". Accounting estimates are defined as "monetary amounts in financial statements that are subject to measurement uncertainty". Entities develop accounting estimates if accounting policies require items in financial statements to be measured in a way that involves measurement uncertainty.

(Currency : Rs in lakhs)

		As at March 31, 2023	As at March 31, 2022
3	**Cash and cash equivalents**		
	Cash on hand*	-	574
	Balances with banks in current accounts	191,533	186,819
	Fixed deposits (with original maturity less than 3 months)	-	274,467
	Total	**191,533**	**461,860**

*Amount below 0.50 lakhs has been considered as 0.

4	**Bank balances other than (a) above**		
	Fixed deposits (with original maturity more than 3 months)	1,259	-
	Earmarked balances with banks*	66,788	53,863
	Unclaimed dividend Accounts	98	175
	Total	**68,145**	**54,038**

*(i) Deposits with banks to the extent of Rs. 66,788 lakhs (March 31, 2022 - Rs.53,863 lakhs) offered as security against the borrowings and guarantees.
(ii) Net of fair valuation loss of Rs. 22,978 lakhs (March 31, 2022 - Rs. 15,007 lakhs) on account of adjustment in cash collateral for securitised pool.

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Notes to the Standalone Financial Statements *(Continued)*

as at March 31, 2023

(Currency : Rs in lakhs)

		As at March 31, 2023				As at March 31, 2022			
5	**Loans**	At amortised cost	At FVTPL	At FVTOCI	Total	At amortised cost	At FVTPL	At FVTOCI	Total
	Loans in India - Term Loans								
A	(a) Secured by tangible assets	3,783,271	133,868	-	3,917,141	4,791,241	282,873	-	5,074,114
	(b) Unsecured	950,796	-	-	950,796	436,289	-	-	436,289
	Gross	4,734,069	133,868	-	4,867,937	5,227,530	282,873	-	5,510,403
	Less: Allowance for impairment loss (expected credit loss allowance)	(684,355)		-	(684,355)	(754,385)	-	-	(754,385)
	Total	4,049,714	133,868	-	4,183,582	4,473,145	282,873	-	4,756,018
B	Considered good								
	- to Related party	27,100	-	-	27,100	70,075	-	-	70,075
	- to Others	3,689,319	133,868	-	3,823,187	3,645,433	282,873	-	3,928,306
	Less: Allowance for impairment loss (expected credit loss allowance)	(122,675)		-	(122,675)	(94,508)	-	-	(94,508)
	Significant increase in Credit Risk	341,858	-	-	341,858	256,073			256,073
	Less: Allowance for impairment loss (expected credit loss allowance)	(96,273)	-	-	(96,273)	(40,745)		-	(40,745)
	Credit impaired	426,792	-	-	426,792	650,275	-	-	650,275
	Less: Allowance for impairment loss (expected credit loss allowance)	(358,906)	-	-	(358,906)	(359,957)	-		(359,957)
	Purchased or Originated Credit Impaired Assets (POCI)	249,000	-	-	249,000	605,675	-		605,675
	Less: Allowance for impairment loss (expected credit loss allowance)	(106,501)	-	-	(106,501)	(259,176)	-		(259,176)
	Total	4,049,714	133,868	-	4,183,582	4,473,145	282,873	-	4,756,018
	Loan to Public Sectors				-				
	Loan to Others				4,183,582				4,756,018
	Total				4,183,582				4,756,018

Note: During the current and prior reporting periods, there was no change in the business model under which the Company holds financial assets and therefore no reclassifications were made due to change in business model.

As per merger scheme of DHFL (refer note 39B), retail loans are grossed up by Rs 773,498 lakhs as on March 31, 2023 (March 31, 2022 - Rs 1,137,049 lakhs). ECL provisions are grossed up by Rs 427,700 lakhs (March 31, 2022 - Rs 598,200 lakhs) and balance grossup is being reflected under Fair Value Adjustment on Merger under Note 20 for Rs 345,79 lakhs as on March 31, 2023 (Rs 538,849 lakhs)

During the year, the Company has sold certain loans classified under amortised cost as part of Direct assignment transaction basis the board approval to meet Principal business criteria and liquidity criteria as per NHB and RBI guidelines. Also, the Company has sold certain stressed portfolio classified under amortised cost for liquidity and recovery management strategy of the Company. Such sale of loans will not lead to change in business model as per the company's board approved policy and management's evaluation of business model

Collateral held: The Company holds collateral and other credit enhancements against certain of its credit exposures. The loans are collateralised against equitable mortgage of property, pledge of shares, hypothecation of assets, corporate guarantees, hypothecation over receivables from funded project or other projects of the borrower or escrow account undertaking to create security

Refer note 46 for details of securitisation transactions

		As at March 31, 2023					As at March 31, 2022				
6	**Investments**	At amortised cost	At FVTPL	At FVTOCI	At Cost	Total	At amortised cost	At FVTPL	At FVTOCI	At Cost	Total
	Investments within India										
	Equity investment in subsidiaries:										
	DHFL Advisory & Investments Private Limited	-	-	-	-	-	-	-	-	-	-
	Piramal Payment Services Limited	-	-	-	550	550	-	-	-		-
	DHFL Holding Limited		-	-	1	1	-	-	-	1	1
	DHFL Investments Limited	-		-	102,064	102,064	-			102,043	102,043
	Piramal Finance Sales and Services Private Limited	-			30	30	-	-	-		-
	PRL Agastya Private Limited	-	-	-	6,712	6,712	-	-	-	-	-
	Equity Instruments (Others than subsidiaries)	-	-	67		67	-	-	2	-	2
	Preference Shares (in PRL Agastya Private Limited)	-	2,300		-	2,300	-	-	-	-	-
	Preference Shares (Others than subsidiaries)	-	-	17,752	-	17,752	-	-	3,232	-	3,232
	Project Receivables	-	161,740	-	-	161,740	-	181,060	-	-	181,060
	Alternative Investment Funds	-	215,642	-	-	215,642	-	198,824	-	-	198,824
	Venture Capital Fund	-	1,399	-	-	1,399	-	1,588	-	-	1,588
	Security Receipts	-	302,241		-	302,241	-	43,399	-	-	43,399
	Optionally Convertible Debentures	-	34,000	-	-	34,000	-	30,947	-	-	30,947
	T-Bill	-	-	9,497	-	9,497	-	-	-		-
	Redeemable Bonds *	-	-	50,726	-	50,726	66,223	-	-	-	66,223
	Government Securities/Redeemable Bonds	104,031	-	-	-	104,031	4		-	-	4
	Redeemable Non Convertible Debentures	306,373	18,000	-	-	324,373	658,786	28,105	-	-	686,891
	Investment in Mutual Funds	-	-	-	-		-	132,068	-	-	132,068
	Pass Through certificates	20,504	-	-	-	20,504	28,067	25,100	-	-	53,167
	Gross	430,908	735,322	78,042	109,357	1,353,629	753,080	641,091	3,234	102,044	1,499,449
	Less: Allowance for impairment loss (expected credit loss allowance)	(36,134)	-	-	-	(36,134)	(108,054)	-	-	-	(108,054)
	Total	394,774	735,322	78,042	109,357	1,317,495	645,026	641,091	3,234	102,044	1,391,395

* During the year, the Company has changed its Business model for Redeemable Bonds from "Held for collection till maturity" to "held for collection of contractual cash flows and for selling the financial assets" with effect from April 1, 2022 considering change in intention to hold such assets till maturity and liquidate basis market condition. Consequently, the Company has re-classified the same from amortised cost to FVTOCI

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T R Chadha & Co. LLP Mumbai Chartered Accountants

Piramal Capital & Housing Finance Limited
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as at March 31, 2023

(Currency : Rs in lakhs)

		As at March 31, 2023	As at March 31, 2022
7	**Other financial assets**		
	Security deposits	10,369	14,259
	Interest strip asset on assignment	30,242	50,946
	Other receivable*	50,262	47,330
	Less: Provision for Other Financial Assets	(6,100)	-
	Total	84,773	112,535

* Majorly includes receivable on account of securitisation transactions.

8	**Current tax assets (Net)**		
	Advance Tax (net of Provision of Rs. 36,423 lakhs, March 31, 2022 Rs. 207,298 lakhs)	72,393	62,106
	Total	72,393	62,106

WALKER CHANDIOK & Co LLP MUMBAI CHARTERED ACCOUNTANTS

T R Chadha & Co. LLP MUMBAI Chartered Accountants

Piramal Capital & Housing Finance Limited
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Notes to the Standalone Financial Statements *(Continued)*
as at March 31, 2023

(Currency : Rs in lakhs)

9 Deferred tax Assets / liabilities (net)	As at March 31, 2023	As at March 31, 2022
Deferred tax assets	173,965	209,884
Deferred tax liabilities	(31,538)	(270,630)
Total	142,427	(60,746)

Movement in deferred tax balances:	Opening balance as at April 1, 2022	Recognised in profit or loss	Recognised in Other Comprehensive Income	Closing balance as at March 31, 2023
Property Plant & Equipment	(4,188)	10,079	-	5,891
Intangible Assets - Other than Goodwill	(307)	(2,625)	-	(2,932)
Intangible Assets - Goodwill	(258,164)	258,164	-	-
Capital Gain Tax on balance of Unclaimed Goodwill	115,026	(115,026)	-	-
Expected Credit Loss	61,711	18,537	-	80,248
Provisions other than those pertaining to expected credit loss	883	(406)	-	477
Financial Asset at FVTPL	17,828	22,938	-	40,766
Re-measurement of employee benefits	836	1,292	(33)	2,096
Adjustments pertaining to Income and expense recognition based on expected interest rate	(1,278)	(17,547)	-	(18,825)
Lease Liability / ROU	563	(29)	-	534
Receivable on Assigned loans	3,261	(10,873)	-	(7,612)
Transaction Cost	2,874	(1,666)	-	1,208
Business loss	209	42,536	-	42,745
Hedge Effectiveness	-	-	(338)	(338)
Instrument through OCI	-	-	(1,831)	(1,831)
Total	(60,746)	205,375	(2,202)	142,427

Movement in deferred tax balances:	Opening balance as at April 1, 2021	Recognised in profit or loss	Recognised in Other Comprehensive Income	Closing balance as at March 31, 2022
Property Plant & Equipment	919	(5,107)	-	(4,188)
Intangible Assets - Other than Goodwill	(895)	588	-	(307)
Intangible Assets - Goodwill	(258,164)	-	-	(258,164)
Capital Gain Tax on balance of Unclaimed Goodwill	115,026	-	-	115,026
Expected Credit Loss	45,923	15,788	-	61,711
Provisions other than those pertaining to expected credit loss	328	555	-	883
Financial Asset at Fair Value through Profit & Loss	4,273	13,556	-	17,828
Re-measurement of employee benefits through OCI	194	654	(12)	836
Adjustments pertaining to Income and expense recognition based on expected interest rate	(7,162)	5,884	-	(1,278)
Lease Liability / ROU	179	384	-	563
Receivable on Assigned loans	-	3,261	-	3,261
Transaction Cost	-	2,874	-	2,874
Hedge Effectiveness	1,470	(934)	(327)	209
Total	(97,909)	37,502	(339)	(60,746)

Note: As explained in detailed in note 39B, the Company has not recognised deferred tax assets relating to the fair value adjustments due to uncertainty associated with allowability of such adjustments. Based on the tax position taken by the Company, the potential unrecognised deferred tax assets as at March 31, 2023 stands at Rs. 412,000 lakhs.

10 Other non-financial assets	As at March 31, 2023	As at March 31, 2022
Capital advance	966	725
Goods and service tax credit receivable	29,973	23,742
Prepaid expenses	1,641	2,630
Advance for expenses	2,683	3,990
Employee Advance	-	15
Gratuity Funded Assets (refer Note 41)	227	-
Advance processing fees paid	14,294	15,153
Less: Provision for doubtful advances	(13,399)	-
Total	36,385	46,255

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Piramal Capital & Housing Finance Limited
(formerl

Notes to the Financial Statements *(Continued)*
as at March 31, 2023

(Currency : Rs in lakhs)

11 Property, plant and equipment, Intangible Assets and Intangibles under development

Particulars	Gross Block: Opening As at April 1, 2022	Acquisition through business combination (net) (Refer Note 39B)	Additions during the year	Deduction/ write offs/ Impairment	As at March 31, 2023 (A)	Depreciation / Amortisation: Opening As at April 1, 2022	Charge for the year	Deduction/ write offs/ Impairment	As at March 31, 2023 (B)	Net Block As at March 31, 2023 (A-B)
Tangible Assets										
Land & Building	36,668	-	-	11,541	25,127	439	723	338	824	24,303
Office Equipment	720	-	2,127	61	2,786	489	361	53	797	1,989
Computer	1,531	-	4,089	7	5,613	864	1,158	6	2,016	3,597
Computer Server	371	-	-	-	371	241	59	-	300	71
Furniture	305	-	929	73	1,161	130	136	39	227	934
Motor Car	288	-	50	49	289	104	35		139	150
Leasehold Improvements	2,854	-	1,121	770	3,205	1,952	543	552	1,943	1,262
Total (I)	42,737	-	8,316	12,500	38,552	4,219	3,016	988	6,247	32,307
Intangible Asset										
Goodwill on amalgamation (II) *	1,025,681	-	-	1,025,681	-	-		-	-	-
Other Intangible Asset										
Computer software	6,961	-	1,014	1	7,974	1,283	1,255	1	2,538	5,436
Self generated software	-	-	6,242	-	6,242	-	30	-	30	6,212
Total (III)	6,961	-	7,256	1	14,216	1,283	1,285	1	2,568	11,648
Right to Use Assets - Premises (IV)	17,983	-	17,845	3,861	31,967	5,812	5,196	2,985	8,022	23,945
Intangibles under development (V)	1,217	-	6,392	7,256	353	-	-	-	-	353
Grand Total (I+II+III+IV+V)	1,094,579	-	39,809	1,049,298	85,088	11,314	9,497	3,974	16,837	68,253

* Refer note 39A for creation of goodwill and note 49 on impairment of goodwill

Certain property, plants and equipments are placed as collateral against borrowings, the details related to which have been described in note 13 to 16

Amount in Intangible assets under development as at March 31, 2023

CWIP	Less then 1 year	1 - 2 years	2 - 3 years	3 years and above	Total
Projects in progress	345	8	-	-	353
Project temporarily suspended	-	-	-	-	-

Amount in Intangible assets under development to be completed in

CWIP	Less then 1 year	1 - 2 years	2 - 3 years	3 years and above	Total
Projects in progress	353	-	-	-	353
Project temporarily suspended	-	-	-	-	-

There have been no project overruns exceeding the original planned expenditure

Title Deeds of all the immovable properties are in the name of the Company except certain properties which were transferred on account of business combination and are in the name of erstwhile Dewan Housing Finance Corporation Limited

(Currency : Rs in lakhs)

11 Property, plant and equipment, Intangible Assets and Intangibles under development

Particulars	Gross Block: Opening As at April 1, 2021	Gross Block: Acquisition through business combination (net) (Refer Note 39B)	Gross Block: Additions during the year	Gross Block: Deduction/ write offs/ impairment	Gross Block: As at March 31, 2022 (A)	Depreciation / Amortisation: Opening As at April 1, 2021	Depreciation / Amortisation: Charge for the year	Depreciation / Amortisation: Deduction/ write offs/ impairment	Depreciation / Amortisation: As at March 31, 2022 (B)	Net Block As at March 31, 2022 (A-B)
Tangible Assets										
Land & Building	30	36,638	-	-	36,668	-	439	-	439	36,229
Office Equipment	682	-	39	-	720	359	131		489	231
Computer	774	-	758	-	1,531	579	285	-	864	667
Computer Server	371	-		-	371	177	65	-	241	130
Furniture	303	-	1	-	305	100	30	-	130	175
Motor Car	239	49		-	288	74	31	-	104	184
Leasehold Improvements	2,829	-	25	-	2,854	1,533	419		1,952	902
Total (I)	5,229	36,687	823	-	42,737	2,820	1,399	-	4,219	38,517
Intangible Asset										
Goodwill on amalgamation	1,025,681	-	-	-	1,025,681	-	-		-	1,025,681
Computer software	3,885	-	3,076	-	6,961	331	952		1,283	5,678
Total (II)	1,029,565	-	3,076	-	1,032,642	331	952	-	1,283	1,031,359
Right to Use Assets (III)	7,125	8,627	2,356	124	17,983	3,009	2,884	81	5,812	12,171
Intangibles under development (IV)	753	-	3,638	3,174	1,217	-	-	-	-	1,217
Grand Total (I+II+III+IV)	1,042,672	45,314	9,892	3,298	1,094,579	6,159	5,236	81	11,314	1,083,264

Amount in Intangible assets under development as at March 31, 2022

CWIP	Less then 1 year	1 - 2 years	2 - 3 years	3 years and above	Total
Projects in progress	857	158	161	41	1,217
Project temporarily suspended	-	-	-	-	-

Amount in Intangible assets under development to be completed in

CWIP	Less then 1 year	1 - 2 years	2 - 3 years	3 years and above	Total
Projects in progress	1,217	-	-	-	1,217
Project temporarily suspended	-	-	-	-	-

(Currency : Rs in lakhs)

		As at March 31, 2023	As at March 31, 2022
12	**Trade payables**		
(i)	Total outstanding dues of micro enterprises and small enterprises (Refer note 35)	243	134
	Total	**243**	**134**
(ii) (a)	Total outstanding dues of creditors other than micro enterprises and small enterprises	28,227	49,950
(b)	Trade payables to related parties (refer note 40)	537	1,925
	Total	**28,764**	**51,875**

Note :

Trade payables ageing as at March 31, 2023

Particulars	Unbilled Amount	Outstanding for following periods from due date of payment				
		Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
MSME	-	236	7	-	-	243
Others	25,677	2,849	27	32	180	28,764
Disputed dues -MSME	-	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-	-
	25,677	3,085	34	32	180	29,007

Trade payables ageing as at March 31, 2022

Particulars	Unbilled Amount	Outstanding for following periods from due date of payment				
		Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
MSME	-	134	-	-	-	134
Others	18,900	32,644	57	20	254	51,875
Disputed dues -MSME	-	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-	-
	18,900	32,778	57	20	254	52,009

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Notes to the Standalone Financial Statements *(Continued)*
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(Currency : Rs in lakhs)

		As at March 31, 2023	As at March 31, 2022
13	**Debt Securities**		
	Debt securities in India		
	Measured at amortised cost		
	Redeemable Non Convertible Debentures (secured)	2,552,399	2,871,266
	Total	2,552,399	2,871,266
14	**Borrowings (Other than Debt Securities)**		
	Borrowings in India, unless otherwise specified		
	Measured at amortised cost		
	Term Loans (secured)		
	-From banks	997,124	1,116,621
	-From Others	74,632	-
	-FCNR Loan (from outside India)	62,951	56,940
	Securitised Borrowings (Secured)	109,157	266,965
	Working capital demand loan/short term borrowings (secured)		
	-From banks	-	15,064
	-From others	76,845	
	Commercial Paper (unsecured)	143,769	35,465
	Total	1,464,478	1,491,055
15	**Deposits**		
	Deposits in India		
	Measured at amortised cost		
	Intercorporate deposit from related party (Unsecured) (Refer note 40)	31,552	266,600
	Total	31,552	266,600
16	**Subordinated Liabilities**		
	Subordinated Liabilities in India		
	Measured at amortised cost		
	Redeemable Non Convertible Debentures (unsecured)	12,688	12,660
	Total	12,688	12,660

Notes to the Standalone Financial Statements (Continued)
as at March 31, 2023

(Currency : Rs in lakhs)

13 Debt Securities

A. Redeemable Non Convertible Debentures (secured)

Particulars	Nature of Security	Terms of repayment	Principal Outstanding as at March 31, 2023	Principal Outstanding as at March 31, 2022	Maturity Due Date	First Instalment payment date
1,666 (Previous Year : 3,333) (payable annually) 8.50% Secured, Rated, Listed, Redeemable Non Convertible Debentures (NCD's) each of a face value Rs 10,00,000	First pari-passu charge by hypothecation over the movable assets and a first ranking pari passu mortgage over Specifically Mortgaged Property	The NCD's are repayable in 3 equal tranches starting from July 30, 2021	16,660	33,330	July 31, 2023	July 31, 2021
18,48,28,062 (Previous Year - 19,53,25,290) (payable semi annually) 6.75% Secured, Rated, Listed, Redeemable Non Convertible Debentures (NCD's) each of a face value 925 (Previous Year Rs 975)	First pari-passu charge by hypothecation over the movable assets and a first ranking pari passu mortgage Property	The NCD's are repayable at 2.5% semi-annually for first 5 years and at 7.5% semi-annually for the next 5 years from the date of allotment	1,709,660	1,904,422	September 26, 2031	March 28, 2022
8,125 (payable annually) 9.50% Secured, Rated, Listed Redeemable Non Convertible Debentures (NCD's) each of a face value Rs 8,00,000	First pari-passu charge by hypothecation over the movable assets and a first ranking pari passu mortgage over Specifically Mortgaged Property	The NCD's are repayable after three years three months from the date of allotment	-	65,000	April 15, 2022	NA
625 (payable annually) 9.50% Secured, Rated, Listed, Redeemable Non Convertible Debentures (NCD's) each of a face value Rs 8,00,000	First pari-passu charge by hypothecation over the movable assets and a first ranking pari passu mortgage over Specifically Mortgaged Property	The NCD's are repayable after three years three months from the date of allotment	-	5,000	April 21, 2022	NA
1,750 (payable annually) 8.10% Secured, Rated, Listed, Redeemable Non Convertible Debentures (NCD's) each of a face value Rs 10,00,000	First pari-passu charge by hypothecation over the movable assets and a first ranking pari passu mortgage over Specifically Mortgaged Property	The NCD's are repayable after 18 months from the date of allotment	-	17,500	May 19, 2022	NA
1,500 (payable annually) 9.5% Secured, Rated, Listed, Redeemable Non Convertible Debentures (NCD's) each of a face value Rs 10,00,000	First pari-passu charge by hypothecation over the movable assets and a first ranking pari passu mortgage over Specifically Mortgaged Property	The NCD's are repayable after 3 years from the date of allotment	-	15,000	September 16, 2022	NA
1,500 (payable on maturity) 8.50% Secured, Rated, Listed, Redeemable Non Convertible Debentures (NCD's) each of a face value Rs 10,00,000	First pari passu charge by hypothecation over the movable assets and a first ranking pari passu mortgage over Specifically Mortgaged Property	The NCD's are repayable after 18 months from the date of allotment		15,000	October 7, 2022	NA
509 (payable annually) 8.50% Secured, Rated, Listed, Redeemable Non Convertible Debentures (NCD's) each of a face value Rs 10,00,000	First pari-passu charge by hypothecation over the movable assets and a first ranking pari passu mortgage over Specifically Mortgaged Property	The NCD's are repayable after 27 months from the date of allotment		5,090	January 23, 2023	NA
1,700 (payable on maturity) 8.25% Secured, Rated, Listed, Redeemable Principal Protected Market Linked Non-Convertible Debentures(NCD's) each of a face value Rs 10,00,000	First pari-passu charge by hypothecation over the movable assets and a first ranking pari passu mortgage over Specifically Mortgaged Property	The NCD's are repayable after 24 months from the date of allotment	17,000	17,000	April 14, 2023	NA
2,500 (payable annually) 8.75% Secured, Rated, Listed, Redeemable Non Convertible Debentures (NCD's) each of a face value Rs 10,00,000	First pari-passu charge by hypothecation over the movable assets and a first ranking pari passu mortgage over Specifically Mortgaged Property	The NCD's are repayable after 3 years from the date of allotment	25,000	25,000	May 12, 2023	NA
3,250 (payable annually) 8.75% Secured, Rated, Listed, Redeemable Non Convertible Debentures (NCD's) each of a face value Rs 10,00,000	First pari-passu charge by hypothecation over the movable assets and a first ranking pari passu mortgage over Specifically Mortgaged Property	The NCD's are repayable after 35 months from the date of allotment	32,500	32,500	May 31, 2023	NA
4,95,486 (payable on maturity) 8.35% Secured, Rated, Listed, Redeemable Non Convertible Debentures (NCD's) each of a face value Rs 1,000	First pari-passu charge by hypothecation over the movable assets and a first ranking pari passu mortgage Property	The NCD's are repayable after 26 months from the date of allotment	4,955	4,955	September 23, 2023	NA
52,480 (payable annually) 8.10% Secured, Rated, Listed, Redeemable Non Convertible Debentures (NCD's) each of a face value Rs 1,000	First pari-passu charge by hypothecation over the movable assets and a first ranking pari passu mortgage Property	The NCD's are repayable after 26 months from the date of allotment	525	525	September 23, 2023	NA
34,66,413 (payable annually) 8.35% Secured, Rated, Listed, Redeemable Non Convertible Debentures (NCD's) each of a face value Rs 1,000	First pari-passu charge by hypothecation over the movable assets and a first ranking pari passu mortgage Property	The NCD's are repayable after 26 months from the date of allotment	34,664	34,664	September 23, 2023	NA

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(Currency : Rs in lakhs)

13 Debt Securities (Continued)

A. Redeemable Non Convertible Debentures

Particulars	Nature of Security	Terms of repayment	Principal Outstanding as at March 31, 2023	Principal Outstanding as at March 31, 2022	Maturity Due Date	First Instalment payment date
12,300 (payable on maturity) 8.10% Secured, Rated, Listed, Redeemable Non Convertible Debentures (NCD's) each of a face value Rs 1,000	First pari-passu charge by hypothecation over the movable assets and a first ranking pari passu mortgage Property	The NCD's are repayable after 26 months from the date of allotment	123	123	September 23, 2023	NA
250 (payable annually) 9.75% Secured, Rated, Listed, Redeemable Non Convertible Debentures (NCD's) each of a face value Rs 10,00,000	First pari-passu charge by hypothecation over the movable assets and a first ranking pari passu mortgage over Specifically Mortgaged Property	The NCDs are repayable after 1826 days from the date of allotment	2,500	2,500	November 2, 2023	NA
1,800 (payable semi annually) 10% Secured, Rated, Unlisted, Redeemable Non Convertible Debentures (NCD's) each of a face value Rs 10,00,000	First pari-passu charge by hypothecation over the movable assets and a first ranking pari passu mortgage over Specifically Mortgaged Property	900 NCD's (50%) each of a face value of Rs 10,00,000 are repayable after 53 months from the date of allotment & balance 900 (50%) after 65 months from the date of allotment	18,000	18,000	November 8, 2024	November 8, 2023
50 (payable annually) 8.95% Secured Rated, Listed, Redeemable Non Convertible Debentures (NCD's) each having face value of Rs. 10,00,000	First pari-passu charge by hypothecation over the movable assets and a first ranking pari passu mortgage over Specifically Mortgaged Property	The NCD's are repayable after 2555 days from the date of allotment	500	500	March 8, 2024	NA
250 (payable annually) 8.75% Secured, Rated, Listed , Redeemable Non Convertible Debentures (NCD's) each having a face value of Rs 10,00,000	First pari-passu charge by hypothecation over the movable assets and a first ranking pari passu mortgage over Specifically Mortgaged Property	The NCD's are repayable after 2556 days from the date of allotment	2,500	2,500	May 3, 2024	NA
13,770 (payable annually) 8.25% Secured, Rated, Listed, Redeemable Non Convertible Debentures (NCD's) each of a face value Rs 1,000	First pari-passu charge by hypothecation over the movable assets and a first ranking pari passu mortgage Property	The NCD's are repayable after 36 months from the date of allotment	138	138	July 23, 2024	NA
15,42,637 (payable annually) 8.50% Secured, Rated, Listed, Redeemable Non Convertible Debentures (NCD's) each of a face value Rs 1,000	First pari-passu charge by hypothecation over the movable assets and a first ranking pari passu mortgage Property	The NCD's are repayable after 36 months from the date of allotment	15,426	15,426	July 23, 2024	NA
20,000 (payable annually) 9.25% Secured, Rated, Listed, Redeemable Non Convertible Debentures (NCD's) each of a face value Rs 10,00,000	First pari-passu charge by hypothecation over the movable assets and a first ranking pari passu mortgage over Specifically Mortgaged Property	The NCD's are repayable in 4 equal instalments starting from 12 June 2025	200,000	200,000	March 12, 2026	June 12, 2025
20,500 (payable annually) 9.25% Secured, Rated, Listed, Redeemable Non Convertible Debentures (NCD's) each of a face value Rs 10,00,000	First pari-passu charge by hypothecation over the movable assets and a first ranking pari passu mortgage over Specifically Mortgaged Property	The NCD's are repayable in 4 equal instalments starting from 19 June 2025	205,000	205,000	March 19, 2026	June 19, 2025
5,000 (payable monthly) 7.96% Secured, Rated , Listed, Redeemable Non Convertible Debentures (NCD's) each having a face value of Rs 10,00,000	First pari-passu charge by hypothecation over the movable assets and a first ranking pari passu mortgage over Specifically Mortgaged Property	The NCDs are redeemable at par in three instalments : 8th year-167 crore; 9th year-167crore; 10th year 166 crore	50,000	50,000	September 20, 2027	September 19, 2025
350 (payable annually) 9.25% Secured, Rated, Listed, Redeemable Non Convertible Debentures (NCD's) each of a face value Rs 10,00,000	First pari-passu charge by hypothecation over the movable assets and a first ranking pari passu mortgage over Specifically Mortgaged Property	The NCDs are repayable after 2555 days from the date of allotment	3,500	3,500	October 3, 2025	NA
1,07,455 (payable annually) 8.50% Secured, Rated, Listed, Redeemable Non Convertible Debentures (NCD's) each of a face value Rs 1,000	First pari-passu charge by hypothecation over the movable assets and a first ranking pari passu mortgage Property	The NCD's are repayable after 60 months from the date of allotment	1,075	1,075	July 23, 2026	NA
8,08,680 (payable annually) 8.75% Secured, Rated, Listed, Redeemable Non Convertible Debentures (NCD's) each of a face value Rs 1,000	First pari-passu charge by hypothecation over the movable assets and a first ranking pari passu mortgage Property	The NCD's are repayable after 60 months from the date of allotment	8,087	8,087	July 23, 2026	NA
5,000 (payable annually) 9.27% Secured, Rated, Listed, Redeemable Non Convertible Debentures (NCD's) each of a face value Rs 10,00,000	First pari-passu charge by hypothecation over the movable assets and a first ranking pari passu mortgage over Specifically Mortgaged Property	The NCDs are redeemable at par in three instalments : 8th year-167 crore; 9th year-167crore; 10th year 166 crore	50,000	50,000	December 19, 2028	December 18, 2026

(Currency : Rs in lakhs)

13 Debt Securities (Continued)

A. Redeemable Non Convertible Debentures (Continued)

Particulars	Nature of Security	Terms of repayment	Principal Outstanding as at March 31, 2023	Principal Outstanding as at March 31, 2022	Maturity Due Date	First Instalment payment date
15,000 (payable annually) 9.51% Secured, Rated, Listed Redeemable Non Convertible Debentures (NCD's) each of a face value Rs 10,00,000	First pari-passu charge by hypothecation over the movable assets and a first ranking pari passu mortgage over Specifically Mortgaged Property	The NCD's are repayable in 3 equal instalment of Rs 50000 lakhs each payable after 8th year, 9th year, 10th year from the date of allotment	150,000	150,000	March 9, 2029	March 11, 2027
500 (payable annually) 9.32% Secured, Rated, Listed, Redeemable Non Convertible Debentures (NCD's) each of a face value Rs 10,00,000	First pari-passu charge by hypothecation over the movable assets and a first ranking pari passu mortgage over Specifically Mortgaged Property	The NCD's are repayable after 10 years from the date of allotment	5,000	5,000	November 1, 2030	NA
250 (payable annually) 9.00% Secured, Rated, Listed, Redeemable Non Convertible Debentures (NCD's) each of a face value Rs 10,00,000	First pari-passu charge by hypothecation over the movable assets and a first ranking pari passu mortgage over Specifically Mortgaged Property	The NCD's are repayable after 10 years from the date of allotment	2,500	2,500	March 28, 2031	NA
200 (payable annually) 8.85% Secured, Rated, Listed, Redeemable Non Convertible Debentures (NCD's) each of a face value Rs 10,00,000	First pari-passu charge by hypothecation over the movable assets and a first ranking pari passu mortgage over Specifically Mortgaged Property	The NCD's are repayable after 10 years from the date of allotment	2,000	2,000	June 27, 2031	NA
1,150 (payable annually) 8.75% Secured, Rated, Listed, Redeemable Non Convertible Debentures (NCD's) each of a face value Rs 1,000	First pari-passu charge by hypothecation over the movable assets and a first ranking pari passu mortgage Property	The NCD's are repayable after 120 months from the date of allotment	12	12	July 23, 2031	NA
15,40,084 (payable annually) 9.00% Secured, Rated, Listed, Redeemable Non Convertible Debentures (NCD's) each of a face value Rs 1,000	First pari-passu charge by hypothecation over the movable assets and a first ranking pari passu mortgage Property	The NCD's are repayable after 120 months from the date of allotment	15,401	15,401	July 23, 2031	NA

The contractual rate of interest for the above loans are in the range of 6.75% to 10% per annum

14 Borrowings (Other than Debt Securities)

A. I Rupee Term Loan from Banks

Nature of Security	Terms of repayment	Principal Outstanding as at March 31, 2023	Principal Outstanding as at March 31, 2022	Maturity Due Date	First Instalment payment date
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts, present and future	Repayable in nineteen quarterly instalments commencing after a moratorium period of 3 months from the date of drawdown	228	4,433	May 28, 2023	August 31, 2018
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts, present and future	Repayment in equal half yearly instalments	-	1,250	April 20, 2022	October 20, 2018
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts, present and future	Repayable in sixteen quarterly instalments with a holiday period of 1 year from the drawdown date	-	10,114	December 28, 2022	November 28, 2018
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts, present and future	Repayment of principal in 47 equal monthly instalment of Rs. 1042 lakhs each and 48th instalment of Rs 1050 lakhs after drawdown.	-	8,562	December 29, 2022	January 29, 2019
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts, present and future	Repayment of principal in 47 equal monthly instalment of Rs 1042 lakhs each and 48th instalment of Rs 1050 lakhs after drawdown	-	9,645	February 2, 2023	March 2, 2019
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts, present and future	Repayable in eight half yearly instalments commencing after initial moratorium period of 12 months	-	2,748	March 25, 2023	March 26, 2019
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts, present and future	Repayable in eight half yearly instalments commencing after 12th month from the drawdown date	-	2,444	March 25, 2023	March 26, 2019
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts, present and future	Repayable in sixteen quarterly instalments with a holiday period of 1 year from the drawdown date	-	6,883	August 28, 2022	March 28, 2019
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts, present and future	Repayable in twelve quarterly instalments Commencing from 25th month from date of drawdown	-	12,500	June 9, 2022	June 9, 2019
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts, present and future	Repayment of principal in 16 equal quarterly instalment after moratorium period of three year from drawdown date	54,844	67,500	May 17, 2026	June 17, 2019

Notes to the Standalone Financial Statements (Continued)
as at March 31, 2023

(Currency : Rs in lakhs)

14 Borrowings (Other than Debt Securities) (Continued)

A.1 Rupee Term Loan from Banks (Continued)

Nature of Security	Terms of repayment	Principal Outstanding as at March 31, 2023	Principal Outstanding as at March 31, 2022	Maturity Due Date	First instalment payment date
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts, present and future	Repayment of principle in 16 quarterly instalment of Rs 623 lakhs after moratorium period of 3 months from the date of 1st drawdown	2,500	4,972	September 27, 2023	June 27, 2019
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts, present and future	Repayment of principle in 18 quarterly instalment after moratorium period of 6 months from the date of 1st drawdown	44,443	88,890	January 19, 2024	July 31, 2019
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts, present and future	Repayment of principle in 12 quarterly instalment of Rs 4167 lakhs after moratorium period of 6 months from the date of 1st drawdown	-	12,452	November 26, 2022	August 26, 2019
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts, present and future	Repayable in twelve equal quarterly instalments commencing from 25 months from date of drawdown	-	2,031	June 27, 2022	September 30, 2019
First pari passu charge by way of hypothecation on the standard moveable assets including receivables and book debts, present and future	Repayable in six equal half yearly instalments with moratorium period of one year from drawdown date		6,100	September 30, 2022	September 30, 2019
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts, present and future	Repayable in 18 equal quarterly instalments after the moratorium period of 6 months from the drawdown date	17,717	28,829	December 24, 2024	June 29, 2020
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts, present and future	Repayable in six equal half yearly instalments with moratorium period of one year from drawdown date	-	7,585	December 31, 2022	June 30, 2020
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts, present and future	Repayable in 60 months in 9 equal half yearly instalments commencing after initial moratorium of 6 months	-	16,403	September 19, 2024	September 16, 2020
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts, present and future	Repayment of principal in 12 equal quarterly instalment after moratorium period of one year from drawdown date	-	2,735	March 26, 2023	September 26, 2020
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts, present and future	Term Loan to be repaid in 19 equal quarterly instalments starting from 1 quarter from date of first disbursement	21,059	31,592	March 31, 2025	September 30, 2020
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts, present and future	Term Loan repayment in 16 equal quarterly instalments after a moratorium period of 1 year	19,371	29,279	December 26, 2024	March 26, 2021
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts, present and future	Term Loan repayment in 24 equal quarterly instalments after a moratorium period of 1 year.	33,317	41,652	January 30, 2027	March 29, 2021
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts, present and future	Repayment of Principle in 12 equal quarter instalment of Rs 2500 lakhs after moratorium period of the 2 years from the date of drawdown	9,978	19,979	March 26, 2024	June 30, 2021
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts, present and future	Repayable in 20 equal quarterly instalments.	44,738	59,738	March 30, 2026	June 30, 2021
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts, present and future	Term Loan Repayment in 16 equal quarterly instalments post moratorium period of 1 year.	28,079	37,463	April 2, 2025	July 3, 2021
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts, present and future	Term Loan repayment in 24 quarterly instalments post moratorium period of 1 year.	135,250	191,250	April 4, 2027	July 4, 2021
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts, present and future	Term Loan Repayment in 16 equal quarterly instalments post moratorium period of 1 year	-	8,748	August 31, 2025	November 30, 2021
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts, present and future	Repayable in 20 equal quarterly instalments.	35,000	44,989	September 28, 2026	December 27, 2021
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts, present and future	Term Loan Repayment in 16 equal quarterly instalments post moratorium period of 1 year	3,436	4,686	December 11, 2025	March 11, 2022
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts, present and future	Repayable in 60 months including moratorium period of 1 year and post that payable in 16 equal quarterly instalments	24,062	32,812	December 28, 2025	March 28, 2022
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts, present and future	Repayable in 28 equal quarterly instalments.	20,535	24,107	December 29, 2028	March 31, 2022
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts, present and future	Repayable in 20 equal quarterly instalments after the moratorium period of 24 months from the drawdown date	16,673	20,866	March 31, 2027	June 17, 2022

Piramal Capital & Housing Finance Limited
(formerly known as Piramal Housing Finance Limited)

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(Currency : Rs in lakhs)

14 Borrowings (Other than Debt Securities) (Continued)

A. 1 Rupee Term Loan from Banks (Continued)

Nature of Security	Terms of repayment	Principal Outstanding as at March 31, 2023	Principal Outstanding as at March 31, 2022	Maturity Due Date	First Instalment payment date
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts, present and future	Repayable in eighteen quarterly Instalments of Rs. 800 lakhs each and last instalment of Rs. 600 lakhs after a holiday period of 3 months from date of drawdown	11,800	15,000	December 24, 2026	June 27, 2022
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts, present and future	Repayable in 12 equal quarterly instalments.	6,667	10,000	March 30, 2025	June 30, 2022
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts, present and future	Repayable in 20 equal quarterly instalments.	15,999	20,000	March 30, 2027	June 30, 2022
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts, present and future	Repayable in 18 months from drawdown date	-	16,700	July 11, 2022	NA
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts, present and future	Repayable in 12 equal quarterly instalments from date of drawdown	30,000		May 12, 2025	August 15, 2022
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts, present and future	Repayable in ten quarterly instalments with moratorium period of 6 months from date of drawdown	17,499	25,000	November 30, 2024	August 31, 2022
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts, present and future	Repayable in 19 quarterly instalments with moratorium period of 3 months from date of drawdown	6,316	7,500	March 30, 2027	September 30, 2022
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts, present and future	Repayable in 19 quarterly instalments with moratorium period of 3 months from date of drawdown	25,263	30,000	March 30, 2027	September 30, 2022
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts, present and future	Repayable in 16 quarterly instalments with moratorium period of 6 months from date of drawdown	8,750	10,000	September 30, 2026	December 31, 2022
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts, present and future	Term loan repayable in 20 equal quarterly instalments	4,750		October 31, 2027	January 31, 2023
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts, present and future	Term loan repayable in 20 quarterly instalments from the end of the quarter of the first disbursement	9,498	-	October 31, 2027	January 31, 2023
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts, present and future	Repayable in eight half yearly instalments after a moratorium period of 1 year from date of drawdown	13,121	14,996	August 31, 2026	February 28, 2023
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts, present and future	Term loan repayable in 20 equal quarterly instalments from the end of the quarter of the first disbursement	71,250		December 19, 2027	March 19, 2023
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts present and future	18 equal quarterly instalments after 6M moratorium	19,644		June 30, 2027	March 31, 2023
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts, present and future	Term loan repayable in quarterly instalments over a period 15 years with NIL moratorium	4,916	-	December 30, 2037	March 31, 2023
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts, present and future	Bullet payment on maturity	25,000	-	May 25, 2023	NA
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts, present and future	Repayable in 24 months from drawdown date	-	23,000	May 26, 2023	NA
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts, present and future	18 equal quarterly instalments after 6M moratorium	26,700	-	September 26, 2027	June 26, 2023
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts, present and future	Repayable in 24 quarterly instalments with moratorium period of 1 year from date of drawdown	20,000	20,000	March 29, 2029	June 30, 2023
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts, present and future	Repayable in 18 months from drawdown date	-	17,500	June 20, 2023	NA
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts, present and future	9 equal quarterly install after 9 month moratorium	10,000		August 4, 2025	August 4, 2023

WALKER CHANDIOK & Co LLP CHARTERED ACCOUNTANTS

TR CHADHA & Co LLP MUMBAI Chartered Accountants

Piramal Capital & Housing Finance Limited
(formerly known as Piramal Housing Finance Limited)

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(Currency : Rs in lakhs)

14 Borrowings (Other than Debt Securities) (Continued)

A. 1 Rupee Term Loan from Banks (Continued)

Nature of Security	Terms of repayment	Principal Outstanding as at March 31, 2023	Principal Outstanding as at March 31, 2022	Maturity Due Date	First Instalment payment date
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts, present and future	Repayable in 12 equal quarterly instalments after 1 year moratorium	23,000	-	May 30, 2026	August 31, 2023
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts, present and future	Repayable in 12 equal quarterly instalments after 1 year moratorium	17,500	-	June 2, 2026	September 2, 2023
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts, present and future	12 equal quarterly install after 1 year moratorium	16,700	-	July 31, 2026	October 31, 2023
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts, present and future	Repayable in 14 quarterly instalments with moratorium period of 18 months from date of drawdown	50,000	50,000	March 7, 2027	December 7, 2023
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts, present and future	16 equal quarterly instalments after 12 month moratorium	5,000	-	September 30, 2027	December 31, 2023
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts, present and future	Bullet payment on maturity	30,000	-	January 17, 2024	NA
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts, present and future	Repayable in 24 months from drawdown date	-	25,000	March 3, 2024	NA
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts, present and future	Repayable in 12 quarterly instalments with moratorium period of 1 year from date of drawdown	25,000	-	March 9, 2027	June 9, 2024

The contractual rate of interest for the above loans are in the range of 6.50% to 10.15 % per annum

A. 2 Rupee Term Loan from Others

Nature of Security	Terms of repayment	Principal Outstanding as at March 31, 2023	Principal Outstanding as at March 31, 2022	Maturity Due Date	First Instalment payment date
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts, present and future	Term loan repayable in 120 Equated Monthly Instalments	75,000	-	March 1, 2033	May 1, 2023

A.3 FCNR Loan

Nature of Securities	Terms of repayment	Principal Outstanding as at March 31, 2023	Principal Outstanding as at March 31, 2022	Maturity Due Date	First Instalment payment date
First pari-passu charge on the standard assets including receivables present and future	Repayable after 53 months from drawdown date	30,816	26,132	June 14, 2023	NA
First pari-passu charge on the standard assets including receivables present and future	Repayable after 65 months from drawdown date	30,816	26,132	June 14, 2024	NA

The rate of interest for the above loans is 9.30% per annum

B.1 Securitised Borrowings

Nature of Security	Terms of repayment	Principal Outstanding as at March 31, 2023	Principal Outstanding as at March 31, 2022	Maturity Due Date	First Instalment payment date
Specific loan cash flows & underlying that are part of the Assignment pool	Repayable in 356 months from drawdown date	4,657	7,278	July 20, 2049	November 20, 2019
Specific loan cash flows & underlying that are part of the PTC pool	Repayable in 188 months from drawdown date	2,870	4,090	August 31, 2035	October 11, 2019
Specific loan cash flows & underlying that are part of the PTC pool	Repayable in 99 months from drawdown date	-	6,045	February 20, 2028	November 20, 2019
Specific loan cash flows & underlying that are part of the PTC pool	Repayable in 292 months from drawdown date	25,413	-	June 13, 2047	April 13, 2023

The contractual rate of interest for the above loans are in the range of 8.20% to 8.90% per annum

C.1 Working Capital Demand Loan from banks/short term borrowings:

Nature of Security	Principal Outstanding as at March 31, 2023	Principal Outstanding as at March 31, 2022
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future	-	10,000
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future		5,000

The rate of interest for the above loans is 2.75% to 7.90% per annum

Notes to the Standalone Financial Statements (Continued)
as at March 31, 2023

(Currency : Rs in lakhs)

14 Borrowings (Other than Debt Securities) (Continued)

C.2 Working Capital Demand Loan from Others:

Nature of Security	Principal Outstanding as at March 31, 2023	Principal Outstanding as at March 31, 2022
Exclusive charge on Government Securities	76,734	-

The contractual rate of interest for the above loans are in the range of 6.90% to 6.95% per annum

D.1 Commercial Paper:

Particulars	Terms of Repayment	Principal Outstanding as at March 31, 2023	Principal Outstanding as at March 31, 2022	Maturity Due Date
Commercial Paper	Repayable within 365 days from date of disbursement	148,500	35,900	Various

The effective costs for the above loans are in the range of 7.25% to 9.00 % per annum

15 Deposits

Intercorporate deposit from related party

Particulars	Terms of Repayment	Principal Outstanding as at March 31, 2023	Principal Outstanding as at March 31, 2022	Maturity Due Date	First Instalment payment date
Intercorporate deposit	Repayable after Eighteen months from drawdown date	-	36,900	June 30, 2022	NA
Intercorporate deposit	Repayable after Sixty months from drawdown date	30,000	229,700	June 25, 2025	NA

The rate of interest for the above loans is 8.25% per annum

16 Subordinated Liabilities

Redeemable Non Convertible Debentures

Particulars	Terms of Repayment	Principal Outstanding as at March 31, 2023	Principal Outstanding as at March 31, 2022	Maturity Due Date	First Instalment payment date
1,276 (payable annually) 9.55% Unsecured, Subordinated, Tier II, Rated, Listed, Redeemable Non Convertible Debentures (NCD's) each having face value	The NCD's are repayable after 10 years from the date of allotment	12,760	12,760	March 8, 2027	NA

The rate of interest for the above loans is 9.55% per annum

		As at March 31, 2023	As at March 31, 2022
17	**Other financial liabilities**		
	Lease liability	26,066	13,097
	Payable to employees	9,413	9,217
	Unclaimed dividend@	98	175
	Security and other deposits received	5	202
	Amounts payable on Securitised Loans	63,248	54,719
	Others*	67,672	12,515
	Total	**166,502**	**89,925**

* includes liability towards sold portfolio etc.

Also, during the year ended March 31, 2023, the Company has recovered Rs. 30,914 lakhs from 6 parties, against whom Avoidance Applications were filed by the Administrator, by way of settlement agreements entered by the Company with these parties under Section 7 of Insolvency and Bankruptcy Code, 2016 as full and final settlement of financial dues and withdrawal of all pending cases against these parties in connection with the disputes and / or finance documents and / or financial debt, if any, before any forum / court / tribunal / authority and / or otherwise, under any / all applicable laws. The management is of the considered view that these amounts are not required to be paid to Committee of Creditors (CoC) and continues to pursue for recovery against these parties w.r.t. Avoidance Application filed by the administrator. However, considering the complexity of the matter, amount of Rs. 27,495 lakhs (after adjustment of recovery against Section 66) has not been recognized as income and shown as liability in financial statements.

@ As at March 31, 2022, amount of Rs.53 lakhs of unclaimed dividend which was due for payment to the investor education and protection fund under section 125 of the Companies Act 2013 was paid during the year.
Pursuant to the corporate insolvency resolution process initiated by the Reserve Bank of India (RBI) in the Company (i.e. the erstwhile Dewan Housing Finance Corporation Limited (DHFL)) and the subsequent order of the Hon'ble National Company Law Tribunal (NCLT), a Moratorium was imposed on DHFL in terms of the Insolvency and Bankruptcy Code, 2016 (Code) w.e.f. from December 3, 2019.

On account of Moratorium, alienation of any assets of DHFL was prohibited until the completion of the insolvency process. Consequently, the Administrator decided that the amount lying in the bank accounts of DHFL (including unclaimed dividend accounts) shall not be alienated or transferred in any manner, and that any such alienation/transfer, while Moratorium is in force, would result in violation of Section 14 of the Code. Further, all bank accounts of DHFL, including unclaimed dividend accounts, were frozen for any debit transactions.

The implementation of the insolvency resolution plan, as approved by the NCLT, was completed on September 30, 2021 and the new board of directors was instated on September 30, 2021 subsequent to which the Company was able to take practical steps to reactivate the relevant unclaimed dividend accounts.

As on March 31, 2023, the Company is in compliance of requirements and there is no delays.

18	**Current tax liabilities**		
	Net provision for tax (net of advance tax of Rs. 162,576 Lakhs, March 31, 2022 Rs. 40,788 Lakhs)	59,208	340,889
	Total	**59,208**	**340,889**
19	**Provisions**		
	Provision for Employee Benefits (refer Note 41)	606	89
	Allowance for impairment on commitments (refer note 44.4(b))	5,493	10,111
	Total	**6,099**	**10,200**
20	**Other non- financial liabilities**		
	Statutory dues payable	3,036	2,740
	Deferred income on fair valuation of deposit taken	-	10
	Fair Valuation Adjustment on Merger (Refer Note 39B)	345,798	538,849
	Advance received	14,043	7,350
	Total	**362,877**	**548,949**

(Currency : Rs in lakhs)

	As at March 31, 2023	As at March 31, 2022
21 Equity Share Capital		
Authorized share capital:		
Opening balance:		
25,840,390,024 (March 31, 2022: 25,000,000,000) equity shares of Rs. 10 each	2,584,039	2,500,000
Add: Nil (March 31, 2022: 840,390,024) equity shares transfer on account of reverse merger (Refer Note 39B)	-	84,039
Total	2,584,039	2,584,039
250,000 (March 31, 2022: 250,000) Non-Convertible Redeemable Cumulative Preference Shares of Rs. 1000 each transfer on account of reverse merger (Refer Note 39B)	25,000	25,000
Total	25,000	25,000
Issued, subscribed and fully paid up equity share capital:		
Opening balance	2,136,469	1,928,372
Less: Cancellation of Shares upon business combination (Refer Note 39B)	-	(1,928,372)
Add: Issue of shares pursuant to business combination (Refer Note 39B)	-	2,136,469
Total	2,136,469	2,136,469

Reconciliation of the shares outstanding at the beginning and at the end of the reporting year

Equity shares	March 31, 2023		March 31, 2022	
	No. of shares	Amount	No. of shares	Amount
At the beginning of the year	21,364,691,751	2,136,469	19,283,718,397	1,928,372
Less: Cancellation of Shares upon business combination (Refer Note 39B)	-	-	(19,283,718,397)	(1,928,372)
Add: Issue of shares pursuant to business combination (Refer Note 39B)	-	-	21,364,691,751	2,136,469
Outstanding at the end of the year	21,364,691,751	2,136,469	21,364,691,751	2,136,469

Details of shares held by Promoter

Particulars	March 31, 2023		March 31, 2022	
	No. of shares	% Holding	No. of shares	% Holding
Piramal Enterprises Limited	21,364,691,751	100%	21,364,691,751	100%

Details of shareholder holding more than 5% shares in the Company

Particulars	March 31, 2023		March 31, 2022	
	No. of shares	% Holding	No. of shares	% Holding
Piramal Enterprises Limited	21,364,691,751	100%	21,364,691,751	100%

Aggregate number of shares issued for consideration other than cash during the period of five years immediately preceding the balance sheet date:

Particulars	Financial year	No. of shares
Equity shares of Rs. 10 each allotted as fully paid-up pursuant to business combination (Refer Note 39B)	2021-22	21,364,691,751

The Company has only one class of equity shares having a face value of Rs. 10 per share. Each holder of equity share is entitled to one vote per share. The Company declares and pays dividend in Indian Rupees.

There were no shares allotted as fully paid-up by way of bonus shares. There were no shares reserved for issue under options and contracts/commitments for the sale of shares/disinvestment. There were no shares forfeited during the year.

In the event of liquidation of the Company, the holders of equity shares will be entitled to remaining assets of the Company. The distribution will be in proportion to the number of equity shares held by the shareholders.

22 Other equity

	As at March 31, 2023	As at March 31, 2022
Capital Reserve (refer note 22.1)	17,263	17,263
Securities Premium (refer note 22.2)	220,885	220,885
Cash flow hedging reserve (refer note 22.3)	381	(624)
Statutory reserve fund (refer note 22.4)	244,564	244,564
Amalgamation Adjustment Reserve (refer note 22.5)	(398,370)	(398,370)
Debt Instruments Measure through OCI (refer note 22.6)	(1,276)	-
Equity Instruments Measure through OCI (refer note 22.7)	6,720	-
Retained earnings (refer note 22.8)	(736,649)	5,734
Total	(646,482)	89,452
22.1 Capital reserve		
Opening balance (Refer note 39B)	17,263	3
Less: Transfer to Share Capital on account of reverse merger (Refer Note 39B)	-	(3)
Add: Transfer on account of reverse merger (Refer Note 39B)	-	17,263
Closing Balance	17,263	17,263

Capital reserve has been created on account of business combination (refer note 39B) completed during the year 2021-22

Piramal Capital & Housing Finance Limited
(formerly known as Dewan Housing Finance Corporation Limited)

Notes to the Standalone Financial Statements *(Continued)*
as at March 31, 2023

(Currency : Rs in lakhs)

	As at March 31, 2023	As at March 31, 2022
22.2 Securities Premium		
Opening balance	220,885	16,080
Less: Transfer to Share Capital on account of reverse merger (Refer Note 39B)	-	(16,080)
Add: Transfer on account of reverse merger (Refer Note 39B)	-	220,885
Closing Balance	**220,885**	**220,885**

Securities premium reserve is used to record the premium on issue of shares. The reserve can be utilised only for limited purposes such as issuance of bonus shares in accordance with the provisions of the Companies Act, 2013.

	As at March 31, 2023	As at March 31, 2022
22.3 Cash flow hedging reserve		
Opening Balance	(624)	(1,596)
Addition during the year (Refer note 45)	1,005	972
Closing Balance	381	(624)

The Company uses hedging instruments as part of its management of foreign currency risk and interest rate risk associated with variable interest rate borrowings, investment in floating rate bonds. For hedging foreign currency risk, the Company uses foreign currency forward contracts, which are designated as cash flow hedges. For hedging interest rate risk, the Company uses interest rate swaps which is also designated as cash flow hedges. To the extent these hedges are effective; the changes in fair value of the hedging instrument is recognised in the cash flow hedging reserve. Amount recognised in the cash flow hedging reserve is reclassified to profit or loss when the hedged item affects Statement of profit or loss (e.g. interest payments).

	As at March 31, 2023	As at March 31, 2022
22.4 Statutory reserve fund		
Reserve fund U/s 29C of the NHB Act, 1987		
Opening Balance	244,564	50,150
Add: Transfer on account of reverse merger (Refer Note 39B)	-	183,899
Addition during the year	-	10,515
Closing Balance	244,564	244,564

Reserve Fund is required to be maintained u/s 29C of the NHB Act, 1987 for Housing Finance Companies. During the year ended March 31, 2023, the Company has transferred an amount of Rs. NIL during the year. (March 31, 2022 Rs. 10,515 Lakhs being 20% of profit after tax)

	As at March 31, 2023	As at March 31, 2022
22.5 Amalgamation Adjustment Reserve		
Opening Balance	(398,370)	-
Addition during the year (refer note 39B)	-	(398,370)
Closing Balance	(398,370)	(398,370)

Amalgamation adjustment reserve has been created on account of business combination (refer note 39B) done during the year 2021-22

	As at March 31, 2023	As at March 31, 2022
22.6 Debt Instruments Measure through OCI		
Opening Balance	-	-
Addition during the year	(1,276)	-
Closing Balance	(1,276)	-

The Company recognises changes in the fair value of debt instruments held with a dual business objective of collect and sell in other comprehensive income. These changes are accumulated in the FVTOCI debt investments reserve. The Company transfers amounts from this reserve to Statement of profit or loss when the debt instrument is sold. Any impairment loss on such instruments is reclassified immediately to the Statement of Profit and Loss.

	As at March 31, 2023	As at March 31, 2022
22.7 Equity Instruments Measure through OCI		
Opening Balance	-	-
Addition during the year	6,720	-
Closing Balance	6,720	-

The Company has elected to recognise changes in the fair value of certain investments in equity securities in other comprehensive income. These changes are accumulated in the FVTOCI equity investments reserve. The Company transfers amounts from this reserve to retained earnings when the relevant equity securities are derecognised.

	As at March 31, 2023	As at March 31, 2022
22.8 Retained earnings		
Opening Balance	5,734	155,654
Net profit/(loss) for the year	(742,483)	52,575
Other comprehensive income arising from remeasurement of defined benefit obligation net of income tax	100	35
Less: Transfer to Share Capital on account of reverse merger (Refer Note 39B)	-	(192,015)
Less: Transfer to statutory reserve fund	-	(10,515)
Closing Balance	(736,649)	5,734

Retained earnings are the profits that the Company has earned till date, less any transfers to statutory reserve and dividends paid to investors. The amount that can be distributed by the Company as dividends to its equity shareholders is determined based on the financial statements of the Company and also considering the requirements of the Companies Act, 2013. Thus, the amounts reported above are not distributable in entirety.

Notes to the Standalone Financial Statements *(Continued)*
For the year ended March 31, 2023

(Currency : Rs in lakhs)

		For the year ended March 31, 2023	For the year ended March 31, 2022
23	**Interest income**		
	Interest income on financial assets measured at amortised cost:		
	- on investments	69,421	70,728
	- on loans and advances	506,397	448,909
	Interest income- on investments measured at FVTPL	40,860	65,595
	Interest income- on investments measured at FVTOCI	10,728	-
	Interest income on Fixed deposits	4,837	5,100
	Total	632,243	590,332
24	**Fees and commission Income**		
	- processing / arranger fees	16,101	7,234
	- other operating Income	10,716	6,177
	Total	26,817	13,411
25	**Other Income**		
	Other non-operating income	1,853	6,611
	Net gain on sale of fixed assets	262	-
	Interest on income tax refund	3,736	-
	Total	5,851	6,611
26	**Finance cost**		
	Interest expense on financial liabilities measured at amortised cost:		
	Interest on deposits	12,808	19,328
	Interest on borrowings	108,223	131,809
	Interest on debt securities	223,055	178,948
	Interest on subordinated liabilities	1,247	3,139
	Total	345,333	333,224
27	**Fees and commission expense**		
	Other borrowing cost*	2,988	1,645
	Total	2,988	1,645
	* includes interest cost on lease liability		
28	**Net loss on fair value changes**		
	Loss on investments measured at FVTPL	213,760	50,028
	Loss/(gain) on loans and advances measured at FVTPL	(128,175)	-
	Realised gain on sale of investments	(8,374)	(8,048)
	Unrealised gain on sale of investments	-	(172)
	Total	77,211	41,808

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(Currency : Rs in lakhs)

		For the year ended March 31, 2023	For the year ended March 31, 2022
29(a)	**Net loss on derecognition of financial instruments- under amortised cost category**		
	Loss on derecognition of financial assets*	359,489	2,206
	Gain on derecognition of financial Liabilities**	(32,936)	-
	Total	**326,553**	2,206

*This includes, amounts prudentially written off (technical write off) as per the Board approved policy of the Company. During the year ending March 31, 2023, the Company has prudentially written off certain loans from wholesale sector amounting to Rs 94,365 Lakhs (net of recovery of Rs 4,150 Lakhs) and from retail sector amounting to Rs 6,754 Lakhs (net of recovery of Rs 529 Lakhs).
** This includes, gain on derecognition of financial Liabilities on buyback of 6.75% 10,497,228 Non-convertible debentures having face value of Rs. 950 with buyback prices of Rs 823.28 per debentures (including Accrued Interest of Rs. 14.76). Due to such buyback, the Company has recognised Rs. 12,936 lakhs as gain on de-recognition of financial liability.

		For the year ended March 31, 2023	For the year ended March 31, 2022
29(b)	**Impairment on financial instruments**		
	Measured at Amortised Cost		
	Loans	59,910	10,322
	Investments	(71,919)	51,600
	Commitments	(4,619)	803
	Others	700	
	Total	**(15,928)**	62,725
30	**Employee benefits expense**		
	Salaries and wages	48,759	27,999
	Contribution to provident and other funds (refer note 41)	2,492	1,096
	Provision for leave encashment (refer note 41)	1,346	(1,261)
	Staff welfare expenses	2,730	1,195
	Provision for gratuity (refer note 41)	777	440
	Total	**56,104**	29,469
31	**Other expenses**		
	Corporate social responsibility expenses (refer note 50)	5,467	4,921
	Rent (refer note 34)	193	679
	Rates and taxes, excluding taxes on income	1,116	35
	Travelling and conveyance	1,595	277
	Legal and professional fees	74,113	28,554
	Royalty	5,341	4,430
	Electricity expense	990	421
	Repairs and maintenance	2,428	4,385
	Business promotion and advertisement expenses	4,331	1,059
	Postage and communication	1,619	697
	Printing and stationery	633	315
	Provision for non-financial assets	13,399	-
	Other expenses	6,393	2,365
	Payments to auditors		
	- as auditor	550	345
	- for other services	2	4
	- for reimbursement of expenses	32	2
	Total	**118,202**	48,489

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Piramal Capital & Housing Finance Limited
(formerly known as Dewan Housing Finance Corporation Limited)

Notes to the Standalone Financial Statements (Continued)
as at March 31, 2023

(Currency : Rs in lakhs)

32 Income Taxes

	Year ended March 31, 2023	Year ended March 31, 2022
a. Recognised in the statement of profit and loss		
Current Tax		
In respect of the current year	-	56,325
In respect of the previous years (Refer foot note (ii))	(332,754)	-
Deferred Tax		
In respect of the current year	(205,375)	(37,502)
Total	(538,129)	18,823

b. The income tax expense for the year can be reconciled to the accounting profit as follows:

	Year ended March 31, 2023	Year ended March 31, 2022	Effective tax rate reconciliation Year ended March 31, 2023	Year ended March 31, 2022
Profit before tax from continuing operations	(1,280,612)	71,398		
Income tax expense calculated at 25.17% (previous year at 25.17%)	(322,330)	17,971	25.17%	25.17%
Tax effect:				
Effect of expenses that are not deductible in determining taxable profit -Donation	1,376	1,238	-0.11%	1.73%
Reversal of Deferred tax asset on account of impairement of Goodwill	115,026	-	-8.98%	-
Others	553	(386)	-0.04%	-0.54%
Total	(205,375)	18,823	16.04%	26.36%
Tax reversal for earlier years	(332,754)	-		
Income tax expense recognised in the statement of profit and loss	(538,129)	18,823		
Effective Tax Rate	16.04%	26.36%		

Note:

i. The tax rate used for the reconciliations above is the corporate tax rate of 25.17% as per new tax regime.

ii. As given in note 39B, contingent tax liabilities of Rs. 343,700 lakhs pertaining to financial years ended March 31, 2020 and March 31, 2021, were recognized pursuant to uncertain tax positions as on the acquisition of DHFL.

During the year, the Company had received an Assessment Order under section 143(3) of the Income Tax Act, 1961 from Income Tax Department for the financial year ended March 31, 2021 wherein Company's submissions relating to the above said matters were accepted by the Assessing Officer. Further, for financial year ended March 31, 2020, the assessment is time barred as per Section 153 of the Income Tax Act 1961. Accordingly, the Company has reversed the provision of Rs. 332,754 lakhs (Out of the total contingent tax liabilities provided earlier of Rs. 343,700 lakhs) and disclosed the same as "Reversal of tax provisions – Earlier years" in these financial statements.

(Currency : Rs in lakhs)

33 Earnings per share (EPS)

Basic and diluted EPS is computed in accordance with Ind AS 33 'Earnings Per Share' specified under section 133 of the Companies Act, 2013

The computation of earnings per share is set out below:

Description	For the year ended March 31, 2023	For the year ended March 31, 2022
Net profit/(loss) attributable to equity shareholders	(742,483)	52,575
Weighted average number of equity shares outstanding during the year for calculation of EPS	21,364,691,751	21,364,691,751
Basic and Diluted EPS of face value of Rs. 10	(3.48)	0.25

The basic and diluted EPS is same as there are no potential dilutive equity shares.

34 Lease disclosure as lessee

Ind AS 116 introduced a single, on balance sheet accounting model for lessees. As a result, the Company, as a lessee, has recognised the right-of-use assets representing its right to use the underlying assets and lease liabilities representing its obligations to make lease payments.

At transition, for leases classified as operating leases under Ind AS 17, lease liabilities were measured at the present value of the outstanding lease payments, discounted at the Company's incremental borrowing rate as at April 01, 2019. The respective right-of-use asset was recognised at an amount equal to the lease liability, adjusted by the amount of any prepaid/advance lease payments or accrued lease payments relating to that lease recognised in the balance sheet immediately before the date of initial application.

The Company's significant operating lease arrangements are mainly in respect of office/branch premises These lease arrangements are for a period exceeding three to nine years and are in most cases renewable by mutual consent, on mutually agreeable terms. Details for the operating lease as lessee are as under:

Right-of-use assets

Right-of-use assets related to lease properties

Particulars	As at March 31, 2023	As at March 31, 2022
Opening Balance	12,171	4,116
Amortisation on ROU during the year	(5,196)	(2,884)
Addition to right-of-use assets	17,845	10,982
Derecognition of right-of-use assets (net)	(875)	(43)
Closing Balance	23,945	12,171

Amount recognised in statement of profit and loss - Lease under Ind AS - 116

Particulars	As at March 31, 2023	As at March 31, 2022
Interest on lease liabilities	1,972	530
Income from sub-leasing right-of-use assets presented in 'Other Revenue'	118	118
Expenses Related to short-term lease	193	679
Expenses related to leases of low-value assets, excluding short-term lease of low-value assets	-	-
Amortisation on ROU during the year	5,196	2,884

Amount recognised in the statement of cash flow

Particulars	As at March 31, 2023	As at March 31, 2022
Total Cashflow for lease	5,972	3,267

Contractual maturities of lease liabilities on an undiscounted basis

Particulars	As at March 31, 2023	As at March 31, 2022
Less than 1 year	6,817	4,765
1-3 years	11,572	8,792
3-5 years	8,278	1,734
More than 5 years	7,133	757

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(Currency : Rs in lakhs)

35 Disclosure under Micro, Small and Medium Enterprises Development Act, 2006

Under the Micro, Small and Medium Enterprises Development Act, 2006, ('MSMED') which came into force from 2 October 2006, certain disclosures are required to be made relating to Micro, Small and Medium enterprises. On the basis of the information and records available with company including confirmations sought from suppliers on registration with specified authority under MSMED, the amount of principal and interest outstanding during the year is given below

Particulars	As at March 31, 2023	As at March 31, 2022
Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end	243	134
Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end	1	-
Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the year	5,984	1,044
Interest paid, other than under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
Interest paid, under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
Interest due and payable towards suppliers registered under MSMED Act, for payments already made	-	-
Further interest remaining due and payable for earlier years		

36(a) Contingent liabilities

Particulars	As at March 31, 2023	As at March 31, 2022
Claim against the Company not acknowledged as debt		
Dues towards Income Tax for AY 2014-2015	23	23
Dues towards Income Tax for AY 2017-2018	5,534	5,534
Dues towards Income Tax for AY 2018-2019	511	511
Dues towards Income Tax for AY 2019-2020	510	510
Dues towards Income Tax for AY 2020-2021	1,268	1,268
Guarantees provided by bank on behalf of Company	11,700	-
Claims against the Company not acknowledged as debts	959	1,752

The Company is of the view that the above demands may not devolve on the Company and hence no provision has been made.

The Company has a process whereby periodically all long term contracts are assessed for material foreseeable losses. At year end the Company has reviewed and ensured that adequate provision as required under any law / accounting standards for material foreseeable losses on such long term contracts has been made in the books of account.

The Company has also 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 materially adverse effect on its financial statements

36(b) Capital commitment

Particulars	As at March 31, 2023	As at March 31, 2022
Undisbursed loan commitments	328,730	316,583
Other Capital Commitments	2,060	1,112
Total	**330,790**	**317,695**

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(Currency : Rs in lakhs)

37 Segment reporting

The chief operational decision maker monitors its principle business segment i.e. 'financing segment' for the purpose of making decision about resource allocation and performance assessment. The Company is operating in a single reportable and geographical segment in accordance with Ind AS 108 - Operating Segments as notified u/s 133 of the Companies Act, 2013 and accordingly the same is not applicable to the Company.
Further, no clients individually accounted for more than 10% of the revenue in financial year ended March 31, 2023.

38 Significant transactions during the year

(i) During the year, the Company has formed a new wholly owned subsidiary company in the name of "Piramal Payment Services Limited".

(ii) During the year, the Company has acquired:
a. "Piramal Finance Sales and Service Private Limited" (wholly owned subsidiary Company) from Piramal Enterprises Limited (Holding Company).
b. "PRL Agastya Private Limited" (wholly owned subsidiary Company) from PRL Developers Private Limited (Group Company).

39 A Amalgamation of Piramal Finance Limited and Piramal Capital Limited with Piramal Housing Finance Limited erstwhile Piramal Housing Finance Private Limited

1 The Board of Directors of Piramal Capital Limited (PCL) and the board of Directors of and Piramal Finance Limited (PFL) had at their respective meetings held on October 12, 2017, had approved the Scheme of Amalgamation ("Scheme") of PFL and PCL (together referred as "Transferor Companies") with Piramal Housing Finance Limited (PHFL) (referred as "Transferee Company") effective from March 31, 2018 ("Appointed date"). The National Company Law Tribunal , Mumbai Bench ("NCLT") at its hearing held on April 06, 2018, have sanctioned the Scheme of Amalgamation of the Transferor Companies PFL and PCL with the Transferee Company PHFL. The certified copy of the NCLT, sanctioning the Scheme was filed with the Registrar of Companies, Maharashtra, Mumbai on May 23, 2018 (the "Effective Date").

In accordance with the said Scheme and as per the approval of the National Company Law Tribunal :

a) The amalgamation has been accounted for under the "Purchase Method" as prescribed by AS 14 - Accounting for Amalgamations as specified under section 133 of the Companies Act 2013 and as per the specific provisions of the Scheme. Accordingly, the Scheme has been given effect to in these financial statements. All assets, liabilities, rights and obligations, income and expenditure of the Transferor Companies stand transferred to and vested in the Transferee Company.

b) The purchase consideration of Rs 1,804,452 lakhs for acquisition of Transferor Companies is being discharged by way of issue of 18,044,517,320 equity shares of Rs 10/- each at face value per share to the shareholder of PFL and PCL as per following share exchange ratio (without payment being received in cash) and Rs. 4,256 lakhs on account of stamp duty has been paid.

i) 483 equity shares of face value of Rs. 10 each for every 100 equity shares of face value of Rs. 10 each held in PFL pre amalgamation

ii) 1 equity shares of face value of Rs 10 each for every 5 equity shares of face value of Rs. 2 each held in PCL pre amalgamation

2 Consequent to the Scheme becoming effective, net assets of Transferor Companies aggregating to Rs. 783,027 lakhs as at the Appointed date have been transferred to the Transferee Company at their respective fair values as determined by an independent Valuer. The balance amount of Rs 1,025,681 lakhs has been recorded as goodwill on amalgamation and Rs. 3 lakhs as capital reserve.

3 The Company has increased its Authorised Share Capital to Rs. 19,99,800 lakhs w.e.f. May 02, 2018. Thus, w.e.f. the Effective Date, i.e. May 23, 2018, the Authorised Share Capital of the Company shall be Rs 2,500,000 lakhs.

Break down of the purchase consideration into net assets and goodwill is as under:

(Rs. in Lakhs)

	Particulars	PFL	PCL	Total
I.	Consideration paid for acquisition*	1,808,508	200	1,808,708
II.	Net assets acquired on Appointed date	782,824	203	783,027
III.	Goodwill (I - II)	1,025,684	(3)	1,025,681

(* includes Stamp Duty of Rs 4,256 lakhs)

4 The amalgamation has been accounted under the "Purchase Method" as prescribed by AS 14 - Accounting for Amalgamations as specified under section 133 of the Companies Act 2013 and as per the specific provisions of the Scheme. If the same would have been accounted as per IndAS 103 - Business Combinations, results would have been different.

5 The Company has fully impaired Goodwill during the year ended March 31, 2023 (Refer note 49).

(Currency : Rs in lakhs)

39 B. Amalgamation of Dewan Housing Finance Corporation Limited with erstwhile Piramal Capital & Housing Finance Limited

Vide Order dated June 7, 2021, the Mumbai bench of the Hon'ble National Company Law Tribunal ("NCLT") approved the Resolution Plan submitted by Piramal Capital & Housing Finance Limited ("PCHFL"), wholly-owned subsidiary of the Piramal Enterprises Limited, for the Corporate Insolvency resolution process of Dewan Housing Finance Corporation Limited ("DHFL") under Section 31 of the Insolvency and Bankruptcy Code, 2016. After receiving necessary approvals, PCHFL has discharged its obligation under the resolution plan by paying Rs. 3,425,000 lakhs on September 28, 2021 through cash consideration of Rs. 1,471,747 lakhs (of which Rs. 1,280,000 lakhs paid out of acquired cash) and issue of Debentures of Rs. 1,953,253 lakhs and further, pursuant to the Resolution plan, PCHFL merged into DHFL to conclude acquisition on September 30, 2021 (Implementation Date).

The acquisition of DHFL fits well into the Company's strategy to diversify the loan book and helps achieve scale its retail lending business.

The business combination has been treated as a reverse acquisition for financial reporting purposes in accordance with Ind AS 103, with PCFHL as the accounting acquirer and DHFL as the accounting acquiree/legal acquirer.

Accordingly, these standalone financial statements issued represent the continuation of the financials of PCHFL (accounting acquirer) and reflects the assets and liabilities of PCHFL measured at their pre-acquisition carrying value and acquisition date fair value of the identified assets acquired and liabilities taken over with respect to DHFL. Merged financial statements are issued in the name of Piramal Capital & Housing Finance Limited (formerly known as Dewan Housing Finance Corporation Limited).

The balances in reserves and surplus of DHFL as of the Appointed Date and the statutory reserve and hedging reserve of PCHFL shall be recognised separately. Any resultant difference arising from such recognition of reserves shall be in the first instance recognised as Amalgamation Adjustment Reserve and debit balance, if any, arising in the Amalgamation Adjustment Reserve may be offset with credit balance in reserves and surplus of the merged entity (first to be adjusted with surplus balance in profit and loss account and then with general reserve, if any).

The Company has also incurred a transaction cost of Rs.14,272 lakh and reported this as an acquisition related cost disclosed as Exceptional items in financial year 2021-22.

Details in respect of business combination is provided below:

No	Particulars	(Rs. in lakhs) Amount
A	Consideration transferred	
	Cash (including acquired cash of Rs. 1,280,000 lakhs)	1,471,747
	Fair value of Debentures	1,912,369
	Total consideration (A)	**3,384,116**
B	**Fair value of Identifiable assets and liabilities recognised as a result of the Reverse Acquisition**	
	Assets	
(i)	Loan Book	2,261,450
(ii)	Investments	307,491
(iii)	Cash & Cash Equivalents	1,462,591
(iv)	Property, Plant & Equipment	45,287
(v)	Other assets	108,453
	Total assets acquired (a)	**4,185,272**
	Liabilities	
(i)	Securitised borrowings	(322,649)
(ii)	Other Financial Liabilities	(72,060)
(iii)	Trade Payables	(31,792)
(iv)	Provisions	(5,589)
(v)	Other Non-Financial Liabilities	(8,103)
(vi)	Tax liabilities	(343,700)
	Total liabilities acquired (b)	**(783,893)**
	Net assets recognised pursuant to the Scheme (B) (a-b)	**3,401,379**
C	**Goodwill/(Capital Reserve) (A-B)**	**(17,263)**

Capital reserve represents the gain on bargain purchase which is directly recognized in the other equity as capital reserve.

The acquisition date fair value of accounting acquiree's identifiable assets and liabilities under the reverse acquisition are based on independent valuations obtained by the Company.

Based on opinions obtained from legal and tax experts, the above-mentioned fair value of net assets includes contingent tax liabilities of Rs. 343,700 lakhs pertaining to income tax obligation of DHFL for the financial years ended 31 March, 2020 and 2021, recognized pursuant to uncertain tax positions relating to DHFL as on the implementation date. Further, based on the expert opinions, net deferred tax assets potentially amounting to Rs. 620,900 lakhs relating to the fair value adjustments considered above have presently not been recognized due to uncertainty associated with allowability of such adjustments. The Fair value of assets also includes Investment in a Jointly controlled entity which is currently being litigated and where the Company expects a favourable outcome of the proceedings. (Refer sub-note to note 9 and 32).

Following the successful implementation of the resolution plan pertaining to the insolvency resolution process of the Company, the Company has replaced the nominee directors appointed by the erstwhile management under the Administrator with new directors.

Pursuant to the merger becoming effective from September 30, 2021, the Company allotted 213,646.92 lakhs shares of face value of INR 10 each on November 11, 2021, to the existing shareholders who were holding shares of PCHFL. These shares are issued against the total net worth of PCHFL on the Appointed Date, adjusted for statutory reserves and hedging reserves. Further the existing share capital held by shareholders of DHFL were cancelled/written back upon implementation of the Scheme.

Accounting for conversion of PCHFL reserves aggregating to Rs 208,096 lakhs into Share Capital and continuation of balance of reserves aggregating to Rs 48,554 lakhs and recognition of reserves of DHFL on the implementation date aggregating to Rs 404,784 lakhs, in the merged financial statements has been done in accordance with the accounting treatment prescribed in the Resolution plan approved by the NCLT which, is different from the accounting treatment prescribed by Ind AS 103 for reverse acquisition business combinations.

The Company holds 100% of equity share capital of DHFL Investments Limited (DIL). DIL had issued Compulsory Convertible Debentures (CCDs) to Wadhawan Global Capital Private Limited ("WGC"). Tri-partite agreement dated 31 March 2017 was entered between DIL, DHFL and Wadhawan Global Capital Private Limited (WGC). This agreement assigned controlling rights in favour of WGC and accordingly DIL was not considered as a subsidiary. The approved Resolution Plan contained prayers inter alia seeking nullification of the Compulsory Convertible Debentures (CCDs) and extinguishment of rights pursuant to these CCDs. WGC and a limited liability partnership by the name of TDH Realty LLP have pursued the litigation against the Resolution Plan purportedly as the ultimate beneficiary of the CCDs. The matter is still under consideration of Hon'ble NCLT. Based on the approval of the Resolution Plan by Hon'ble NCLT and merits of these litigations, the Company has considered DIL as a subsidiary based on its ability to exercise control over DIL with effect from the implementation date.

The wholly owned subsidiary of the Company, DIL holds 50% of equity share capital of Pramerica Life Insurance Company Limited (PLIL). Based on the evaluation of rights available under the shareholders agreement, PLIL has been considered as a joint venture and has been accounted based on equity method of accounting in the consolidated financial statements. Accordingly, the consolidated statement of profit and loss includes the Company's share of profit / (loss) of PLIL with effect from the implementation date.

In accordance with the Resolution Plan, the Company has presented acquired specified financial assets (as per the approved Scheme vide NCLT order dated 7 June 2021) at gross book value with provision for impairment being presented as a reduction from such gross book values as appearing in the financial statements of DHFL immediately prior to the implementation date. Difference between such carrying value (gross values as reduced by provision for impairment) and fair values as determined above is separately presented as a liability (liability representing fair value adjustment). The liability representing fair value adjustment is dealt with in the income statement as a component of interest income consistent with the requirements of Ind AS 109.

In view of the foregoing, the standalone financial results of the accounting acquiree have been included from the implementation date i.e. September 30, 2021. The standalone financial statements presented above are not comparable with the previous period standalone financial statements for the year ended March 31, 2022 which comprise of the result of 6 months operation of DHFL and twelve months of PCHFL.

According to the Resolution Plan, the distribution of proceeds from recovery of fraudulent loans should go to Successful Resolution Applicant (SRA) only to the extent of Re. 1 as per the Fair Value assigned in the Resolution Plan and the balance should be distributed to the creditors. There is a litigation with respect to reconsideration of the value assigned for the fraudulent loan book by Committee of Creditors. According to the Company, the DHFL acquisition remains unaffected by the above said order and the business integration continues as envisaged. Further there will be no adverse impact on the standalone financial statements for the year ended March 31, 2022 and 2023 even in the eventuality of the matter being decided against the Company.

Revenue and profit contribution

The acquired business contributed revenue from operation of Rs 154,915 lakhs and profit of Rs.75,058 lakhs to the Company for the year ended March 31, 2022.

Piramal Capital & Housing Finance Limited

(formerly known as Dewan Housing Finance Corporation Limited)

Notes to the Standalone Financial Statements (Continued)

For the year ended March 31, 2023

(Currency : Rs in lakhs)

40 Information in accordance with the requirements of Indian Accounting Standard 24 & as per scale based regulations ("SBR") on Related Party Disclosures.

List of Related Parties

A. Holding company

Piramal Enterprises Limited ("PEL")

B. Subsidiaries

DHFL Advisory & Investments Private Limited (w.e.f. September 30, 2021)
DHFL Holdings Limited (w.e.f. September 30, 2021)
DHFL Investments Limited (w.e.f. September 30, 2021) ("DIL")
Piramal Payment Services Limited (w.e.f. April 29, 2022)
Piramal Finance Sales & Services Private Limited (w.e.f. September 28, 2022)
PRL Agastya Private Limited (w.e.f. December 12, 2022)

C. Fellow subsidiaries having transaction during the year

Piramal Fund Management Private Limited
PHL Fininvest Private Limited (Merged with PEL w.e.f. April 1, 2022)
Piramal Securities Limited
Piramal Investment Advisory Services Private Limited
Piramal Finance Sales & Services Private Limited (till September 27, 2022)
Piramal Pharma Limited

D. Other related parties having transaction during the year

Aasan Corporate Solutions Private Limited
Brickex Advisors Private Limited (merged with Piramal Corporate Services Private Limited since March 9, 2023)
Piramal Asset Management Private Limited
Piramal Corporate Services Private Limited
Piramal Foundation for Educational Leadership
India Resurgence ARC Private Limited
Piramal Foundation
Kaivalya Education Foundation
Piramal Trusteeship Services Private Limited
Social Worth Technologies Private Limited
Pramerica Life Insurance Limited (w.e.f. September 30, 2021) (Joint Venture of DIL)
PRL Agastya Private Limited (till December 11, 2022)
PRL Developers Private Limited

E. Key Management Personnel

Khushru Jijina (till September 30, 2021)
Jairam Sridharan (w.e.f. October 7, 2021)
Vikash Singhla (w.e.f. March 31, 2022)

F. Non-Executive/Independent Directors

Deepak Satwalekar (Up to July 26, 2021)
Suhail Nathani (w.e.f. October 30, 2021)
Puneet Yadu Dalmia (w.e.f. March 31, 2022)
Gautam Doshi (w.e.f. October 30, 2021)

(Currency : Rs in lakhs)

40 Information in accordance with the requirements of Indian Accounting Standard 24 & as per scale based regulations ("SBR") on Related Party Disclosures. (Continued)

G. Details of transactions with related parties

Details of Transactions	Holding Company		Subsidiaries		Fellow subsidiaries		Other Related Parties		Key Management Personnel		Non-Executive/ Independent Directors		Total	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
Rent expense														
- Aasan Corporate Solutions Private Limited	-	-	-	-	-	-	850	1,099	-		-		850	1,099
- PRL Agastya Private Limited			398	-	-	-	280	135	-	-		-	678	135
TOTAL	-	-	398	-	-	-	1,130	1,234	-	-	-	-	1,528	1,234
Royalty expense														
- Piramal Corporate Services Limited	-	-	-	-	-		5,341	4,430	-	-	-		5,341	4,430
TOTAL	-	-	-	-	-	-	5,341	4,430	-	-	-	-	5,341	4,430
Premium expense														
- Pramerica Life Insurance Limited	-	-	-	-	-	-	136	-	-	-		-	136	
TOTAL	-	-	-	-	-	-	136	-	-	-	-	-	136	-
Donation expense														
- Piramal Foundation for Educational Leadership	-	-	-	-	-		490	840	-	-	-		490	840
- Piramal Foundation	-	-	-	-		-	2,838	1,462	-	-	-	-	2,838	1,462
- Kaivalya Education Foundation	-	-	-	-	-		573	425	-	-	-	-	573	425
TOTAL	-	-	-	-	-	-	3,901	2,727	-	-	-	-	3,901	2,727
Other Borrowing Cost														
- Piramal Enterprises Limited	-	524	-	-	-	-		-	-	-		-	-	524
TOTAL	-	524	-	-	-	-	-	-	-	-	-	-	-	524
Arranger Fees for downselling of Assets														
- Piramal Securities Limited		-	-	-		1,123		-	-	-	-	-	-	1,123
TOTAL	-	-	-	-	-	1,123	-	-	-	-	-	-	-	1,123
Fees (expense)														
- Piramal Trusteeship Services Private Limited		-	-		-		10	4	-	-	-	-	10	4
- Piramal Fund Management Private Limited		-	-	-	453	218		-	-	-			453	218
- Social Worth Technologies Private Limited		-	-	-	-	-	4,346	1,362	-	-	-	-	4,346	1,362
- Piramal Finance Sales & Services Private Limited	-	-	16,591	-	10,233	4,840	-	-	-	-		-	26,824	4,840
TOTAL	-	-	16,591	-	10,686	5,058	4,356	1,366	-	-	-	-	31,633	6,424

(Currency : Rs in lakhs)

40 Information in accordance with the requirements of Indian Accounting Standard 24 & as per scale based regulations ("SBR") on Related Party Disclosures. (Continued)

G. Details of transactions with related parties. (Continued)

Details of Transactions	Holding Company		Subsidiaries		Fellow subsidiaries		Other Related Parties		Key Management Personnel		Non-Executive/ Independent Directors		Total	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
Reimbursement of Expenses Received														
- PHL Fininvest Private Limited	-	-		-		25								25
- Piramal Asset Management Private Limited	-	-		-		1	-	-	-	-	-	-		1
- Piramal Fund Management Private Limited	-	-	-	-		7	-	-	-	-	-	-	-	7
- Piramal Securities Limited	-	-				4	-	-	-	-	-	-	-	4
TOTAL	-	-	-	-		37	-	-	-	-	-	-	-	37
Commission Expenses														
- Social Worth Technologies Private Limited	-			-		-	271	-	-	-		-	271	-
TOTAL	-	-	-	-	-	-	271	-	-	-		-	271	-
Reimbursement of expenses paid														
- Aasan Corporate Solutions Private Limited	-	-	-	-	-	-	43	26	-	-			43	26
- Brickex Advisors Private Limited	-	-		-			-	1	-	-		-	-	1
- Piramal Enterprises Limited	100	362	-	-				-	-	-		-	100	362
- Piramal Trusteeship Services Private Limited		-	-			-	5	-	-	-			5	-
- Social Worth Technologies Private Limited	-		-	-			87	44	-	-		-	87	44
- Piramal Payment Services Limited	-	-	12	-			-	-	-	-			12	-
- Piramal Pharma Limited	-	-	-	-		29	-	-	-	-			-	29
- PRL Agastya Private Limited	-	-	111			-	81	34	-	-		-	192	34
TOTAL	100	362	123	-	-	29	216	105	-	-	-	-	439	494
Remuneration to KMP														
- Khushru Jijina	-	-	-	-		-	-	-	-	2,021			-	2,021
- Jairam Sridharan	-	-		-	-	-	-	-	343	410	-		343	410
- Vikash Singhla*	-			-	-	-		-	100	-		-	100	-
TOTAL	-	-	-	-	-	-	-	-	443	2,431	-	-	443	2,431
Sitting Fees paid to Non-Executive/Independent Directors														
- Deepak Satwalekar	-		-			-		-	-	-	-	2	-	2
- Gautam Doshi	-	-	-	-		-		-	-	-	11	7	11	7
- Puneet Yadu Dalmia	-	-		-				-	-	-	3	-	3	-
- Suhail Nathani	-	-		-	-	-		-	-	-	15	9	15	9
TOTAL	-	-	-	-	-	-	-	-	-	-	29	18	29	18

*(44239 ESOPs have been granted by the Holding Company to Mr. Vikash Singhla during the year 2022-23, out of which no options have been exercised till March 31, 2023)

Piramal Capital & Housing Finance Limited

(formerly known as Dewan Housing Finance Corporation Limited)

Notes to the Standalone Financial Statements (Continued)

For the year ended March 31, 2023

(Currency : Rs in lakhs)

40 Information in accordance with the requirements of Indian Accounting Standard 24 & as per scale based regulations ("SBR") on Related Party Disclosures. (Continued)

G. Details of transactions with related parties. (Continued)

Details of Transactions	Holding Company		Subsidiaries		Fellow subsidiaries		Other Related Parties		Key Management Personnel		Non-Executive/ Independent Directors		Total	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
Interest expense														
- Piramal Enterprises Limited	12,808	21,350		-	-		-	-	-	-			12,808	21,350
- Pramerica Life Insurance Limited	-	-	-	-		-	189	98	-	-		-	189	98
TOTAL	**12,808**	**21,350**	**-**	**-**	**-**	**-**	**189**	**98**	**-**	**-**	**-**	**-**	**12,997**	**21,448**
Interest Income														
- Piramal Enterprises Limited	4,983	-	-		-	-			-	-		-	4,983	-
- PHL Fininvest Private Limited		-				11,477			-	-		-		11,477
- PRL Agastya Private Limited	-	-	816	-	-	-	-	-	-	-	-	-	816	-
- Piramal Investment Advisory Services Private Limited	-	-		-	-	2,859	-	-	-	-				2,859
TOTAL	**4,983**	**-**	**816**	**-**	**-**	**14,336**	**-**	**-**	**-**	**-**	**-**	**-**	**5,799**	**14,336**
Insurance Commission Income														
- Pramerica Life Insurance Limited	-		-	-	-		946	88	-	-		-	946	88
TOTAL	**-**	**-**	**-**	**-**	**-**	**-**	**946**	**88**	**-**	**-**	**-**	**-**	**946**	**88**
Pool - Assignment Service Charges														
- Piramal Enterprises Limited	201	-			-	-	-	-	-	-	-	-	201	
TOTAL	**201**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**201**	**-**
Lease Rent Income														
- PHL Fininvest Private Limited	-	-			-	77	-	-	-	-	-	-		77
- Piramal Enterprises Limited	86	-	-	-				-	-	-	-		86	
- Piramal Securities Limited	-	-		-	7	41			-	-	-	-	7	41
- Pramerica Life Insurance Limited		-		-	-	-	11	8	-	-			11	8
TOTAL	**86**	**-**	**-**	**-**	**7**	**118**	**11**	**8**	**-**	**-**	**-**	**-**	**104**	**126**
ICD repaid														
- Piramal Enterprises Limited	236,600	-	-	-	-	-	-	-	-	-	-	-	236,600	-
TOTAL	**236,600**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**236,600**	**-**
ICD Given														
- PRL Agastya Private Limited	-	-	48,500	-	-	-	-	-	-	-	-	-	48,500	-
TOTAL	**-**	**-**	**48,500**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**48,500**	**-**

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Piramal Capital & Housing Finance Limited

(formerly known as Dewan Housing Finance Corporation Limited)

Notes to the Standalone Financial Statements (Continued)
For the year ended March 31, 2023

(Currency : Rs in lakhs)

40 Information in accordance with the requirements of Indian Accounting Standard 24 & as per scale based regulations ("SBR") on Related Party Disclosures. (Continued)

G. Details of transactions with related parties. (Continued)

Details of Transactions	Holding Company		Subsidiaries		Fellow subsidiaries		Other Related Parties		Key Management Personnel		Non-Executive/ Independent Directors		Total	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
Repayment of ICD Given														
- Piramal Enterprises Limited	70,075	-			-	-	-	-	-	-	-	-	70,075	-
- PHL Fininvest Private Limited	-	-	-	-	-	45,200	-	-	-	-	-	-	-	45,200
- PRL Agastya Private Limited	-	-	21,400	-	-	-	-	-	-	-	-	-	21,400	-
- Piramal Investment Advisory Services Private Limited	-	-	-	-	-	24,840	-	-	-	-	-	-	-	24,840
TOTAL	70,075	-	21,400	-	-	70,040	-	-	-	-	-	-	91,475	70,040
Partial redemption of NCD														
- Pramerica Life Insurance Limited	-	-	-	-			146	73	-	-	-		146	73
TOTAL	-	-			-	-	146	73	-	-	-	-	146	73
Net Advance repaid (including advance adjusted against provision)														
- Brickex Advisors Private Limited	-	-	-		-	-	91	-	-	-	-		91	-
TOTAL	-	-			-	-	91	-	-	-	-	-	91	-
Loan portfolio transferred from														
- PHL Fininvest Private Limited	-		-	-	-	67,790	-	-		-		-	-	67,790
TOTAL	-	-			-	67,790	-	-	-	-	-	-	-	67,790
Loan portfolio transferred to														
- PHL Fininvest Private Limited	-	-	-	-		49,953		-	-		-		-	49,953
- Piramal Enterprises Limited	184,173	-	-	-	-	-		-	-	-		-	184,173	-
- India Resurgence ARC Private Limited	-	-	-	-	-	-	71,000	-	-	-	-	-	71,000	-
TOTAL	184,173	-	-	-	-	49,953	71,000	-	-	-	-	-	255,173	49,953
FLDG Recovery														
- Social Worth Technologies Private Limited	-	-	-	-	-	-	964	-	-	-	-	-	964	
TOTAL	-	-	-	-	-	-	964	-	-	-	-	-	964	-
Redemption of Security Receipt														
- India Resurgence ARC Private Limited	-	-	-	-		-	54,677	-	-	-	-	-	54,677	
TOTAL	-	-	-	-	-	-	54,677	-	-	-	-	-	54,677	-
NCD Buyback														
- Piramal Enterprises Limited	-	25,000	-	-	-			-	-	-	-	-	-	25,000
TOTAL	-	25,000	-	-	-	-	-	-	-	-	-	-	-	25,000

(Currency : Rs in lakhs)

40 Information in accordance with the requirements of Indian Accounting Standard 24 & as per scale based regulations ("SBR") on Related Party Disclosures. (Continued)

C. Details of transactions with related parties. (Continued)

Details of Transactions	Holding Company		Subsidiaries		Fellow subsidiaries		Other Related Parties		Key Management Personnel		Non-Executive/ Independent Directors		Total	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
Security Deposit Refunded														
- Aasan Corporate Solutions Private Limited	-		-				141	185	-	-		-	141	185
TOTAL	-	-	-	-	-	-	141	185	-	-	-	-	141	185
Security deposit placed														
- PRL Agastya Private Limited		-	722	-			475	110	-			-	1,197	110
- Aasan Corporate Solutions Private Limited	-	-	-	-	-		73	-	-				73	-
TOTAL	-	-	722	-	-	-	548	110	-	-	-	-	1,270	110
Investment in shares														
- Piramal Payment Services Limited	-	-	550	-	-	-	-	-	-		-		550	-
- Social Worth Technologies Private Limited	-	-	-	-		-	5,095	-	-		-	-	5,095	-
- DHFL Investments Limited	-	-	21	-		-	-	-		-		-	21	-
TOTAL	-	-	571	-	-	-	5,095	-	-	-	-	-	5,666	-
Acquisition of shares of Subsidiaries from														
- Piramal Enterprises Limited	30	-	-	-	-	-	-	-	-	-	-	-	30	-
- PRL Developers Private Limited	-	-		-			9,000	-	-	-	-	-	9,000	-
TOTAL	30	-	-	-	-	-	9,000	-	-	-	-	-	9,030	-

H. Details of balances with related parties

	Holding Company		Subsidiaries		Fellow subsidiaries		Other Related Parties		Key Management Personnel		Non-Executive/ Independent Directors		Total	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
Net Payable (includes provision for expenses)														
- Piramal Enterprises Limited	7,196	329	-	-	-	-		-	-	-	-	-	7,196	329
- Aasan Corporate Solutions Private Limited	-	-	-	-	-		-	-	-	-	-	-	7	-
- PHL Fininvest Private Limited		-	-	-		698		-	-	-		-	-	698
- Piramal Trusteeship Services Private Limited		-	-	-	-		-	1	-	-	-		-	1
- Piramal Pharma Limited	-	-	-	-		18	-	-	-	-		-	-	18
- Piramal Corporate Services Limited		-	-	-	-	-	463	2,725	-	-	-	-	463	2,725
- Piramal Finance Sales & Services Private Limited	-	-	816	-	-			-	-	-	-	-	816	-
- PRL Agastya Private Limited	-	-	13	-	-	-		97	-	-	-	-	13	97
TOTAL	7,196	329	829	-	-	716	490	2,823	-	-	-	-	8,515	3,868

(Currency : Rs in lakhs)

40 **Information in accordance with the requirements of Indian Accounting Standard 24 & as per scale based regulations ("SBR") on Related Party Disclosures. (Continued)**

II. **Details of transactions with related parties. (Continued)**

Details of Transactions	Holding Company		Subsidiaries		Fellow subsidiaries		Other Related Parties		Key Management Personnel		Non-Executive/ Independent Directors		Total	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
Net Receivables														
- Aasan Corporate Solutions Private Limited	-			-				4						4
- Piramal Finance Sales & Services Private Limited						551		-						551
- Piramal Foundation for Educational Leadership	-	-		-				90						90
- Social Worth Technologies Private Limited	-	-	-	-			532	-				-	532	
- Piramal Payment Services Limited	-	-	13	-				-					13	
- Kaivalya Education Foundation	-	-		-		-		30						30
- Brickex Advisors Private Limited	-		-	-		-		91	-				-	91
- Pramerica Life Insurance Limited	-					-	558	54	-	-			558	54
TOTAL	-	-	13	-	-	551	1,090	269	-	-	-	-	1,103	820
ICD Payable														
Piramal Enterprises Limited	31,552	266,600		-			-	-	-	-	-	-	31,552	266,600
TOTAL	31,552	266,600	-	-	-	-	-	-	-	-	-	-	31,552	266,600
NCD Outstanding														
- Pramerica Life Insurance Limited	-	-	-	-		-	2,698	2,843	-	-			2,698	2,843
TOTAL	-	-	-	-	-	-	2,698	2,843	-	-	-	-	2,698	2,843
Security Receipts Outstanding														
- India Resurgence ARC Private Limited	-	-	-	-	-	-	5,673	-	-	-	-	-	5,673	-
TOTAL	-	-	-	-	-	-	5,673	-	-	-	-	-	5,673	-
ICD Receivable														
- PHL Fininvest Private Limited	-	-				70,075			-	-	-	-	-	70,075
- PRL Agastya Private Limited	-	-	27,100	-		-	-	-	-	-	-	-	27,100	-
TOTAL	-	-	27,100	-	-	70,075	-	-	-	-	-	-	27,100	70,075
Security Deposits														
- Aasan Corporate Solutions Private Limited	-	-	-	-		-	339	407	-	-	-	-	339	407
- PRL Agastya Private Limited	-	-	1,307	-		-	-	110	-	-	-	-	1,307	110
TOTAL	-	-	1,307	-	-	-	339	517	-	-	-	-	1,646	517
Investments														
- DHFL Advisory & Investments Private Limited	-	-		-		-	-	-	-	-	-	-	-	-
- DHFL Holding Limited	-		1	1				-	-	-	-	-	1	1
- DHFL Investments Limited	-	-	102,064	102,043				-	-	-	-	-	102,064	102,043
- Social Worth Technologies Private Limited	-		-	-		-	17,819	-	-	-	-	-	17,819	-
- PRL Agastya Private Limited	-	-	9,012		-	-	-	-	-	-	-	-	9,012	-
- Piramal Payment Services Limited	-	-	550	-	-	-		-	-	-	-	-	550	-
- Piramal Finance Sales & Services Private Limited	-		30	-		-		-	-	-	-	-	30	-
TOTAL	-	-	111,657	102,044	-	-	17,819	-	-	-	-	-	129,476	102,044

Piramal Capital & Housing Finance Limited
(formerly known as Dewan Housing Finance Corporation Limited)

Notes to the Standalone Financial Statements (Continued)
For the year ended March 31, 2023

(Currency : Rs in lakhs)

40 **Information in accordance with the requirements of Indian Accounting Standard 24 & as per scale based regulations ("SBR") on Related Party Disclosures. (Continued)**

I **Details of maximum outstanding balances with related parties**

	Holding Company		Subsidiaries		Fellow subsidiaries		Other Related Parties		Key Management Personnel		Non-Executive/ Independent Directors		Total	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
ICD Given														
- PRL Agastya Private Limited		-	48,500	-					-	-	-	-	48,500	-
- PHL Fininvest Private Limited	-	-	-	-		115,275		-	-		-	-		115,275
- Piramal Enterprises Limited	70,075		-	-				-		-			70,075	
- Piramal Investment Advisory Services Private Limited	-	-	-		-	24,840		-	-	-	-		-	24,840
TOTAL	70,075	-	48,500	-	-	140,115	-	-	-	-	-	-	118,575	140,115
ICD Taken														
- Piramal Enterprises Limited	266,600	266,600	-			-						-	266,600	266,600
TOTAL	266,600	266,600	-	-	-	-	-	-	-	-	-	-	266,600	266,600
Security Deposit														
- PRL Agastya Private Limited	-		1,307	110		-			-	-			1,307	110
- Aasan Corporate Solutions Private Limited	-		-	-		-	407	589	-	-	-	-	407	589
TOTAL	-	-	1,307	110	-	-	407	589	-	-	-	-	1,714	699
Investments														
- DHFL Advisory & Investments Private Limited	-		-	-				-	-			-	-	-
- DHFL Holding Limited	-		1	1				-	-	-	-	-	1	1
- DHFL Investments Limited	-		102,064	102,043				-				-	102,064	102,043
- Social Worth Technologies Private Limited		-		-			17,345	-	-	-			17,345	-
- PRL Agastya Private Limited	-	-	9,012	-				-	-	-		-	9,012	-
- Piramal Payment Services Limited	-	-	550	-				-	-	-			550	
- Piramal Finance Sales & Services Private Limited	-	-	30		-	-		-	-	-		-	30	
TOTAL	-	-	111,657	102,044	-	-	17,345	-	-	-	-	-	129,002	102,044

(All the transactions are at Arm's Length and there are no non cash transactions with Holding Company)

Piramal Capital & Housing Finance Limited

(formerly known as Dewan Housing Finance Corporation Limited)

Notes to the Standalone Financial Statements (Continued)

For the year ended March 31, 2023

(Currency : Rs in lakhs)

41 Employee Benefits:

(i) Charge to the Standalone Statement of Profit and Loss based on Defined Contribution Plans

	March 31, 2023	March 31, 2022
Employer's contribution to Regional Provident Fund Office	2,335	878
Contribution to Pension Fund	153	53
Employer's contribution to Employees' State Insurance	-	1

Disclosures for defined benefit plans based on actuarial valuation reports as on March 31, 2023

The Company has scheme for gratuity as part of post retirement plan. The Company has a defined benefit gratuity plan in India which is funded. The Company's defined benefit gratuity plan is a final salary plan for employees, which requires contributions to be made to a separately administered fund. The fund is managed by Employees Group Gratuity Trusts which is governed by the Board of Trustees. The Board of Trustees are responsible for the administration of the plan assets and for the definition of the investment strategy.

A. Change in Projected Benefit Obligation

	Gratuity (Funded) Year Ended March 31, 2023	Gratuity (Funded) Year Ended March 31, 2022
Present Value of Benefit Obligation as at beginning of the year	3,810	1,229
Interest Cost	255	167
Current Service Cost	516	342
Past Service Cost		87
Liability transferred in	-	2,743
Liability Transferred Out/ Divestments	-	(434)
Benefits paid by Employer	(671)	(306)
Benefit Paid From the Fund	(252)	
Actuarial (Gains)/Losses on Obligations - Due to change in demographic assumptions	(448)	(112)
Actuarial (Gains)/Losses on Obligations - Due to change in financial assumptions	36	(31)
Actuarial (Gains)/Losses on Obligations - Due to experience	219	125
Present Value of Defined Benefit Obligation as at the end of the year	**3,466**	**3,810**

B. Fair value of plan assets

Fair Value of Plan Assets as at beginning of the year	3,756	1,267
Interest income	252	155
Contributions by the Employer	-	
Assets transferred in/ Acquisition	-	2,306
Benefit Paid from the Fund	(252)	-
Return on Plan Assets, Excluding Interest Income	(63)	28
Fair value of plan assets as at the end of the year	**3,693**	**3,756**

C. Amount recognised in the Balance Sheet

Present Value of Benefit Obligation at the end of the year	(3,466)	(3,810)
Fair Value of Plan Assets at the end of the year	3,693	3,756
Funded Status (surplus/ (deficit))	227	(53)
Net (Liability)/Asset Recognized in the Balance Sheet	**227**	**(53)**

D. Net Interest cost for current year

Present Value of Benefit Obligation at the Beginning of the year	3,810	1,229
(Fair Value of Plan Assets at the Beginning of the year)	(3,756)	(1,267)
Net Liability/(Asset) at the Beginning	**53**	**(38)**
Interest Cost	255	167
(Interest Income)	(252)	(156)
Net Interest Cost for current year	**4**	**11**

(Currency : Rs in lakhs)

41 Employee Benefits: *(Continued)*

	Gratuity (Funded) Year Ended March 31, 2023	Gratuity (Funded) Year Ended March 31, 2022
E. Expenses recognised in Statement of Profit and Loss		
Current Service Cost	516	342
Interest Cost	4	11
Past Service Cost	-	87
Total Expenses / (Income) recognised in the Statement of Profit and Loss	**520**	**440**
F. Expenses Recognized in the Other Comprehensive Income (OCI) for current year		
Actuarial (Gains)/Losses on Obligations	(192)	(18)
Return on Plan Assets, Excluding Interest Income	63	(29)
Net (Income)/Expense For the year recognized in OCI	**(130)**	**(47)**
G. Principal actuarial assumptions used:		
Rate of discounting	7.20%	6.70%
Rate of salary increase	10.00%	9.00%
Rate of employee turnover	30%	For service 4 years and below 20.00% p.a For service 5 years and above 10.00% p.a
Mortality rate during employment	Indian Assured Lives Mortality 2012-14 (Urban)	Indian Assured Lives Mortality 2012-14 (Urban)

	As at March 31, 2023	As at March 31, 2022
H. Balance Sheet Reconciliation		
Opening Net Liability	53	(38)
Expenses Recognized in Statement of Profit or Loss	520	440
Expenses Recognized in OCI	(130)	(47)
Net Liability/(Asset) Transfer In	-	438
Net (Liability)/Asset Transfer Out		(434)
Benefit Paid	(671)	(306)
(Employer's Contribution)		-
Net Liability/(Asset) Recognized in the Balance Sheet	**(227)**	**53**
I. Category of Assets		
Insurance fund	3,693	3,756
Total	**3,693**	**3,756**

J. Other Details

Particulars	As at March 31, 2023	As at March 31, 2022
No of Active Members	4,819	3099
Per Month Salary For Active Members	1,865	1,223
Weighted Average Duration of the Projected Benefit Obligation	3	8
Average Expected Future Service	2	6
Projected Benefit Obligation (PBO)	3,466	3,809
Prescribed Contribution For Next Year (12 Months)	218	569

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(Currency : Rs in lakhs)

41 Employee Benefits: (Continued)

K. Net Interest Cost for Next Year

	Estimated for the year ended March 31, 2023	Estimated for the year ended March 31, 2022
Present Value of Benefit Obligation at the End of the year	3,466	3,809
(Fair Value of Plan Assets at the End of the year)	(3,693)	(3,756)
Net Liability/(Asset) at the End of the year	(227)	53
Interest Cost	250	255
(Interest Income)	(266)	(252)
Net Interest Cost for Next Year	(16)	3

L. Expenses Recognized in the Statement of Profit or Loss for Next Year

	Estimated for the year ended March 31, 2023	Estimated for the year ended March 31, 2022
Current Service Cost	445	516
Net Interest Cost	(16)	4
(Expected Contributions by the Employees)	-	-
Expenses Recognized	429	520

M. Maturity Analysis of the Benefit Payments: From the Employer

Projected Benefits Payable in Future Years From the Date of Reporting	As at March 31, 2023	As at March 31, 2022
1st Following Year	1,012	518
2nd Following Year	717	325
3rd Following Year	569	413
4th Following Year	449	368
5th Following Year	373	347
Sum of Years 6 To 10	844	1563

N. Sensitivity Analysis

Projected Benefits Payable in Future Years From the Date of Reporting	As at March 31, 2023	As at March 31, 2022
Projected Benefit Obligation on Current Assumptions	3,466	3,809
Delta Effect of +1% Change in Rate of Discounting	(77)	(220)
Delta Effect of -1% Change in Rate of Discounting	82	248
Delta Effect of +1% Change in Rate of Salary Increase	78	236
Delta Effect of -1% Change in Rate of Salary Increase	(75)	(215)
Delta Effect of +1% Change in Rate of Employee Turnover	(19)	(40)
Delta Effect of -1% Change in Rate of Employee Turnover	20	43

The sensitivity analysis have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

The sensitivity analysis presented above may not be representative of the actual change in the Defined Benefit Obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the projected benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same method as applied in calculating the projected benefit obligation as recognised in the balance sheet.

There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.

Notes:

Gratuity is payable as per company' scheme as detailed in the report.

Actuarial gains/losses are recognized in the period of occurrence under Other Comprehensive Income (OCI). All above reported figures of OCI are gross of taxation.

Salary escalation and attrition rate are in line with the industry practice considering promotion and demand and supply of the employees.

Cash flow projection is done considering future salary, attrition and death in respective year for members as mentioned above.

Maturity Analysis of Benefit Payments is undiscounted cashflows considering future salary, attrition & death in respective year for members as mentioned above.

Average Expected Future Service represents Estimated Term of Post - Employment Benefit Obligation.

Weighted Average Duration of the Defined Benefit Obligation is the weighted average of cash flow timing, where weights are derived from the present value of each cash flow to the total present value.

Any benefit payment and contribution to plan assets is considered to occur end of the year to depict liability and fund movement in the disclosures.

WALKER CHANDIOK & Co LLP
CHARTERED ACCOUNTANTS

MUMBAI
Chartered Accountants

(Currency : Rs in lakhs)

41 Employee Benefits: (Continued)

Qualitative Disclosures

Para 139 (a) Characteristics of defined benefit plan

The entity has a defined benefit gratuity plan in India (funded). The entity's defined benefit gratuity plan is a final salary plan for employees, which requires contributions to be made to a separately administered fund. The fund is managed by a trust which is governed by the Board of Trustees. The Board of Trustees are responsible for the administration of the plan assets and for the definition of the investment strategy.

These plans typically expose the Company to actuarial risks such as: investment risk, interest rate risk, longevity risk and salary risk.

Interest rate risk

A fall in the discount rate which is linked to the G.Sec. Rate will increase the present value of the liability requiring higher provision. A fall in the discount rate generally increases the mark to market value of the assets depending on the duration of asset

Salary Risk

The present value of the defined benefit plan liability is calculated by reference to the future salaries of members. As such, an increase in the salary of the members more than assumed level will increase the plan's liability.

Investment Risk

The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. If the return on plan asset is below this rate, it will create a plan deficit. Currently, for the plan in India, it has a relatively balanced mix of investments in government securities, and other debt instruments.

Asset Liability Matching Risk

The plan faces the ALM risk as to the matching cash flow. Company has to manage pay-out based on pay as you go basis from own funds. Since the plan is invested in lines of Rule 101 of Income Tax Rules, 1962, this generally reduces ALM risk.

Mortality risk

Since the benefits under the plan is not payable for life time and payable till retirement age only, plan does not have any longevity risk.

Concentration Risk:

Plan is having a concentration risk as all the assets are invested with the insurance company

(ii) Compensated Absences

Particulars	Compensated absence (Funded) Year Ended March 31, 2023	Compensated absence (Funded) Year Ended March 31, 2022
Expense recognised in the Statement of Profit and Loss	1,346	(1,261)
Discount rate (p.a.)	7.20% p.a.	6.70% p.a.
Salary escalation rate (p.a.)	10% p.a.	9% p.a.
Amount recognised in the Balance Sheet		
Present Value of Benefit Obligation at the end of the year	2,378	2,012
Fair Value of Plan Assets at the end of the year	1,776	1,977
Funded Status (surplus/ (deficit))	(602)	(36)
Net (Liability)/Asset Recognized in the Balance Sheet	(602)	(36)

(iii) Long term service employee benefits

During the year, the Company has recognised long term service reward aggregating to Rs 4 lakhs (March 31, 2022 - NIL) which is unfunded.

WALKER CHANDIOK & CO LLP CHARTERED ACCOUNTANTS MUMBAI

T R Chadha & Co. LLP MUMBAI Chartered Accountants

Notes to the Standalone Financial Statements (Continued)
For the year ended March 31, 2023

(Currency : Rs in lakhs)

41 Employee Benefits: (Continued)

(iv) Share Based payment

The Holding Company (i.e. Piramal Enterprises Limited "PEL") has issued stock options to certain select employees of the Company. These transactions are recognized as equity-settled share based payment transactions. The Scheme allows the Grant of Stock Options to employees of the Company that meet the eligibility criteria. Each option comprises one underlying Equity Share.

Employee Stock Option Scheme and related scheme wise details are as follows

Particulars	For 1/3 vesting start - March 31, 2024	For 1/4 vesting start - May 1, 2024	For 1/3 vesting start - August 1, 2025
Date of Grant	31-Mar-23	31-Mar-23	31-Mar-23
Number of options granted	238,898	309,663	21,971
Number of options exercisable as on March 31, 2023	-	-	-
Exercise price per option	2	2	2
Vesting Commencement date	31-Mar-24	01-May-24	01-Aug-25
Vesting period	28 Months	38 Months	52 Months
Date of vesting	1/3 on March 31, 2024 1/3 on August 1, 2024 1/3 on August 1, 2025	1/4 on May 1, 2024 1/4 on June 1, 2024 1/4 on June 1, 2025 1/4 on June 1, 2026	1/3 on August 1, 2025 1/3 on August 1, 2026 1/3 on August 1, 2027
Method of Settlement	Equity settled	Equity settled	Equity settled
Modification to share based payment plans	NA	NA	NA
Basis of determination of volatility	The historical volatility of PEL stock price returns for a time frame corresponding to the remaining contractual life has been relied upon as a proxy for the expected volatility.		
Vesting Conditions	Employee to remain in service on the date of vesting		

Summary of stock options

Particulars	Number of options	Weighted- Average Exercise Price	Weighted- Average Remaining Contractual Life (Years)
Balance as on April 1, 2022	-	-	-
Granted during the year	570,532	2	4 - 5 years
Exercised during the year	-	-	-
Forfeited/Lapsed during the year	-	-	-
Balance as on March 31, 2023	570,532	2	4 - 5 years

The fair values of options granted during the year are as follows:

Grant date	No. of Years vesting	Fair value per option
March 31, 2023	3.28 years	Rs. 624.83 - Rs. 639.48

The fair value has been calculated using the Black Scholes Options Pricing Model and the significant assumptions made in this regard are as follows:

	Grant dated March 31, 2023
Risk free interest rate	6.91% - 6.94%
Expected life	3.0 - 4.67 years
Expected volatility	55.10% - 58.73%
Expected dividend yield	1.71% - 1.91%
Exercise Price (Rs.)	2
Stock Price (Rs.)	678.35

The expense recognised for the employee services received during the year is Rs. 7 Lakhs and the ESOP liability as on March 31, 2023 is Rs 7 lakhs.

WALKER CHANDIOK & Co LLP MUMBAI CHARTERED ACCOUNTANTS

T R Chadha & Co. LLP MUMBAI Chartered Accountants

Notes to the Standalone Financial Statements (Continued)

For the year ended March 31, 2023

(Currency : Rs in lakhs)

42 Fair Value Disclosures

a) Categories of Financial Instruments:

	March 31, 2023			March 31, 2022		
	FVTPL	FVOCI	Amortised Cost*	FVTPL	FVOCI	Amortised Cost*
Financial Assets						
Investments	735,322	78,042	430,908	641,093	3,232	753,080
Loans	133,868	-	4,734,069	264,125	-	5,246,278
Derivative financial instruments	9,811	-	-	2,749	-	-
Cash and Bank Balances #	-	-	259,678	-	-	515,898
Other Financial Assets #	-		90,873	-	-	112,535
	879,001	78,042	5,515,528	907,967	3,232	6,627,791
Financial liabilities						
Borrowings	-	-	4,061,117	-	-	4,641,581
Trade Payables #	-	-	29,007		-	52,008
Other Financial Liabilities #	-	-	166,502	-	-	89,925
	-	-	4,256,626	-	-	4,783,514

b) **Fair Value Hierarchy and Method of Valuation**

Financial Instruments		March 31, 2023				
	Notes	Carrying Value	Level 1	Level 2	Level 3	Total
Financial Assets						
Measured at FVTPL						
Investments						
Redeemable Non-Convertible Debentures	i.	18,000	-	-	18,000	18,000
Optionally Convertible Debentures	i.	34,000			34,000	34,000
Investments in Mutual Funds	ii.	-	-	-	-	-
Project Receivables	i.	161,740	-	-	161,740	161,740
Security Receipts	i.	302,241	-	-	302,241	302,241
Alternative Investment Funds	i.	215,642			215,642	215,642
Others	i.	3,699			3,699	3,699
Loans	i.	133,868			133,868	133,868
Derivative financial instruments	i.	9,811		-	9,811	9,811
Measured at FVTOCI						
Investments						
Preference Shares (Others then subsidiaries)	i.	17,752	-	-	17,752	17,752
Equity Instruments (Others then subsidiaries)	i.	67	-	-	67	67
Redeemable Bonds	i.	50,726	-		50,726	50,726
T-Bill	i.	9,497	9,497			9,497
Measured at Amortised Cost*						
Investments						
Government Securities/Redeemable Bonds	iii.	104,031	104,381	-	-	104,381
Redeemable Non Convertible Debentures	iii.	306,373	-	-	291,984	291,984
Pass Through certificates	iii.	20,504	-	-	20,504	20,504
Loans	iii.	4,734,069		-	4,689,543	4,689,543
Financial Liabilities						
Measured at Amortised Cost						
Borrowings	iii.	4,061,117	-	-	3,989,424	3,989,424

(Currency : Rs in lakhs)

42 Fair Value Disclosures (Continued)

Financial Instruments	Notes	March 31, 2022				
		Carrying Value	Level 1	Level 2	Level 3	Total
Financial Assets						
Measured at FVTPL						
Investments						
Redeemable Non-Convertible Debentures	i.	28,105	-	-	28,105	28,105
Optionally Convertible Debentures	i.	30,947	-		30,947	30,947
Investments in Mutual Funds	ii.	132,068	132,068		-	132,068
Project Receivables	i.	181,060	-		181,060	181,060
Investment in AIF	i.	198,824			198,824	198,824
Others	i.	70,089			70,089	70,089
Loans	i.	264,125	-	-	264,125	264,125
Derivative financial instruments		2,749	-	-	2,749	2,749
Measured at FVOCI						
Investments						
Investment in Preference Share	i.	3,232	-	-	3,232	3,232
Measured at Amortised Cost*						
Investments						
Redeemable Bonds	iii.	66,223	37,317	28,089	817	66,223
Government Securities/Redeemable Bonds	iii.	4	-	-	4	4
Redeemable Non Convertible Debentures	iii.	658,786	-	-	658,786	658,786
Pass Through certificates	iii.	28,067	-	-	28,067	28,067
Loans	iii.	5,246,278		-	5,199,237	5,199,237
Financial Liabilities						
Measured at Amortised Cost						
Borrowings	iii.	4,641,581	-	-	4,600,645	4,600,645

Notes:

i. Discounted cash flow method has been used to determine the fair value. The yield used for discounting has been determined based on trades, market polls, levels for similar issuer with same maturity, spread over matrices, etc.

ii. Net Asset Value (NAV) as at the reporting period have been used to determine the Fair Value of the mutual fund investments.

iii. Discounted cash flow method has been used to determine the fair value. The discounting factor used has been arrived at after adjusting the rate of interest for the financial assets and financial liabilities by the difference in the G-SEC rates from date of initial recognition to the reporting dates.

* The carrying value & fair value of investments, loans & other financial assets at amortised cost is gross of ECL provision amounting to Rs. 7,26,604 lakhs (March 31, 2022 – Rs 8,62,437 lakhs).

\# The Company has not disclosed the fair value of cash and bank balances, other financial assets, trade payables and other financial liabilities, because their carrying amounts are a reasonable approximation of fair value.

(Currency : Rs in lakhs)

42 Fair Value Disclosures *(Continued)*

c) Fair value measurements using significant unobservable inputs (level 3)

The following table presents the changes in level 3 items for the year ended March 31, 2023 and March 31, 2022.

Particulars	Derivative Financial Instruments	Other Investments	Debentures	Loans	Total
As at March 31, 2021	-	325,021	29,809	87,072	441,902
Transfer on account of reverse merger (Refer Note 39B)	-	97,827	-	194,250	292,077
Transfer In/ (Out)		46,261	-	-	46,261
Acquisitions/Disposal during the year (Net)	-	8,996	51,984	1,351	62,332
(Losses)/Gain recognised in profit or loss/Other Comprehensive Income	2,749	(24,900)	(22,741)	200	(44,692)
As at March 31, 2022	**2,749**	**453,205**	**59,052**	**282,873**	**797,879**
Transfer in/ (Out)	-	119,213		-	119,213
Acquisitions/Disposal during the year (Net)	-	239,298	(700)	(173,866)	64,731
(Losses)/Gain recognised in profit or loss/Other Comprehensive Income	7,062	(59,849)	(6,352)	24,861	(34,277)
As at March 31, 2023	**9,811**	**751,867**	**52,000**	**133,868**	**947,546**

d) Sensitivity for FVTPL Instruments

Impact on the Company's profit before tax if discount rates had been as given in the table below:

Method	Nature of Instrument	Significant unobservable Inputs	Increase / Decrease in the unobservable input	Sensitivity Impact	
				Yield Increase	Yield Decrease
Discounted Cash Flow Model as at March 31, 2023	NCD	Discount rate	0.7%	-	-
	Investment	Sale Price	5.0%	1,666	(1,508)
	Term Loan	Discount rate	0.7%	76	(75)
	Term Loan	Sale Price	5.0%	1,096	(897)
Discounted Cash Flow Model as at March 31, 2022	NCD	Discount rate	0.7%	-	
	Investment	Sale Price	5.0%	7,120	7,130
	Term Loan	Discount rate	0.7%	(97)	98
	Term Loan	Sale Price	5.0%	3,170	(3,170)

42A Changes in liabilities arising from financing activities

(a) Changes in capital and asset structure arising from financing activities and investing activities (Ind AS 7 'Statement of Cash flows')

The Company does not have any financing activities and investing activities which affect the capital and asset structure of the Company without the use of cash and cash equivalents.

(b) Changes in liability arising from financing activities (Ind AS 7 'Statement of Cash Flows')

Particulars	As at April 1, 2022	Cash flows	Exchange Difference	Other	As at March 31, 2023
Debt securities	2,871,266	(318,867)	-	-	2,552,399
Borrowings (other than debt securities)	1,491,055	(32,296)	4,871	848	1,464,478
Deposits	266,600	(235,048)	-	-	31,552
Subordinated debt liabilities	12,660	28	-	-	12,688
	4,641,581	(586,183)	4,871	848	4,061,117

Particulars	As at April 1, 2021	Cash flows	Exchange Difference	Other	As at March 31, 2022
Debt securities	1,040,599	1,830,667		-	2,871,266
Borrowings (other than debt securities)	1,630,023	(140,998)	2,021	9	1,491,055
Deposits	266,600			-	266,600
Subordinated debt liabilities	49,493	(36,833)		-	12,660
	2,986,715	1,652,836	2,021	9	4,641,581

(Currency : Rs in lakhs)

43 Capital Management

The Company manages its capital to ensure that it will be able to continue as going concern while maximizing the return to stakeholders through the optimisation of the debt and equity balance. The capital structure of the Company consists of net debt (borrowings as detailed in notes 13 to 16 offset by cash and cash equivalents and earmarked balances with banks) and total equity of the Company.

The Company being a Non-Deposit taking Housing Finance Company has to maintain a Capital Adequacy Ratio of 15% (Refer note 51 (xi)).The Company determines the amount of capital required on the basis of annual as well as long term operating plans and other strategic investment plans. The funding requirements are met through equity or non convertible debt securities or other long-term /short-term borrowings. The Company monitors the capital structure on the basis of total debt to equity ratio and maturity profile of the overall debt portfolio of the Company. The Company has complied with all regulatory requirements related to capital and capital adequacy ratios as prescribed by NHB.

The capital components of the Company are as given below:	March 31, 2023	March 31, 2022
Total Equity	1,489,987	2,225,921
Borrowings	4,061,117	4,641,581
Total Debt	4,061,117	4,641,581
Cash and Cash equivalents	(191,533)	(461,860)
Bank balances other than above (excluding lien marked)	(1,259)	
Net Debt	3,868,325	4,179,721
Debt equity ratio	2.73	2.09
Net Debt equity ratio	2.60	1.88

44 Risk management

Risk Management is an integral part of the Company's business strategy. The Risk Management oversight structure includes Committees of the Board and Management Committees. Company's risk philosophy is to develop and maintain a healthy portfolio which is within its risk appetite and the regulatory framework. While the Company is exposed to various types of risks, the most important among them are liquidity risk, interest rate risk, credit risk, regulatory risk and fraud and operational risk. The measurement, monitoring and management of risks remain a key focus area for the Company.

The Risk Management Committee of the Board provides direction to and monitors the quality of the internal audit function and also monitors compliance with NHB and other regulators.

The Company's risk management strategy is based on a clear understanding of various risks, disciplined risk assessment and measurement procedures and continuous monitoring. The policies and procedures established for this purpose are continuously benchmarked with market best practices.

The Risk Management Committee of the Board ("RMC") reviews compliance with risk policies, monitors risk tolerance limits, reviews and analyses risk exposure and provides oversight of risk across the organization. The RMC nurtures a healthy and independent risk management function to inculcate a strong risk management culture in the Company and broadly perceives the risk arising from (i) credit risk, (ii) liquidity risk, (iii) interest rate risk and (iv) fraud risk and operational risk (v) regulatory risk

44.1 Liquidity Risk

Liquidity Risk refers to insufficiency of funds to meet the financial obligations. Liquidity Risk Management implies maintenance of sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit lines to meet obligations when due.

The Company has an Asset Liability Management Policy in place, which is in line with NHB/RBI guidelines for Housing Finance Companies. The ALCO is responsible for the management of the companies funding and liquidity requirements. The company manages liquidity risk by maintaining unutilised banking facilities, credit lines and by continuously monitoring forecast and actual cash flows, and by assessing the maturity profiles of financial assets and liabilities.

The Company has the following undrawn credit lines available as at the end of the reporting period.

	March 31, 2023	March 31, 2022
- Expiring within one year (including bank overdraft)	2,500	35,000
- Expiring beyond one year	-	-
Undrawn credit lines	2,500	35,000

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Notes to the Standalone Financial Statements *(Continued)*
For the year ended March 31, 2023

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44 Risk management *(Continued)*

44.1 Liquidity Risk *(Continued)*

The following tables details the Company's remaining contractual maturity for its financial liabilities with agreed repayment periods. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay. The tables include both interest and principal cash flows. To the extent that interest flows are floating rate, the rate applicable as of March 31, 2023 and March 31, 2022 respectively has been considered. The contractual maturity is based on the earliest date on which the Company may be required to pay.

Maturities of Financial Liabilities	March 31, 2023			
	Up to 1 year	1 to 3 years	3 to 5 years	5 years and above
Borrowings	1,190,394	1,615,184	1,048,875	1,353,190
Trade Payables	29,007	-	-	-
Other Financial Liabilities*	140,431	-	-	26,071
	1,359,832	1,615,184	1,048,875	1,379,261

Maturities of Financial Liabilities	March 31, 2022			
	Up to 1 year	1 to 3 years	3 to 5 years	5 years and above
Borrowings	1,021,287	1,493,535	1,540,289	1,960,656
Trade Payables	51,875	-	-	-
Other Financial Liabilities*	22,407	4,766	1,734	757
	1,095,569	1,498,301	1,542,023	1,961,413

*This includes lease liabilities

The following table details the Company's expected maturity for its non-derivative financial assets. The table has been drawn up based on the undiscounted contractual maturities of the financial assets including interest that will be earned on those assets. The inclusion of information on non-derivative financial assets is necessary in order to understand the Company's liquidity risk management as the liquidity is managed on a net asset and liability basis.

Maturities of Financial Assets	March 31, 2023			
	Up to 1 year	1 to 3 years	3 to 5 years	5 years and above
Investments	310,495	231,969	355,172	596,613
Loans	1,554,579	1,625,331	1,021,807	1,239,896
Other Financial Assets	74,780	-	-	9,993
	1,939,854	1,857,300	1,376,979	1,846,502

Maturities of Financial Assets	March 31, 2022			
	Up to 1 year	1 to 3 years	3 to 5 years	5 years and above
Investments	262,250	417,917	310,798	400,429
Loans	1,208,442	1,965,392	1,090,311	2,242,541
Other Financial Assets	113,782	13,907	-	-
	1,584,474	2,397,216	1,401,109	2,642,970

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44 Risk management *(Continued)*

44.2 Interest Rate Risk

Retail lending:
The Company is exposed to minimal interest rate risk as it has most of assets and liabilities are based on floating interest rates. The Company has an approved Asset and Liability Management Policy which empowers the ALCO assess the interest rate risk run by it and provide appropriate guidelines to the Treasury to manage the risk.

Wholesale lending:
The Company is exposed to interest rate risk as it has assets and liabilities based on both fixed and floating interest rates. The Company has an approved Asset and Liability Management Policy which empowers the Asset and Liability Management Committee (ALCO) to assess the interest rate risk run by it and provide appropriate guidelines to the Treasury to manage the risk. The ALCO reviews the interest rate risk on periodic basis and decides on the asset profile and the appropriate funding mix. The ALCO reviews the interest rate gap statement and the interest rate sensitivity analysis.

The sensitivity analysis below have been determined based on the exposure to interest rates for assets and liabilities at the end of the reporting period. For floating rate assets and liabilities, the analysis is prepared assuming the amount of the liability outstanding at the end of the reporting period was outstanding for the whole year and the rates are reset as per the applicable reset dates. The basis risk between various benchmarks used to reset the floating rate assets and liabilities has been considered to be insignificant.

The exposure of the Company's borrowings to the interest rate risk at the end of the year for variable rate borrowing is Rs. 1,165,014 lakhs (March 31, 2022- Rs. 1,755,030 lakhs) and fixed rate borrowings are Rs. 2,896,102 lakhs (March 31, 2022- Rs. 2,886,488 lakhs)

Impact on the Company's profit before tax if interest rates had been 100 basis points higher / lower is given below:

Sensitivity Analysis on Floating Rate Instruments	For the Year Ended			
	March 31, 2023		March 31, 2022	
	Higher	Lower	Higher	Lower
Sensitivity Analysis on Floating Rate Borrowings	(11,707)	11,707	(17,659)	17,659
Sensitivity Analysis on Floating Rate Assets	27,768	(27,768)	50,422	(50,422)

44.3 The table below shows contractual maturity profile of carrying value of assets and liabilities:

Particulars	As at March 31, 2023		
	Within 12 months	After 12 months	Total
ASSETS			
Financial assets:			
Cash and cash equivalents	191,533	-	191,533
Bank balances other than (a) above	1,357	66,788	68,145
Derivative financial instruments	-	9,811	9,811
Loans	1,245,229	2,938,353	4,183,582
Investments	284,055	1,033,440	1,317,495
Other financial assets	74,780	9,993	84,773
Non- financial assets:			-
Current tax assets (net)	72,393	-	72,393
Deferred tax assets (net)	-	142,427	142,427
Property, Plant and Equipment	-	32,307	32,307
Right-of-use assets	-	23,945	23,945
Intangible assets under development	-	353	353
Goodwill	-	-	-
Other intangible assets	-	11,648	11,648
Other non-financial assets	5,446	30,939	36,385
Total Assets	1,874,793	4,300,004	6,174,797

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Capital & Housing Finance

Piramal Capital & Housing Finance Limited
(formerly known as Dewan Housing Finance Corporation Limited)

Notes to the Standalone Financial Statements *(Continued)*
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(Currency : Rs in lakhs)

Particulars	As at March 31, 2023 Within 12 months	After 12 months	Total
LIABILITIES			
Financial liabilities:			
Trade payables	29,007	-	29,007
Debt securities	233,986	2,318,413	2,552,399
Borrowings (other than debt securities)	664,717	799,761	1,464,478
Deposits	-	31,552	31,552
Subordinated debt liabilities	-	12,688	12,688
Other financial liabilities	148,286	18,216	166,502
Non- financial liabilities:		-	-
Current tax liabilities (net)	59,208	-	59,208
Provisions	6,099	-	6,099
Other non- financial liabilities	17,079	345,798	362,877
Total liabilities	**1,158,382**	**3,526,428**	**4,684,810**

Particulars	As at March 31, 2022 Within 12 months	After 12 months	Total
ASSETS			
Financial assets:			
Cash and cash equivalents	461,860	-	461,860
Bank balances other than (a) above	54,038	-	54,038
Derivative financial instruments	2,749	-	2,749
Loans	663,017	4,093,001	4,756,018
Investments	160,057	1,231,338	1,391,395
Other financial assets	98,628	13,907	112,535
Non- financial assets:			-
Current tax assets (net)	-	62,106	62,106
Deferred tax assets (net)	-	-	-
Property, Plant and Equipment	-	38,517	38,517
Right-of-use assets	-	12,171	12,171
Intangible assets under development	-	1,217	1,217
Goodwill	-	1,025,681	1,025,681
Other intangible assets	-	5,678	5,678
Other non-financial assets	45,530	725	46,255
Total Assets	1,485,878	6,484,342	7,970,221
LIABILITIES			
Financial liabilities:			
Trade payables	52,009	-	52,009
Debt securities	239,835	2,631,431	2,871,266
Borrowings (other than debt securities)	429,576	1,061,479	1,491,055
Deposits	-	266,600	266,600
Subordinated debt liabilities	-	12,660	12,660
Other financial liabilities	82,668	7,257	89,925
Non- financial liabilities:		-	-
Current tax liabilities (net)	340,889	-	340,889
Provisions	9,713	487	10,200
Deferred tax liabilities (net)	-	60,746	60,746
Other non- financial liabilities	10,101	538,849	548,949
Total liabilities	1,164,791	4,579,508	5,744,299

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44 Risk management *(Continued)*

44.4 Credit Risk

The Company is exposed to Credit Risk through its lending activity. Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in financial loss to the Company. The Company has adopted a policy of dealing with creditworthy counterparties and obtaining sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults.

Retail lending:
For retail lending the credit policy has been reviewed and approved by Risk Team. The Credit Risk management structure includes credit policies and procedures. The Credit Policy defines customer segments, income assessment criteria, underwriting standards, target market definition, appraisal and approval processes, product limits, Delegation of Authority metrics (DoA) and cover risk assessment for product offerings etc. to ensure consistency of credit buying patterns.

Wholesale lending:
The Company's Risk management team has developed proprietary internal rating models to evaluate risk return trade-off for the loans and investments made by the Company. The output of traditional credit rating model is an estimate of probability of default. These models are different from the traditional credit rating models as they integrate both probability of default and loss given default into a single model.

Credit Risk Management

For retail lending business, credit risk management is achieved by considering various factors like:
• Assessment of borrower's capability to pay – detailed assessment of borrower's capability to pay is conducted. The approach to the assessment is uniform across the entire Company and is spelt out in the Credit Policy.

• Security cover – this is an assessment of the value of security under stress scenario which is further adjusted for factors like liquidity, enforceability, transparency in valuation, etc of the collateral.

• Geographic region – the Company monitors loan performances in a particular region to assess if there is any stress due to natural calamities, etc impacting the performance of loans in a particular geographic region

For wholesale lending business, credit risk management is achieved by considering various factors like :
• Promoter strength – This is an assessment of the promoter from financial, management and performance perspective.
• Industry & micro-market risk – This is an assessment of the riskiness of the industry and/or micro-market to which the borrower/project belongs

• Project risk – This is an assessment of the standalone project from which interest servicing and principal repayment is expected to be done.
• Structure risk – This is an assessment of the loan structure which is characterized by its repayment tenor, moratorium, covenants, etc.
• Security cover – This is an assessment of the value of the security under stress scenario which is further adjusted for factors like liquidity, enforceability, transparency in valuation etc. of the collateral.

• Exit – This is an assessment of the liquidity of the loan or investment
Each of the above components of the risk analysis are assigned a specific weight which differ based on type of loan. The weights are then used with the scores of individual components for conversion to a risk rating.

Based on the above assessment the risk team categorises the deals in to the below Risk Grades

Risk Grading	Description
Dark Green	Extremely good loan
Green	Good loan
Yellow	Moderate loan
Amber	Weak loan
Red	Extremely weak loan

Further, a periodic review of the performance of the portfolio is also carried out by the Risk Group. The Risk Group adjusts the stress case considered during the initial approval based on actual performance of the deal, developments in the sector, regulatory changes etc. The deal level output is combined to form a portfolio snapshot. The trends from portfolio are used to provide strategic inputs to the management.

The credit risk on liquid funds and other financial instruments is limited because the counterparties are banks with high credit-ratings assigned credit-rating agencies or mutual funds.

Provision for Expected Credit Loss

The Company has assessed the credit risk associated with its financial assets for provision of Expected Credit Loss (ECL) at the reporting dates. For different product categories (Real Estate, Senior debt, Lease Rental Discounting, Loan Against Shares, Mezzanine etc), the Company has developed scorecard that makes use of various reasonable supportive forward looking parameters which are both qualitative as well as quantitative in nature. These scorecards helps in determining the change in credit risk and the probability of default. These parameters have been detailed out in Note No.vi of Significant Accounting Policies. Based on the result yielded by the above assessment the Financial assets are classified into (1) Standard (Performing) Asset, (2) Significant Credit Deteriorated (Under-Performing) Asset (3) Default (Non-Performing) Asset (Credit Impaired)
For the purpose of expected credit loss analysis the Company defines default as any asset with more than 90 days overdues. This is also as per the rebuttable presumption provided by the standard.

44 Risk management *(Continued)*

44.4 Credit Risk *(Continued)*

The Company provides for expected credit loss based on the following:

Category - Description	Stage	Basis for Recognition of Expected Credit Loss
Assets for which credit risk has not significantly increased from initial recognition	Stage 1	12 month ECL
Assets for which credit risk has increased significantly but not credit impaired	Stage 2	Life time ECL
Assets for which credit risk has increased significantly and credit impaired	Stage 3	Loss Given Default (LGD)

For the year ended March 31, 2023 and March 31, 2022 the Company has developed a PD Matrix after considering some parameters as stated below : The key parameters for various scorecards are highlighted as follows -Real Estate products (Construction Finance, Structured Debt, LRD) - (1) Developer Grade (2) Past Overdue History (3) Tenant profile (4) Status from monthly Asset Monitoring report (5) Stage of the project (6) Geography etc. Some of the Parameters for Non Real Estate products (Senior lending, mezzanine, project finance etc) - (1) Sponsor strength (2) Overdues (3) Average debt service coverage ratio (4) Regulatory Risk (5) Stability of EBITDA (6) Quality of underlying assets etc. Based on these parameters the Company has computed the PD. The Company has also built in model scorecards to determine the internal LGD. However, due to lack of default history to statistically substantiate the internal LGD, the Company has made use of a combination of both internal as well as external LGD. The Company also maintains Expected Credit Loss for undisbursed limits after applying the credit conversion factor (CCF), CCF for these limits is computed based on historical disbursement trends observed across various products.

Expected Credit Loss as at the Reporting year:

As at March 31, 2023

Particulars	Asset Group	Gross Carrying Value	Expected Credit Loss	Net Amount
Assets for which credit risk has not significantly increased from initial recognition^	Investments	225,775	9,725	216,050
	Loans	3,370,621	122,674	3,247,947
Assets for which credit risk has increased significantly but not credit impaired	Investments	71,034	9,904	61,130
	Loans	341,858	96,273	245,585
Assets for which credit risk has increased significantly and credit impaired	Investments	30,068	16,505	13,563
	Loans	426,792	358,906	67,886
Purchased or Originated credit impaired (POCI)	Loans	249,000	106,501	142,499
Total		4,715,148	720,488	3,994,660

As at March 31, 2022

Particulars	Asset Group	Gross Carrying Value	Expected Credit Loss	Net Amount
Assets for which credit risk has not significantly increased from initial recognition*	Investments	543,460	14,302	529,158
	Loans	3,176,659	94,508	3,082,151
Assets for which credit risk has increased significantly but not credit impaired	Investments	118,909	81,124	37,785
	Loans	256,073	40,745	215,328
Assets for which credit risk has increased significantly and credit impaired	Investments	24,484	12,628	11,856
	Loans	650,275	359,957	290,318
Purchased or Originated credit impaired (POCI)	Loans	605,675	259,176	346,499
Total		5,375,535	862,440	4,513,095

^ Excluding Fair Valuation Adjustment on Merger of Rs. 345,798 Lakhs (March 31, 2022 - Rs. 538,849 Lakhs) as same amount of liability is disclosed in Other Non-Financial Liabilities.

Gross Carrying Value represents instruments valued at amortised cost.

Investments covered investments in the nature of loan portfolio.

(Currency : Rs in lakhs)

44 Risk management *(Continued)*

Reconciliation of Loss Allowance

For the year ended March 31, 2023

a)

Investments and Loans	12 months ECL - Stage 1	Lifetime ECL not credit impaired - Stage 2	ECL credit impaired - Stage 3	POCI
Balance at the beginning of the year	108,810	121,869	372,585	259,176
Transfer on Account of Merger	-	-	-	-
Transferred to 12-month ECL (Stage 1)	933	(409)	(526)	-
Transferred to Lifetime ECL not credit impaired (Stage 2)	(11,944)	12,109	(165)	-
Transferred to Lifetime ECL credit impaired (Stage 3)	(6,594)	(1,137)	7,732	-
Bad debts written off	(1,857)	(114,220)	(31,897)	-
On Account of Rate (Reduction)/Increase	38,587	74,406	46,416	-
ECL on new loan disbursements	37,273	13,339	6,181	-
On Account of Repayments	(32,808)	220	(24,914)	(152,675)
Balance at the end of the year	**132,401**	**106,177**	**375,411**	**106,501**

For the year ended March 31, 2022

a)

Investments and Loans	12 months ECL - Stage 1	Lifetime ECL not credit impaired - Stage 2	ECL credit impaired - Stage 3	POCI
Balance at the beginning of the year	74,424	47,558	53,841	-
Transfer on Account of Merger	31,329	-	309,316	259,176
Transferred to 12-month ECL (Stage 1)	235	(151)	(83)	-
Transferred to Lifetime ECL not credit impaired (Stage 2)	(562)	620	(59)	-
Transferred to Lifetime ECL credit impaired (Stage 3)	(430)	(79)	510	-
Bad debts written off			(3,058)	(1,645)
On Account of Rate (Reduction)/Increase	7,260	61,446	14,981	1,645
ECL on new loan disbursements	18,558	13,345	-	-
On Account of Repayments	(22,006)	(870)	(2,862)	-
Balance at the end of the year	**108,810**	**121,869**	**372,585**	**259,176**

b) **Expected Credit Loss on undrawn loan commitments and letter of comfort:**

Particulars	As at March 31, 2023	As at March 31, 2022
ECL on undrawn loan commitments (refer note 19)	5,493	10,111

No letter of comfort is outstanding at the year end. The Company has not issued any letter of comfort during the year

c) **Description of Collateral held as security and other credit enhancements**

The Group has set benchmarks on appropriate level of security cover for various types of deals. The Group periodically monitors the quality as well as the value of the security to meet the prescribed limits. The collateral held by the Group varies on case to case basis and includes:

i) First / Subservient charge on the Land and / or Building of the project or other projects
ii) First / Subservient charge on the fixed and current assets of the borrower
iii) Hypothecation over receivables from funded project or other projects of the borrower
iv) Pledge on Shares of the borrower or their related parties
v) Guarantees of Promoters / Promoter Undertakings
vi) Post dated / Undated cheques

As at the reporting date, the value of the collateral held as security for the credit impaired financial assets is higher than the exposure at default for these assets.

(Currency : Rs in lakhs)

44 Risk management *(Continued)*

d) The credit impaired assets as at the reporting dates were secured by charge on land, building and project receivables amounting to:

Particulars	As at March 31, 2023	As at March 31, 2022
Secured portfolio	117,514	341,919

44.5 Regulatory Risk:

The Company requires certain statutory and regulatory approvals for conducting business and failure to obtain retain or renew these approvals in a timely manner, may adversely affect operations. Any change in laws or regulations made by the government or a regulatory body that governs the business of the Company may increase the costs of operating the business, reduce the attractiveness of investment and / or change the competitive landscape.

44.6 Fraud risk and operational risk:

Fraud risk management committee ('FRMC') comprising of top management representatives is constituted, which shall oversee the matters related to fraud risk, review and approve action against frauds.

FRMC conducts fraud risk assessment, identified fraud prone areas and develop mitigation measures. Status of mitigation measures are reviewed periodically.

The Company's risk management framework considers strategic, operations, financial reporting and external laws and regulations related risks

The Company has an elaborate system of internal audit and concurrent audit commensurate with the size, scale and complexity of its operations and covers funding operations, financial reporting, fraud control and compliance with laws and regulations.

Further, Concurrent audit helps prevent and address document related anomalies and deficiencies which strengthening quality assurance during onboarding and processing of transactions.

Internal Auditors monitors and evaluates the efficacy and adequacy of internal control systems in the Company, its compliance with laws and regulations, efficacy of its operating systems, adherence to the accounting procedures and policies at all offices of the Company and report directly to Audit Committee and Risk Management Committee of the company.

44.7 Foreign exchange risk:

The Company is exposed to foreign exchange risk arising from foreign currency transactions, primarily with respect to the USD. Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities denominated in a currency that is not the company's functional currency i.e. INR. The Company has taken foreign currency floating rate borrowing which is linked to LIBOR. The risk is measured through a forecast of highly probable foreign currency cash flows. The risk is hedged with the objective of minimising the volatility of the INR cash flows of highly probable forecast transactions.

The Company has entered into cross-currency interest rate swap (CCIRS) for the entire loan liability to manage the foreign exchange risk along with interest rate risk arising from changes in LIBOR on such borrowings. As per the Company's policy, the critical terms of hedging instrument must align with the hedged items. Refer note 45 for accounting for the cash flow hedge and impact of hedge accounting on the statement of profit and loss.

There is no foreign currency asset/liability outstanding as on March 31, 2023 excluding ECB of USD 75 million which are fully hedged as disclosed above.

(Currency : Rs in lakhs)

45 Accounting for cash flow hedge

The Company had taken foreign currency floating rate borrowings which are linked to LIBOR. For managing the foreign currency risk and interest rate risk arising from changes in LIBOR on such borrowings, the Company had entered into cross-currency interest rate swap (CCIRS) for the entire loan liability. The Company had designated the CCIRS (hedging instrument) and the borrowing (hedged item) into a hedging relationship and applies hedge accounting.

Under the terms of the CCIRS, the Company pays interest at the fixed rate to the swap counterparty and receives the floating interest payments based on LIBOR. Further, the principal amount of the foreign currency borrowing is hedged by a forward rate. As the critical terms of the hedged item and the hedging instrument (notional, interest periods, underlying and fixed rates) are matched and the interest cash flows are off-setting, an economic relationship exists between the two. This ensures that the hedging instrument and hedged item have values that generally move in the opposite direction.

As at March 31, 2023. The Company has invested in floating rate government securities/bonds which are linked to treasury bill rate. For managing the interest rate risk arising from changes in treasury bill rate on such investments, the Company has entered into an interest rate swaps (IRS) for the investments. The Company has designated the IRS (hedging instrument) and the investment (hedged item) into a hedging relationship and applied hedge accounting.

Under the terms of the IRS, the Company receives interest at fixed rate and pays interest at the floating rate based on daily compounded overnight FBIL MIBOR. As the critical terms of the hedged item and the hedging instrument (notional, interest periods, underlying fixed rates) are not exactly matched, the Company uses the hypothetical derivative method to assess effectiveness. The interest cash flows of the hypothetical derivative and interest rate swap are off-setting, an economic relationship exists between the two. This ensures that the hedging instrument (interest rate swap) and hedged item (hypothetical derivative) have values that generally move in the opposite direction. There was no such contract outstanding as on March 31, 2022.

Hedge Effectiveness Testing is assessed at designation date of the hedging relationship, and on an ongoing basis. The ongoing assessment is performed at a minimum at each reporting date or upon a significant change in circumstances affecting the hedge effectiveness requirements, whichever comes first.

During the year ended March 31, 2022, the date on which CCIRS and the borrowings were designated into hedging relationship is later than the date on which the respective contracts were entered into. This timing difference has caused hedge ineffectiveness to a certain extent, the effect of which has been recognised in profit or loss under the head Net Fair Value Changes.

Following table provides quantitative information regarding the hedging instrument:

Type of risk/ hedge position	Nominal value (Liabilities)	Carrying amount of hedging instruments (included under "Other financial assets")	Maturity date	Hedge ratio	Average contracted fixed interest rate	Changes in fair value of hedging instrument used as a basis for recognising hedge effectiveness	Changes in value of hedged item used as a basis for recognising hedge effectiveness
As on March 31, 2023:							
Cash Flow Hedge Foreign currency and interest rate risk	52,264	9,512	June'2024	1 : 1	9.30%	6,764	5,719
Cash Flow Hedge - Interest rate risk	12,500	299	September'2032	1 : 1	6.76%	414	(429)
		9,811					
As on March 31, 2022:							
Cash Flow Hedge Foreign currency and interest rate risk	52,264	2,749	June'2024	1 : 1	9.30%	3,328	2,029

Following table provides the effects of hedge accounting on financial performance :

Type of hedge	Changes in the value of hedging instruments recognised in Other comprehensive income	Hedge ineffectiveness recognised in profit or loss	Amount reclassified from cash flow hedge reserve to profit or loss	Line-item affected in statement of profit or loss because of reclassification
For the year ended March 31, 2023				
Cash flow hedge Interest Rate risk and Foreign Exchange Risk	7,063	-	(848)	Finance Cost
			(4,871)	Foreign Exchange (gain)/loss
For the year ended March 31, 2022				
Cash flow hedge Interest Rate risk and Foreign Exchange Risk	3,328	-	9	Finance Cost
			2,021	Foreign Exchange (gain)/loss

(Currency : Rs in lakhs)

45 Accounting for cash flow hedge

The following table provides a reconciliation by risk category of the components of equity and analysis of Other Comprehensive Income items resulting from hedge accounting:

Particulars	Movement in Cash flow hedge reserve for the years ended March 31, 2023	Movement in Cash flow hedge reserve for the years ended March 31, 2022
Opening balance	(624)	(1,596)
Effective portion of changes in fair value:		
a) Interest rate and foreign currency risk	7,063	3,328
Tax on movements on reserves during the year	(1,778)	(838)
Net amount reclassified to profit or loss:		
a) Interest rate risk	848	9
b) Foreign currency risk	4,871	2,021
Tax on movements on reserves during the year	(1,439)	(511)
Closing balance	381	(624)

(Currency : Rs in lakhs)

46 Transfer of Financial Assets

Transferred financial assets that are not derecognised in their entirety

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

Securitisations/ Assignments	Year ended March 31, 2023	Year ended March 31, 2022
Carrying amount of transferred assets measured at amortised cost (held as Collateral)	109,436	280,839
Carrying amount of associated liabilities (Borrowings) (other than securities)- measured at amortized cost)	109,157	266,965
Fair value of assets	109,436	280,839
Fair value of associated liabilities	109,157	266,965
Net position at Fair value	279	13,874

Note : Transferred Financial Assets that are derecognised in their entirety

The Company has assigned loans by way of direct assignment. As per the terms of deals, since substantial risk and rewards related to these assets were transferred to the buyer, the assets have been de-recognised from the Company's Balance Sheet. The table below summarised the carrying amount of the derecognised financial assets.

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Direct Assignment (excluding 100% direct assignment)		
Carrying amount of transferred assets measured at amortised cost	1,123,757	1,622,042
Carrying amount of exposures retained by the Company at amortized cost	141,598	216,269

47 Foreign Currency Expenditure (on accrual basis)

Particulars	March 31, 2023	March 31, 2022
Business Promotion	1	-
Professional Fees	388	1,216
Legal Fees	148	292
Membership & Subscription	23	-

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Notes to the Standalone Financial Statements *(Continued)*

For the year ended March 31, 2023

(Currency : Rs in lakhs)

48 Disclosure for Insurance commission income as required under Insurance regulatory and development Authority (IRDA)

Particulars	March 31, 2023	March 31, 2022
Cholamandalam MS General Insurance Company Limited	143	-
Pramerica Life Insurance Limited	946	88
Total	1,089	88

49 Principal Business Criteria and Impairment of Goodwill

For the purpose of impairment testing, goodwill acquired in a business combination is allocated to the cash generating units (CGU) or groups of CGUs, which are benefited from the synergies of the acquisition. Goodwill is reviewed for any impairment at the operating segment level, which is represented through groups of CGUs.

a) The Company is required to comply with Principal Business Criteria ('PBC') as stated in paragraph 5.3 of Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021 ('RBI Directions'). The Company had submitted a detailed business plan to the RBI in April and June 2022 detailing the roadmap to comply with the principal business criteria by March 31, 2024. Based on Company's submission, the RBI advised the Company to ensure compliance with the submitted business plan, as the same shall be monitored at regular intervals by the RBI and NHB. The Company is currently trailing in meeting committed PBC thresholds for the year ended March 31, 2023, however, the management believes that the Company will be able to meet the required PBC thresholds latest by March 31, 2024. In order to achieve the above, the Company has changed its business strategy to shift focus majorly on housing finance loans and has decided to further reduce the Assets Under Management (AUM) in wholesale lending business in next few years.

b) Due to the change in business strategy in the current year in line with management's decision to reduce wholesale lending business and increase the focus to increase retail housing business, the Company has revised the business projections considered for the annual impairment testing, as required under the principles of Ind AS 36, Impairment of Assets, of related goodwill amounting to Rs. 1,025,681 lakhs recognized on merger of wholesale lending business of Piramal Finance Limited and Piramal Capital Limited with the Company in the year 2018.

As of March 31, 2023, the estimated cash flows for a period of 5 years for the Company were developed using internal forecasts, and a pre-tax discount rate of 12.5% respectively. The cash flows beyond 5 years have been extrapolated assuming 2% growth rates, depending on the cash generating unit and the country of operations.

Basis such impairment testing performed, the aforesaid goodwill has been fully impaired in the year ending March 31, 2023. Owing to the significance of amount and non-recurring nature of impairment of goodwill, the Company has classified and presented it as an exceptional item in line with Ind AS 1, Presentation of Financial Statements. Further, the deferred tax liability of Rs. 143,138 lakhs pertaining to goodwill has also been reversed during the year ended March 31, 2023.

50 Corporate Social Responsibility Expenditure

Particulars	March 31, 2023	March 31, 2022
Amount required to be spent by the company during the year	3,444	4,921
Amount spent during the year from Company's bank A/c	5,467	4,680
Closing Balance in Separate CSR Unspent Bank A/c	-	241
Shortfall at the end of the year,	-	-
Total of previous years shortfall,	-	-
Reason for shortfall,	-	-
Nature of CSR activities	Promoting healthcare and education	Promoting healthcare and education
Details of related party transactions, e.g., contribution to a trust controlled by the company in relation to CSR expenditure as per relevant Accounting Standard,	3,901	2,727
Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year shall be shown separately	-	-

Notes to the Standalone Financial Statements *(Continued)*
For the year ended March 31, 2023

(Currency : Rs in lakhs)

51 **Additional Regulatory Information**

i) The Company has not granted any loans or advances in the nature of loans to promoters, directors, KMPs and the related parties (as defined under the Companies Act, 2013), either severally or jointly with any other person that are:
(a) repayable on demand; or
(b) without specifying any terms or period of repayment

ii) There is a change in management w.e.f. September 30, 2021 on account of business combination (Refer note 39B), and the Company under new management has not been declared as a wilful defaulter by any bank or financial institution or other lender.

iii) The Company has not done any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956 except:

Name of the struck off company	Nature of transactions with struck off company	Balance outstanding	Relationship with the struck off company, if any, to be disclosed
GK Marketing Services Private Limited	DSA commission	Nil	DSA (Vendor)

iv) The Company does not have any charges to be registered with ROC beyond the statutory period. There was no satisfaction of charge pending as on March 31, 2023 except one loan where loan repaid during the year for Rs 110,000 lakhs due to non-receipt of No Due Certificate from Bank of Baroda. With respect to the assets acquired under business combination, the Company is in the process of satisfying the charges on those assets which is procedural.

v) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.

vi) The Company have not traded or invested in Crypto currency or Virtual Currency during the year.

vii) During the year the Company have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

a) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries); or

b) Provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

viii) During the year the Company have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall:

a) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries); or

b) Provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

ix) The Company have not had any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

x) The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies Act (Restriction on number of Layers) Rule, 2017.

xi) Analytical Ratios

Particulars	March 31, 2023	March 31, 2022
(a) Capital to risk-weighted assets ratio (CRAR)	26.80%	22.01%
(b) Tier I CRAR	25.90%	21.11%
(c) Tier II CRAR	0.90%	0.90%
(d) Liquidity Coverage Ratio	Refer Note 52.2	Refer Note 52.2

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Notes to the standalone financial statements *(Continued)*

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(Currency : Rs in Lakhs)

52 Additional Non-Banking Financial Company - HFC disclosures

52.1 Gold Loan Disclosure

Loans granted against collateral of gold jewellery was 0.005% of total assets at March 31, 2023 (March 31, 2022: 0.001%)

52.2 Additional disclosure on Liquidity Coverage Ratio

RBI vide Circular No. RBI/2019-20/88 DOR NBFC (PD) CC. No.102/03.10.001/2019-20 dated November 4, 2019 issued guidelines on liquidity risk framework for NBFCs/HFCs. Apart from various process related aspects of the Liquidity risk management framework, the regulations require NBFCs/HFCs to maintain a mandated Liquidity Coverage Ratio (LCR). The objective of the LCR is to promote short-term resilience in the liquidity risk profile of NBFCs/HFCs. It does this by ensuring that the Company has adequate stock of unencumbered high-quality liquid assets (HQLA) that can be converted easily and immediately into cash to meet its liquidity needs for a 30 calendar day liquidity stress scenario. Further, RBI vide Circular No. RBI/2020-21/60 DOR NBFC (HFC) CC No.118/03.10.136/2020-21 dated October 22, 2020, provided HFCs with time extension for minimum liquidity coverage ratio (LCR) of 50% to be maintained by December 2021, to be gradually increased to 100% by December 2025.

The Company had LCR of 119% as of March 31, 2023, 288% as of December 31, 2022, 369% as of September 30, 2022 and 382% as of June 30, 2022 which is higher than LCR mandated by RBI. The Company regularly reviews the maturity position of assets and liabilities and liquidity buffers, and ensures maintenance of sufficient quantum of High Quality Liquid Assets

Sr. No.	Particulars	Quarter ended March 31, 2023		Quarter ended December 31, 2022		Quarter ended September 30, 2022		Quarter ended June 30, 2022	
		Total Unweighted Value (average)	Total Weighted Value (average)	Total Unweighted Value (average)	Total Weighted Value (average)	Total Unweighted Value (average)	Total Weighted Value (average)	Total Unweighted Value (average)	Total Weighted Value (average)
	High Quality Liquid Assets								
1	Total High Quality Liquid Assets (HQLA)	176,319	176,319	265,104	265,104	279,582	279,582	280,002	280,002
	Cash Outflows								
2	Deposits (for deposit taking companies)	NA	NA	NA	NA	NA	NA	NA	NA
3	Unsecured wholesale funding	12,663	14,562	2,784	3,201	7,783	8,950	18,539	21,320
4	Secured wholesale funding	103,880	119,461	47,503	54,628	95,732	110,091	61,757	71,020
5	Additional requirements, of which	119,400	137,310	119,400	137,310	119,400	137,310	134,999	155,249
(i)	*Outflows related to derivative exposures and other collateral requirements*	119,400	137,310	119,400	137,310	119,400	137,310	134,999	155,249
(ii)	*Outflows related to loss of funding on debt products*	-	-	-	-	-	-		-
(iii)	*Credit and liquidity facilities*	-	-	-	-	-	-	-	-
6	Other contractual funding obligations	14,000	16,100	14,000	16,100	14,000	16,100	14,000	16,100
7	Other contingent funding obligations	30,680	35,282	27,532	31,662	26,666	30,666	25,833	29,708
8	**Total Cash Outflows**	280,623	322,715	211,219	242,901	263,581	303,117	255,128	293,397
	Cash Inflows								
9	Secured lending	109,619	82,214	62,613	46,960	76,097	57,073	63,366	47,525
10	Inflows from fully performing exposures	24,152	18,114	22,410	16,807	23,226	17,419	23,226	17,419
11	Other cash inflows	99,188	74,391	116,168	87,126	283,120	212,340	333,913	250,435
12	**Total Cash Inflows**	232,959	174,719	201,191	150,893	382,443	286,832	420,505	315,379
			Total Adjusted Value		Total Adjusted Value		Total Adjusted Value		Total Adjusted Value
13	TOTAL HQLA		176,319		265,104		279,582		280,002
14	TOTAL NET CASH OUTFLOWS		147,997		92,008		75,779		73,349
15	LIQUIDITY COVERAGE RATIO (%)		119%		288%		369%		382%

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(Currency : Rs in Lakhs)

52 Additional Non-Banking Financial Company - HFC disclosures

52.2 Additional disclosure on Liquidity Coverage Ratio (Continued)

Sr. No.	Particulars	Quarter ended March 31, 2022		Quarter ended December 31, 2021	
		Total Unweighted Value (average)	Total Weighted Value (average)	Total Unweighted Value (average)	Total Weighted Value (average)
	High Quality Liquid Assets				
1	Total High Quality Liquid Assets (HQLA)	542,291	531,897	462,804	462,804
	Cash Outflows				
2	Deposits (for deposit taking companies)	NA	NA	NA	NA
3	Unsecured wholesale funding	13,867	15,947	5,833	6,708
4	Secured wholesale funding	135,004	155,255	27,502	31,628
5	Additional requirements, of which				
(i)	*Outflows related to derivative exposures and other collateral requirements*	-	-	-	-
(ii)	*Outflows related to loss of funding on debt products*	130,500	150,075	203,833	234,408
(iii)	*Credit and liquidity facilities*	143,730	165,290	201,964	232,258
6	Other contractual funding obligations	-	-	-	-
7	Other contingent funding obligations	-	-	-	-
8	**Total Cash Outflows**	423,101	486,567	439,132	505,002
	Cash Inflows				
9	Secured lending	-	-	-	-
10	Inflows from fully performing exposures	69,762	52,322	68,126	51,095
11	Other cash inflows	226,068	169,551	195,993	146,995
12	**Total Cash Inflows**	295,830	221,873	264,119	198,090
			Total Adjusted Value		**Total Adjusted Value**
13	TOTAL HQLA		531,897		462,804
14	TOTAL NET CASH OUTFLOWS		264,694		306,912
15	LIQUIDITY COVERAGE RATIO (%)		201%		151%

Qualitative disclosures

1 The Company has implemented the guidelines on Liquidity Risk Management Framework prescribed by the Reserve Bank of India requiring maintenance of Liquidity Coverage Ratio (LCR), which aim to ensure that an NBFC maintains an adequate level of unencumbered HQLAs that can used to meet its liquidity needs for the 30 days under a significantly severe liquidity stress scenario.

2 LCR = Stock of High-Quality Liquid Assets (HQLAs)/Total Net Cash Outflows over the next 30 calendar days

3 HQLAs as per the guidelines comprises of Cash, Investment in Central and State Government Securities, and highly-rated Corporate Bonds and Commercial papers, including those of of Public Sector Enterprises, as adjusted after assigning the haircuts as prescribed by RBI. Cash would mean cash on hand and demand deposits with Scheduled Commercial Banks

4 The Liquidity Risk Management framework of the Company is governed by its Asset Liability Management Policy approved by the Board of Directors. The Asset Liability Management Committee (ALCO) oversee the implementation of liquidity risk management framework of the Company and ensure adherence to the risk tolerance / limits set by the Board of Directors.

5 As prescribed by the RBI Guidelines, Total net cash outflows are arrived after taking into consideration total expected cash outflows minus total expected cash inflows for the 30 days

6 Total net cash outflows over the next 30 days = Stressed Outflows - [Min (stressed inflows; 75% of stressed outflows)]

7 Total expected cash outflows (stressed outflows) are calculated by multiplying the outstanding balances of various categories or types of liabilities by 115% (15% being the rate at which they are expected to run off further or be drawn down)

8 Total expected cash inflows (stressed inflows) are calculated by multiplying the outstanding balances of various categories of contractual receivables by 75% (25% being the rate at which they are expected to under-flow)

Note:

In order to calculate the daily LCR, the management has made certain assumptions to arrive at the same. Statutory Auditors have relied on these assumptions while testing the arithmetical accuracy of the LCR computations

(Currency : Rs in lakhs)

52 **Additional Disclosure**

52.3 **Disclosure under Master Direction Reserve Bank of India (Securitisation of Standard Assets) Directions, 2021 dated September 24, 2021.**

Sl. No.	Particulars	As at March 31, 2023	
		Pass through certificate	Direct assignment
1	No of SPEs holding assets for securitisation transactions originated by the originator (only the SPVs relating to outstanding securitization exposures to be reported here)	21	160
2.	Total amount of securitised assets as per books of the SPEs	233,985	1,292,050
3.	Total amount of exposures retained by the originater to comply with MRR as on the date of balance sheet	63,083	148,733
	a) Off-balance sheet exposures	-	-
	• First loss	-	-
	• Others	-	-
	b) On-balance sheet exposures	63,083	148,733
	• First loss	18,038	-
	• Others	45,045	148,733
4.	Amount of exposures to securitisation transactions other than MRR	-	-
	a) Off-balance sheet exposures	-	-
	i) Exposure to own securitisations	-	-
	• First loss	-	-
	• Others	-	-
	ii) Exposure to third party securitisations	-	-
	• First loss	-	-
	• Others	-	-
	b) On-balance sheet exposures	-	-
	i) Exposure to own securitisations	-	-
	• First loss	-	-
	• Others	-	-
	ii) Exposure to third party securitisations	-	-
	• First loss	-	-
	• Others	-	-
5.	Sale consideration received for the securitised assets and gain/loss on sale on account of securitisation	-	-
	a) Sale Consideration Received	25,413	184,173
	b) Gain / Loss on sale of account of Securitisation		533
6.	Form and quantum (outstanding value) of services provided by way of, liquidity support, post-securitisation asset servicing, etc.	-	-
i	Securitisation Asset Servicing Fee	19	714
7	Performance of facility provided. Please provide separately for each facility viz. Credit enhancement, liquidity support, servicing agent etc Mention percent in bracket as of total value of facility provided.	-	-
	(a) Amount paid	-	-
	(b) Repayment received	-	-
	(c) Outstanding amount	42,579	7,598
8.	Average default rate of portfolios observed in the past. Please provide breakup separately for each asset class i.e. RMBS, Vehicle Loans etc	-	-
	Mar-2018	2.78%	2.37%
	Mar-2019	3.31%	2.43%
	Mar-2020	16.17%	11.12%
	Mar-2021	24.10%	21.20%
	Mar-2022	29.03%	25.31%
	Mar-2023	36.75%	35.68%
9	Amount and number of additional/top up loan given on same underlying asset. Please provide breakup separately for each asset class i.e. RMBS, Vehicle Loans etc	-	-
10.	Investor complaints (a) Directly/Indirectly received and; (b) Complaints outstanding	-	-
	(a) Directly/Indirectly received	68	1,706
	(b) Complaints outstanding	-	1

(Currency : Rs in lakhs)

52 Additional Disclosure

52.3 Disclosure under Master Direction Reserve Bank of India (Securitisation of Standard Assets) Directions, 2021 dated September 24, 2021 (Continued)

Sl. No.	Particulars	As at March 31, 2022	
		Pass through certificate	Direct assignment
1	No of SPEs holding assets for securitisation transactions originated by the originator (only the SPVs relating to outstanding securitization exposures to be reported here)	18	164
2.	Total amount of securitised assets as per books of the SPEs	259,768	1,898,776
3.	Total amount of exposures retained by the originator to comply with MRR as on the date of balance sheet	57,924	240,063
	a) Off-balance sheet exposures	-	-
	- First loss	-	-
	- Others	-	-
	b) On-balance sheet exposures	57,924	240,063
	- First loss	7,699	23,478
	- Others	50,225	216,585
4.	Amount of exposures to securitisation transactions other than MRR	-	-
	a) Off-balance sheet exposures	-	-
	i) Exposure to own securitisations	-	-
	- First loss	-	-
	- Others	-	-
	ii) Exposure to third party securitisations	-	-
	- First loss		-
	- Others	-	-
	b) On-balance sheet exposures	-	-
	i) Exposure to own securitisations	-	-
	- First loss	-	-
	- Others	-	-
	ii) Exposure to third party securitisations	-	-
	- First loss	-	-
	- Others	-	-
5.	Sale consideration received for the securitised assets and gain/loss on sale on account of securitisation	NA	NA
6.	Form and quantum (outstanding value) of services provided by way of, liquidity support, post-securitisation asset servicing, etc.	-	
i	Securitisation Asset Servicing Fee	-	761
7.	Performance of facility provided. Please provide separately for each facility viz. Credit enhancement, liquidity support, servicing agent etc. Mention percent in bracket as of total value of facility provided.		
	(a) Amount paid	-	
	(b) Repayment received	-	
	(c) Outstanding amount	29,281	32,883
8.	Average default rate of portfolios observed in the past. Please provide breakup separately for each asset class i.e. RMBS, Vehicle Loans etc		
	Mar-2017	1.82%	2.40%
	Mar-2018	2.78%	2.37%
	Mar-2019	3.11%	2.43%
	Mar-2020	16.17%	11.12%
	Mar-2021	24.10%	21.20%
	Mar-2022	29.03%	25.31%
9	Amount and number of additional/top up loan given on same underlying asset. Please provide breakup separately for each asset class i.e RMBS, Vehicle Loans etc	-	-
10	Investor complaints (a) Directly/Indirectly received and; (b) Complaints outstanding		
	(a) Directly/Indirectly received	91	1008
	(b) Complaints outstanding	-	-

(Currency : Rs in lakhs)

53 Disclosure on Prudential Floor for ECL in terms of RBI circular DOR (NBFC).CC.PD.No.109/22.10.106/2019-20 dated March 13, 2020

As at March 31, 2023

Asset Classification as per RBI norms	Asset Classification as per IND AS 109	Gross Carrying Amount as per Ind AS	Loss Allowances (Provisions) as required under IND AS 109	Net Carrying Amount	Provisions required as per IRACP norms	Difference between Ind AS 109 provisions and IRACP norms
Performing assets						
Standard Assets	Stage 1	3,743,760	114,454	3,629,306	18,574	95,880
	Stage 2	412,124	105,408	306,716	5,644	99,764
Sub-total		4,155,884	219,862	3,936,022	24,218	195,644
Non-performing assets (NPA)						
Substandard	Stage 3	133,747	64,375	69,372	20,062	44,313
Doubtful - up to 1 year	Stage 3	8,835	2,203	6,632	2,255	(53)
1 to 3 years	Stage 3	10,018	4,580	5,438	4,074	506
More than 3 years	Stage 3	3	2	1	1	(1)
		18,856	6,785	12,071	6,332	452
Loss	Stage 3	1,788	1,783	5	1,783	-
Subtotal for NPA		154,391	72,943	81,448	28,177	44,766
Other items such as guarantees, loan commitments, etc. which are in the scope of Ind AS 109 but not covered under current Income Recognition, Asset Classification and Provisioning (IRACP) norms	Stage 1	328,730	5,493	323,237	-	5,193
	Stage 2	-	-	-		-
	Stage 3	-		-	-	-
Total Non POCI (Performing assets + Non-performing assets)	Stage 1	4,072,490	119,947	3,952,543	18,574	101,373
	Stage 2	412,124	105,408	306,716	5,644	99,764
	Stage 3	154,391	72,943	81,448	28,177	44,766
	Total	4,639,005	298,298	4,340,708	52,395	245,902
POCI**		142,500	-	142,500	2,513	(2,513)
Security Receipts		302,241	-	302,241	3,022	(3,022)
Grand Total (Non POCI + POCI)	Total	5,083,746	298,298	4,785,449	57,930	240,367

As at March 31, 2022

Asset Classification as per RBI norms	Asset Classification as per IND AS 109	Gross Carrying Amount as per Ind AS	Loss Allowances (Provisions) as required under IND AS 109	Net Carrying Amount	Provisions required as per IRACP norms	Difference between Ind AS 109 provisions and IRACP norms
Performing assets						
Standard Assets	Stage 1	4,192,142	77,412	4,114,730	52,303	25,109
	Stage 2	280,484	121,574	158,910	2,104	119,469
Sub-total		4,472,626	198,986	4,273,640	54,407	144,578
Non-performing assets (NPA)						
Substandard	Stage 3	42,294	20,326	21,968	4,631	15,695
Doubtful - up to 1 year	Stage 3	21,659	11,208	10,451	5,947	5,261
1 to 3 years	Stage 3	51,010	27,445	23,565	31,784	(4,339)
More than 3 years	Stage 3	3,980	3,957	23	3,980	(23)
		76,649	42,610	34,039	41,711	899
Loss	Stage 3	1,677	1,673	4	1,677	(4)
Subtotal for NPA		120,620	64,609	56,011	48,019	16,590
Other items such as guarantees, loan commitments, etc. which are in the scope of Ind AS 109 but not covered under current Income Recognition, Asset Classification and Provisioning (IRACP) norms	Stage 1	879,633	9,743	869,890	-	9,743
	Stage 2	21,767	74	21,693	-	74
	Stage 3		-	-		-
Total Non POCI	Stage 1	5,071,775	87,155	4,984,620	52,303	34,852
	Stage 2	302,251	121,648	180,603	2,104	119,544
	Stage 3	120,620	64,609	56,011	48,019	16,590
	Total	5,494,646	273,412	5,221,234	102,426	170,986
POCI**		346,498	-	346,498	5,378	(5,378)
Grand Total (Non POCI + POCI)	Total	5,841,144	273,412	5,567,732	107,804	165,608

Note: The Company has framed Policy for sales out of amortised cost business model portfolios

** POCI - Purchase or originated Credit Impaired Portfolio (Net of ECL provision and Fair value)

Chandiok & Co LLP Chartered Accountants

Chadha & Co LLP Chartered Accountants

Piramal Capital & Housing Finance Ltd.

(Currency : Rs in lakhs)

54 Detail of the resolution plan implemented under the Resolution Framework for COVID-19-related Stress as per RBI Circular dated August 6, 2020 (Resolution Framework - 1.0) and May 5, 2021 (Resolution Framework - 2.0) as at March 31, 2023 are given below

Type of borrower	Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at the end of the previous half-year i.e. September 30, 2022 (A)	Of (A), aggregate debt that slipped into NPA during the half-year	Of (A) amount written off during the half-year	Of (A) amount paid by the borrowers during the half-year	Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at the end of this half-year i.e. March 31, 2023**
Personal Loans	33,955	460	-	6,522	11,506
Corporate persons*	185,186	-	84,731	4,136	24,837
Of which MSMEs	6,827	-	-	1,142	3,941
Others	22,521	81	-	3,589	8,480
Total	241,662	541	84,731	14,247	44,821

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

^ Represents actual repayment from customers excluding repayments received from other parties on account of transfer/sale/ settlement of loans

** Reduced mainly on account of sale of loans

The above disclosure reflects Company's share of loans in case of securitised and assigned pool

The numbers in the above table represents gross values of loans excluding fair value adjustments on loans acquired/purchased

55 Public disclosure on liquidity risk management framework

1 Funding Concentration based on significant counterparty (both deposits and borrowings)

31 March 2023

Sr. No.	Number of Significant Counterparties	Amount	% of Total deposits	% of Total Liabilities
1	16	2,741,828	NA	58.53%

31 March 2022

Sr. No.	Number of Significant Counterparties	Amount	% of Total deposits	% of Total Liabilities
1	14	3,066,248	NA	53.38%

Note: significant counterparties includes Catalyst Trusteeship Ltd which is holding PCHFL NCDs on behalf of erstwhile creditors of DHFL in its role as global escrow agent as defined in the Global Settlement Trust Deed for the CIRP of DHFL

2 Top 20 large deposits (amount in ₹ lakhs and % of total deposits)
Not Applicable

3 Top 10 borrowings (amount in ₹ lakhs and % of total borrowings)

As at 31 March 2023

Amount	% of Total Borrowings
2,335,032	57.50%

As at 31 March 2022

Amount	% of Total Borrowings
2,664,394	57.40%

4 Funding Concentration based on significant instrument/product

As at 31 March 2023

Sr. No.	Name of the instrument/product	Amount	% of Total Liabilities
1	Redeemable Non Convertible Debentures	2,565,087	54.75%
2	Term loan (secured) from banks	1,071,756	22.88%
3	Commercial paper	143,769	3.07%
4	Securtised Borrowing from Bank	109,157	2.33%
5	CROMS Borrowings (Clearing Corporation of India)	76,845	1.64%
6	Term loan - FCNR Loans	62,951	1.34%

As at 31 March 2022

Sr. No.	Name of the instrument/product	Amount	% of Total Liabilities
1	Redeemable Non Convertible Debentures	2,871,266	49.98%
2	Term loan (secured) from banks	1,116,621	19.44%
3	Securtised Borrowing from Bank	266,965	4.65%
4	Intercorporate deposit from related party (Unsecured)	266,600	4.64%

5 Stock Ratios:

Sr. No.		Particulars	March 31, 2023
(a)	(i)	Commercial papers as a % of total public funds	3.54%
	(ii)	Commercial papers as a % of total liabilities	3.07%
	(iii)	Commercial papers as a % of total assets	2.33%
(b)	(i)	Non-convertible debentures (original maturity of less than one year) as a % of total public funds	-
	(ii)	Non-convertible debentures (original maturity of less than one year) as a % of total liabilities	-
	(iii)	Non-convertible debentures (original maturity of less than one year) as a % of total assets	-
(c)	(i)	Other short-term liabilities, if any as a % of total public funds	24.98%
	(ii)	Other short-term liabilities, if any as a % of total liabilities	21.66%
	(iii)	Other short-term liabilities, if any as a % of total assets	16.43%

Sr. No.		Particulars	March 31, 2022
(a)	(i)	Commercial papers as a % of total public funds	0.76%
	(ii)	Commercial papers as a % of total liabilities	0.62%
	(iii)	Commercial papers as a % of total assets	0.44%
(b)	(i)	Non-convertible debentures (original maturity of less than one year) as a % of total public funds	-
	(ii)	Non-convertible debentures (original maturity of less than one year) as a % of total liabilities	-
	(iii)	Non-convertible debentures (original maturity of less than one year) as a % of total assets	-
(c)	(i)	Other short-term liabilities, if any as a % of total public funds	25.10%
	(ii)	Other short-term liabilities, if any as a % of total liabilities	20.28%
	(iii)	Other short-term liabilities, if any as a % of total assets	14.61%

6 Institutional set-up for liquidity risk management

a) The ALCO is responsible for the management of the companies funding and liquidity requirements, within the board approved framework and extant regulations.

b) The Company manages liquidity risk by maintaining an appropriate mix of unutilised banking facilities, credit lines as necessary and by continuously monitoring expected and actual cash flows, and by assessing the maturity profiles of financial assets and liabilities.

(Currency : Rs in lakhs)

56 Non-Banking Financial Company disclosures

(i) Disclosures as required in terms of Annex III of Master Direction – "Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021"

Particulars Liabilities side :	Amount outstanding as at March 31, 2023	Amount overdue as at March 31, 2023
1 Loans and advances availed by the HFC inclusive of interest accrued thereon but not paid:		
(a) Debentures : Secured	2,552,399	-
: Unsecured	12,688	-
(other than falling within the meaning of public deposits)		
(b) Deferred credits	-	
(c) Term loans	1,134,707	-
(d) Inter-corporate loans and borrowing	31,552	-
(e) Commercial paper	143,769	-
(f) Public deposits	-	-
(g) Other loans	186,002	-
2 Break-up of (1)(f) above (Outstanding public deposits inclusive of interest accrued thereon but not paid) :		
(a) In the form of unsecured debentures	-	-
(b) In the form of partly secured debentures i.e. debentures where there is a shortfall in the value of security	-	-
(c) Other public deposits	-	-

Particulars Liabilities side :	Amount outstanding as at March 31, 2022	Amount overdue as at March 31, 2022
1 Loans and advances availed by the HFC inclusive of interest accrued thereon but not paid:		
(a) Debentures : Secured	2,871,266	-
: Unsecured	12,660	-
(other than falling within the meaning of public deposits)		
(b) Deferred credits	-	-
(c) Term loans	1,173,562	-
(d) Inter-corporate loans and borrowing	266,600	-
(e) Commercial paper	35,465	-
(f) Public deposits	-	-
(g) Other loans	282,028	-
2 Break-up of (1)(f) above (Outstanding public deposits inclusive of interest accrued thereon but not paid) :		
(a) In the form of unsecured debentures	-	-
(b) In the form of partly secured debentures i.e. debentures where there is a shortfall in the value of security	-	-
(c) Other public deposits	-	-

(Currency : Rs. in lakhs)

56 Non-Banking Financial Company disclosures

(i) **Disclosures as required in terms of Annex III of Master Direction – "Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021"**

Assets side :	Amount outstanding as at March 31, 2023	Amount outstanding as at March 31, 2022
3 Break-up of loans and advances including bills receivables [other than those included in (4) below:]		
(Amount gross of provision)		
(a) Secured	3,803,882	4,585,495
(b) Unsecured	648,896	173,189
4 Break up of leased assets and stock on hire and other assets counting towards asset financing 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	-	-

(Currency : Rs in lakhs)

56 Additional Non-Banking Financial Company - HFC disclosures (Continued)

Assets Side :	Amount outstanding as at March 31, 2023	Amount outstanding as at March 31, 2022
5 **Break-up of investments :**		
Current investments :		
1. Quoted :		
(i) Shares : (a) Equity	-	-
(b) Preference	-	-
(ii) Debentures and bonds	-	-
(iii) Units of mutual funds	-	132,068
(iv) Government securities	9,497	-
(v) Others (please specify)		-
2. Unquoted :		
(i) Shares : (a) Equity	-	-
(b) Preference	-	-
(ii) Debentures and bonds	-	-
(iii) Units of mutual funds	-	-
Long term Investments :		
1. Quoted :		
(i) Shares : (a) Equity	-	-
(b) Preference	-	-
(ii) Debentures and bonds	-	-
(iii) Units of mutual funds	-	-
(iv) Government securities	104,031	4
(v) Others -Redeemable Bonds		
2. Unquoted :		
(i) Shares : (a) Equity	109,424	102,046
(b) Preference	20,052	3,232
(ii) Debentures and bonds	-	-
(iii) Units of mutual funds	-	-
(iv) Government Securities	-	-
(v) Others		
-Redeemable Bonds	50,726	66,223
-Project Receivables	161,740	181,060
-Pass Through certificates	20,504	53,167
-Security Receipts	302,241	43,399
-Venture Capital Fund	1,399	1,588
-Alternative Investment Funds	215,642	198,824

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Notes to the Standalone Financial Statements *(Continued)*
for the year ended March 31, 2023

(Currency : Rs. in lakhs)

56 Additional Non-Banking Financial Company - HFC disclosures (Continued)

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

Category (Amount net of provision)	As at 31 March 2023		
	Secured	Unsecured	Total
1. Related Parties			
(a) Subsidiaries	-	27,100	27,100
(b) Companies in the same group	-	-	-
(c) Other related parties	-	-	-
2. Other than related parties	3,435,943	590,447	4,026,390
Total	3,435,943	617,547	4,053,490

Category (Amount net of provision)	As at 31 March 2022		
	Secured	Unsecured	Total
1. Related Parties			
(a) Subsidiaries	-	-	-
(b) Companies in the same group	-	70,075	70,075
(c) Other related parties	-	-	-
2. Other than related parties	5,235,466	60,260	5,295,726
Total	5,235,466	130,335	5,365,801

Piramal Capital & Housing Finance Limited

(formerly known as Dewan Housing Finance Corporation Limited)

Notes to the Standalone Financial Statements *(Continued)*

for the year ended March 31, 2023

(Currency : Rs. in lakhs)

56 Additional Non-Banking Financial Company - HFC disclosures (Continued)

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

Category	As at 31 March 2023 Market Value / Break up or fair value or NAV	Book Value (Net of Provision)
1. Related Parties		
(a) Subsidiaries	93,805	111,657
(b) Companies in the same group	-	-
(c) Other related parties	17,819	17,819
2. Other than related parties	864,658	865,780
Total	**976,282**	**995,256**

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

Category	As at 31 March 2022 Market Value / Break up or fair value or NAV	Book Value (Net of Provision)
1. Related Parties		
(a) Subsidiaries	-	-
(b) Companies in the same group	102,044	102,044
(c) Other related parties	-	-
2. Other than related parties	678,747	679,568
Total	**780,791**	**781,612**

8 Other Information

	Particulars	Amount as at March 31, 2023	Amount as at March 31, 2022
(i)	Gross non-performing assets		
	(a) Related parties	-	-
	(b) Other than related parties	154,431	120,621
(ii)	Net non-performing assets		
	(a) Related parties	-	-
	(b) Other than related parties	81,488	56,012
(iii)	Assets acquired in satisfaction of debt	-	-

Notes to the Standalone Financial Statements *(Continued)*
for the year ended March 31, 2023

(Currency : Rs in lakhs)

57 Disclosures required by the Reserve Bank of India

57.1 Minimum disclosures

The following additional disclosures have been given in terms of Annex IV of Master Direction - Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021 ('the Directions') issued by the National Housing Bank

57.2 Summary of significant accounting policies

The accounting policies regarding key areas of operations are disclosed as note 2 of the financial statements.

57.3 Disclosures:

57.3.1 Details of Principal Business Criteria

Period	Percentage of total assets towards housing finance*#	Percentage of total assets towards housing finance for individuals*#
March 31, 2023	40.58%	25.90%
March 31, 2022	35.15%	17.75%

The Company is required to comply with Principal Business Criteria ('PBC') as stated in paragraph 5.3 of Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021 ('RBI Directions'). The Company had submitted a detailed business plan to the RBI in April and June 2022 detailing the roadmap to comply with the principal business criteria by March 31, 2024

Based on Company's submission, the RBI advised the Company to ensure compliance with the submitted business plan, as the same shall be monitored at regular intervals by the RBI and NHB. The Company is currently trailing in meeting committed PBC thresholds for the year ended March 31, 2023, however, the management believes that the Company will be able to meet the required PBC thresholds latest by March 31, 2024. In order to achieve the above, the Company has changed its business strategy to shift focus majorly on housing finance loans and has decided to further reduce the Assets Under Management (AUM) in wholesale lending business in next few years

* Total assets is total of assets side of Balance sheet net of intangible assets and fair value adjustment on merger with DHFL

\# Includes composite funding for land acquisition where housing construction undertaking is obtained from the borrower

57.3.2 Capital

Particulars	March 31, 2023	March 31, 2022
(i) CRAR (%)	26.80%	22.01%
(ii) CRAR – Tier I Capital (%)	25.90%	21.11%
(iii) CRAR – Tier II Capital (%)	0.90%	0.90%
(iv) Amount of subordinated debt raised as Tier- II Capital	-	-
(v) Amount raised by issue of Perpetual Debt Instruments	-	-

57.3.3 Reserves Fund u/s 29C of NHB Act, 1987

Particulars	March 31, 2023	March 31, 2022
Balance at the beginning of the year		
a) Statutory Reserve u/s 29C of the National Housing Bank Act, 1987	244,564	50,150
b) Amount of special reserve u/s 36(1)(viii)of Income Tax Act, 1961 taken into account for the purposes of Statutory Reserve under Section 29C of the NHB Act, 1987	-	-
c) Total	244,564	50,150
Addition / Appropriation / Withdrawal during the year		
Add:		
a) Amount transferred u/s 29C of the NHB Act, 1987*	-	10,515
b) Amount of special reserve u/s 36(1)(viii) of Income Tax Act, 1961 taken into account for the purposes of Statutory Reserve under Section 29C of the NHB Act, 1987	-	-
c) Transfer on account of reverse merger (Refer Note 39B)	-	183,899
Less:		
a) Amount appropriated from the Statutory Reserve u/s 29C of the NHB Act, 1987	-	-
b) Amount withdrawn from the Special Reserve u/s 36(1)(viii) of Income Tax Act, 1961 taken into account which has been taken into account for the purpose of provision u/s 29C of the NHB Act, 1987	-	-
Balance at the end of the year		
a) Statutory Reserve u/s 29C of the National Housing Bank Act, 1987	244,564	244,564
b) Amount of special reserve u/s 36(1)(viii)of Income Tax Act, 1961 taken into account for the purposes of Statutory Reserve under Section 29C of the NHB Act, 1987	-	-
c) Total	244,564	244,564

(Currency : Rs in lakhs)

57 Disclosures required by the National Housing Bank *(Continued)*

57.3 Disclosures *(continued)*

57.3.4 Investments:

Particulars	March 31, 2023	March 31, 2022
1. Value of Investments		
(i) Gross value of Investments		
(a) In India	995,256	781,612
(b) Outside India	-	-
(ii) Provisions for Depreciation		
(a) In India	-	-
(b) Outside India	-	-
(iii) Net value of Investments		
(a) In India	995,256	781,612
(b) Outside India	-	-
2. Movement of provisions held towards depreciation on Investments		
(i) Opening balance	-	-
(ii) Add: Provisions made	-	-
(iii) Less: Write-off / Written-back of excess provisions during the year	-	-
(iv) Closing balance	-	-

Note: The Company has certain investments in NCDs which are in nature of loans for the purpose of regulatory disclosures.

57.3.5 **Derivatives**

57.3.5.1 **Forward Rate Agreement (FRA) / Interest Rate Swap (IRS)**

Particulars	March 31, 2023	March 31, 2022
(i) The notional principal of swap agreements	64,764	52,264
(ii) Losses which would be incurred if counterparties failed to fulfil their obligations under the agreements	9,811	2,749
(iii) Collateral required by the HFC upon entering into swaps	NA	NA
(iv) Concentration of credit risk arising from the swaps	NA	NA
(v) The fair value of the swap book	9,811	2,749

57.3.5.2 **Exchange Traded Interest Rate (IR) Derivative**

The Company has not taken any exchange traded interest rate (IR) derivatives during the year ended March 31, 2023 (As at March 31, 2022 - Nil)

57.3.5.3 **Disclosures on Risk Exposure in Derivatives**

A. **Qualitative Disclosure**

Financial Risk Management

The Company has to manage various risks associated with the lending business. These risks include liquidity risk, exchange risk, interest rate risk and counterparty risk. The Financial Risk Management and ALM Policy as approved by the Board sets limits for exposures on currency and other parameters. The Company manages its interest rate and currency risk in accordance with the guidelines prescribed therein. Liquidity risk and Interest rate risks arising out of maturity mismatch of assets and liabilities are managed through regular monitoring of maturity profiles. As a part of Asset Liability Management, the Company has also entered into derivative intruments for hedging. The currency risk on borrowings is actively managed mainly through a combination of currency swaps and forward contracts.

Refer note 2(iv) for hedge accounting policy, note 44 for financial risk management and note 45 for accounting for cash flow hedge.

B. **Quantitative Disclosure**

March 31, 2023

Particulars	Currency derivative*	Interest rate derivative
(i) Derivatives (Notional Principal Amount)	52,264	12,500
(ii) Marked to Market Positions	-	-
(a) Assets (+)	9,512	299
(b) Liability (-)	-	-
(iii) Credit Exposure	14,739	674
(iv) Unhedged Exposures	-	-

*Currency Derivatives includes Cross Currency Interest rate swaps only.

March 31, 2022

Particulars	Currency derivative*	Interest rate derivative
(i) Derivatives (Notional Principal Amount)	52,264	-
(ii) Marked to Market Positions	-	-
(a) Assets (+)	2,749	-
(b) Liability (-)	-	-
(iii) Credit Exposure	7,975	-
(iv) Unhedged Exposures	-	-

*Currency Derivatives includes Cross Currency Interest rate swaps only

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(Currency : Rs in lakhs)

57 Disclosures required by the Reserve Bank of India (Continued)

57.3 Disclosures *(continued)*

57.3.6 Assets Liability Management (Maturity pattern of certain items of Assets and Liabilities)

March 31, 2023

Particulars	1 day to 7 days	8 to 14 days	15 days to 30/31 days	Over one month to 2 months	Over 2 to 3 months	Over 3 to 6 months	Over 6 months to 1 year	Over 1 to 3 years	Over 3 to 5 years	Over 5 years	Total
Liabilities											
Deposits	-	-	-	-	-	-	-	31,552	-	-	31,552
Banks	19,399	760	15,202	37,419	36,879	89,628	213,341	504,119	156,393	107,773	1,180,913
Market Borrowings	76,845	16,866	-	83,670	58,088	112,007	107,123	632,065	645,557	1,053,480	2,785,701
Foreign Currency Liabilities	-	-	-	-	31,476	-	-	31,475	-	-	62,951
Assets											
Advances*	60,335	36,498	90,032	111,448	139,267	464,815	671,564	1,128,658	684,112	796,853	4,183,582
Investments	34,491	2,083	6,080	7,158	16,594	64,055	153,591	170,274	325,903	537,264	1,317,495
Foreign Currency Assets	-	-	-	-	-	-	-	-	-	-	-

*Advances include sanctioned but undisbursed amount of ₹ 328,730 Lakhs.

March 31, 2022

Particulars	1 day to 7 days	8 to 14 days	15 days to 30/31 days	Over one month to 2 months	Over 2 to 3 months	Over 3 to 6 months	Over 6 months to 1 year	Over 1 to 3 years	Over 3 to 5 years	Over 5 years	Total
Liabilities											
Deposits	-	-	-	-	36,900	-	-	-	229,700	-	266,600
Banks	13,750	31	15,499	11,099	59,605	125,665	166,101	560,996	179,211	10,817	1,142,774
Market Borrowings	12,495	-	72,691	19,393	4,992	98,483	73,062	376,983	829,029	1,690,139	3,175,267
Foreign Currency Liabilities	-	-	-	-	-	-	-	56,940	-	-	56,940
Assets											
Advances	65,809	-	539	42,141	(30,411)	96,932	406,217	1,311,737	665,262	1,658,941	4,217,167
Investments	8,601	66,034	72,376	1,331	236	79,684	43,860	420,828	291,665	406,279	1,391,394
Foreign Currency Assets	-	-	-	-	-	-	-	-	-	-	-

*Advances exclude Rs. 531,849 Lakhs due to fair value adjustment on retail loans and include sanctioned but undisbursed amount of ₹ 316,583 Lakhs.

Note:

a) In computing the above information, certain estimates and assumptions have been made by the management which has been relied by the statutory auditors

b) Investment includes credit substitutes of ₹358,373 Lakhs (previous year ₹ 717,838 Lakhs)

Piramal Capital and Housing Finance Limited
(formerly known as Dewan Housing Finance Corporation Limited)

Notes to the Standalone Financial Statements *(Continued)*
for the year ended March 31, 2023

(Currency : Rs in lakhs)

57 Disclosures required by the Reserve Bank of India (Continued)

57.3 Disclosures *(continued)*

57.3.7 Exposure

57.3.7.1 Exposure to Real Estate sector

Category			March 31, 2023	March 31, 2022
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. Exposure would also include non-fund based (NFB) limits	2,071,951	1,755,588
	(ii)	Commercial real estate -		
		Lending secured by mortgages on commercial real estates (office buildings, retail space, multipurpose commercial premises, multi-family residential buildings, multi-tenanted commercial premises, industrial or warehouse space, hotels, land acquisition, development and construction, etc.). Exposure would also include non-fund based (NFB) limits;	1,631,746	1,365,617
	(iii)	Investments in Mortgage Backed Securities (MBS) and other securitised exposures -		
		a) Residential	-	-
		b) Commercial Real Estate*	302,241	-
b)	Indirect Exposure			
		Fund based and non-fund based exposures on National Housing Bank (NHB) and Housing Finance Companies (HFCs)	-	-

* Includes Investment in security receipts whose underlying represents mix of Residential, Commercial Real Estate and other collaterals.

- Apart from above the Company have investment in project receivable of ₹161,740 (Previous Year -₹ 181,060)

57.3.7.2 Exposure to Capital Market

Particulars	March 31, 2023	March 31, 2022
(i) direct investment in equity shares, convertible bonds, convertible debentures and units of equity-oriented mutual funds the corpus of which is not exclusively invested in corporate debt;	-	2
(ii) advances against shares / bonds / debentures or other securities or on clean basis to individuals for investment in shares (including IPOs / ESOPs), convertible bonds, convertible debentures, and units of equity-oriented mutual funds;	-	-
(iii) advances for any other purposes where shares or convertible bonds or convertible debentures or units of equity oriented mutual funds are taken as primary security;	64,840	266,801
(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;	-	23,633
(v) secured and unsecured advances to stockbrokers and guarantees issued on behalf of stockbrokers and market makers;	-	-
(vi) loans sanctioned to corporates against the security of shares / bonds / debentures or other securities or on clean basis for meeting promoter's contribution to the equity of new companies in anticipation of raising resources;	-	21,883
(vii) bridge loans to companies against expected equity flows / issues;	-	-
(viii) Underwriting commitments taken up by the NBFCs in respect of primary issue of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds	-	-
(ix) Financing to stockbrokers for margin trading	-	-
(x) All exposures to Alternative Investment Funds: (i) Category I	-	-
(x) All exposures to Alternative Investment Funds; (ii) Category II	215,642	198,824
(x) All exposures to Alternative Investment Funds: (iii) Category III	-	-
(xi) All Exposures to Venture Capital Funds (VCFs)	1,399	1,588
Total exposure to capital market	281,881	512,731

57.3.7.3 Details of financing of parent Company products

The Company has not financed parent Company products during the year ended March 31, 2023 (As at March 31, 2022 - Nil).

57.3.7.4 Details of Single Borrower Limit (SBL) / Group Borrower Limit (GBL)exceeded by the HFC

The Company has a board approved policy for adopting look through approach for monitoring SBL/GBL limits. Pursuant to the said policy, during the year, there were no instances of breach of exposure limit of Single Borrower ('SBL')/ Group Borrower Limit (GBL) as described under para 20 of the Directions

57.3.7.5 Unsecured advances

Refer note 5 for details related to unsecured loans. The Company has not issued any advances against the right, licence and authority as collateral

(Currency : Rs in lakhs)

57.3.7.6 **Exposure to group companies engaged in real estate business**

Particulars	March 31, 2023	% of owned fund
Exposure to any single entity in a group engaged in real estate business	37,419	3.12%
Exposure to all entities in a group engaged in real estate business	37,738	3.14%

Particulars	March 31, 2022	% of owned fund
Exposure to any single entity in a group engaged in real estate business	410	0.04%
Exposure to all entities in a group engaged in real estate business	521	0.05%

57.4 **Miscellaneous**

57.4.1 **Registration obtained from other financial sector regulators**

Name of Regulator	Registration No.
Insurance Regulatory And Development Authority Of India	CA0052

57.4.2 **Disclosure of Penalties imposed by NHB and other regulators**
No penalty has been imposed by NHB and other regulators during the year ended March 31, 2023. Further, the Company has not received any adverse comments from NHB or other regulator on regulatory compliances with a specific communication to disclose the same to public, etc.

57.4.3 **Related Party Transactions**
Details of all material transactions with related parties are disclosed in note 40. Also Company has placed policy on dealing with related party transaction at its website under Stakeholder-Policies section

57.4.4 **Group Structure**
Please refer annexure I for group structure of Piramal Enterprises Limited (parent Company)

57.4.5 **Rating assigned by Credit Rating Agencies and migration of rating during the year**

Credit rating issued to Piramal Capital & Housing Finance Limited

Instrument	Rating agency	Ratings assigned during FY 2022-23	Ratings assigned during FY 2021-22
Non-Convertible debentures	ICRA Limited CARE Ratings Limited	ICRA AA(Stable) CARE AA(Stable)	ICRA AA(CWD) CARE AA(CWD)
Commercial papers	CRISIL Limited CARE Ratings Limited	CRISIL A1+ CARE A1+	CRISIL A1+ CARE A1+
Long term bank facilities	ICRA Limited CARE Ratings Limited	ICRA AA(Stable) CARE AA(Stable)	ICRA AA(CWD) CARE AA(CWD)
Subordinated Bond (Tier II)	ICRA Limited CARE Ratings Limited	ICRA AA (Stable) CARE AA(Stable)	ICRA AA(CWD) CARE AA(CWD)
Inter Corporate Deposits	CARE Ratings Limited	CARE A1+	CARE A1+
Market Linked Debenture	ICRA Limited CARE Ratings Limited	PP-MLD ICRA AA (Stable) CARE PP-MLD AA (Stable)	PP-MLD ICRA AA (CWD)
Retail Non-Convertible debentures	ICRA Limited CARE Ratings Limited	ICRA AA(Stable) CARE AA(Stable)	ICRA AA(CWD) CARE AA(CWD)

During the year , CWD (Credit Watch with Developing Implications) was resolved and a Stable Outlook was assigned to the Long term Ratings

57.4.6 **Remuneration of Directors**
Details of Remuneration of Directors are disclosed as part of the Related party transactions in note 40.

57.4.7 **Management**
Refer Directors' report for the relevant disclosures.

57.4.8 **Net Profit or Loss for the period, prior period items and changes in accounting policies**
There are no prior period items that have impact on the current year's profit and loss.

57.4.9 **Revenue recognition**
There have been no instances in which revenue recognition has been postponed pending the resolution of significant uncertainties.

57.4.10 **Consolidated Financial Statements (CFS)**
The Company has applied Indian accounting standard for consolidation of financial statement of its subsidiaries, joint venture and associate.

WALKER CHANDIOK & Co LLP MUMBAI CHARTERED ACCOUNTANTS

T R Chadha & Co CHARTERED ACCOUNTANTS

Piramal Capital & Housing Finance Ltd.

Group Structure of Piramal Enterprises Limited (parent Company)

I. List of related parties

A Promoter group Companies

The Ajay G Piramal Foundation
Piramal Phytocare Limited Senior Employees Option Trust
The Sri Krishna Trust through its Trustees, Mr Ajay Piramal and Dr (Mrs.) Swati A. Piramal
Aasan Corporate Solutions Private Limited *
Piramal Welfare Trust through its Trustee, Piramal Corporate Services Limited
PRL Realtors LLP
Anand Piramal Trust
Nandini Piramal Trust
V3 Designs LLP

* Aasan Info Solutions (India) Private Limited got merged into Aasan Corporate Solutions Private Limited on 21 Jan 2022

B. Subsidiaries -
The Company's subsidiaries at 31 March 2023 are set out below

Name of the Entity
Piramal International
Piramal Holdings (Suisse) SA (up to 9 December 2022)
Piramal Dutch IM Holdco B V
Piramal Capital and Housing Finance Limited
DHFL Investments Limited (w e f. September 30, 2021) #
DHFL Advisory & Investments Private Limited (w e.f. September 30. 2021)#
DHFL Holdings Limited (w.e f. September 30, 2021)#
PRL Agastya Private Limited (w.e f. 29 April 2022) #
Piramal Fund Management Private Limited
Piramal Alternatives Private Limited
Piramal Investment Advisory Services Private Limited
Piramal Investment Opportunities Fund
INDIAREIT Investment Management Co $$
Piramal Asset Management Private Limited $$
Piramal Securities Limited
Piramal Systems & Technologies Private Limited
Piramal Technologies SA
PEL Finhold Private Limited
Piramal Consumer Products Private Limited
Piramal Finance Sales & Services Private Limited #
Piramal Payment Services Limited (w.e.f. 29 April 2022) #
Piramal Alternatives Trust
Virdis Power Investment Managers Private Limited *
Virdis Infrastructure Investment Managers Private Limited

Others denotes Investment in subsidiaries / other business activities

* Liquidated held through Piramal Systems & Technologies Private Limited

$ merged into Piramal Dutch IM Holdco B.V

$$ held through Piramal Fund Management Private Limited

held through Piramal Capital & Housing Finance Limited

MUMBAI

WALKER CHANDIOK & CO LLP CHARTERED ACCOUNTANTS MUMBAI

T R Chadha & Co. LLP Chartered Accountants MUMBAI

Piramal Capital & Housing Finance Ltd.

C. Other related parties

Aason Corporate Solutions Private Limited
Gopikrishna Piramal Memorial Hospital (GPMH)
Piramal Corporate Services Limited
PRL Developers Private Limited
Piramal Trusteeship Services Private Limited
Glider Buildcon Realtors Private Limited
Piramal Pharma Limited
PEL Pharma Inc
Piramal Dutch Holdings N V
Piramal Foundation
Piramal Foundation for Education Leadership
Piramal Critical Care Limited

Employee Benefit Trusts

Staff Provident Fund of Piramal Healthcare Limited (PPFT)

D. Associates and Joint Ventures

Name of the Entity	Relationship as of March 31, 2023
Shrilekha Business Consultancy Private Limited (up to 9 November 2022)	N.A
Shriram Capital Limited (mainly through Shrilekha Business Consultancy Private Limited) (up to 9 November 2022)	N.A
Allergan India Private Limited (other related party w.e.f 1 April 2022)	Other related party
Bluebird Aero Systems Limited (up to March 03, 2021)	
India Resurgence ARC Private Limited (Formerly known as Piramal Assets Reconstruction Private Limited)	Joint Venture
India Resurgence Asset Management Business Private Limited (Formerly known as PEL Asset Resurgence Advisory Private Limited)	Joint Venture
India Resurgence Fund - Scheme - 2	Joint Venture
India Resurgence ARC Trust I (Investment redeemed on 14 Oct 2021)	N.A
Piramal Ivanhoe Residential Equity Fund 1 (Investment redeemed w.e.f. 27 December 2021)	N.A
Asset Resurgence Mauritius Manager	Joint Venture
Yapan Bio Private Limited (w.e.f. 20th December 2021 and other related party w.e.f 1 April 2022)	Other related party
Piramal Structured Credit Opportunities Fund	Joint Venture
Shriram GI Holdings Private Limited (w.e.f 9 November 2022)	Associates
Shriram LI Holdings Private Limited (w.e.f 9 November 2022)	Associates
Shriram Investment Holdings Limited (w.e.f 9 November 2022)	Associates
DHFL Ventures Trustee Company Private Limited (w.e.f. September 30, 2021)#	Associates
Pramerica Life Insurance Limited (w.e.f. September 30, 2021)#	Joint Venture

held through Piramal Capital & Housing Finance Limited

E. Other Intermediaries:

Shriram City Union Finance Limited (up to 9 November 2022)

Piramal Capital and Housing Finance Limited
(formerly known as Dewan Housing Finance Corporation Limited)

Notes to the Standalone Financial Statements *(Continued)*
for the year ended March 31, 2023

(Currency : Rs in lakhs)

57 Disclosures required by the Reserve Bank of India (Continued)

57.5 Additional Disclosures

57.5.1 Provisions and contingencies

Break up of 'Provisions and Contingencies' shown under the head Expenditure in Profit and Loss Account	For the year March 31, 2023	For the year March 31, 2022
1. Provisions for depreciation on Investment	-	-
2. Provision made towards Income tax	(538,129)	18,823
3. Provision towards NPA	8,333	10,786
4a. Provision/(Reversal) for Standard Assets on CRE-RH	35,846	1,968
4b. Provision/(Reversal) for Standard Assets on other CRE	26,630	(30,772)
4c. Provision/(Reversal) for Standard Assets on others (Housing Loan, LAP, LRD etc.)	(47,157)	106,858
4d. Release of Provision created on POCI Loans due to recovery	(39,580)	(26,097)
5. Other Provision and Contingencies / (Reversal) - leave encashment and gratuity	2,123	(821)

Break up of Loan & Advances and Provisions thereon	March 31, 2023		March 31, 2022	
	Housing#	Non-Housing	Housing#	Non-Housing
Standard Assets				
a) Total Outstanding Amount	2,297,867	2,000,522	2,510,621	1,758,409
b) Provisions made	118,787	101,074	48,400	160,465
Sub-Standard Assets				
a) Total Outstanding Amount	76,344	57,402	30,080	12,213
b) Provisions made	34,258	30,117	16,063	4,263
Doubtful Assets – Category-I				
a) Total Outstanding Amount	6,317	2,517	13,984	7,675
b) Provisions made	1,572	631	6,735	4,473
Doubtful Assets – Category-II				
a) Total Outstanding Amount	2,417	7,601	35,249	15,762
b) Provisions made	493	4,087	17,767	9,678
Doubtful Assets – Category-III				
a) Total Outstanding Amount	-	3	31	3,949
b) Provisions made	-	3	8	3,949
Loss Assets				
a) Total Outstanding Amount	1,681	107	1,638	39
b) Provisions made	1,681	102	1,634	39
Total				
a) Total Outstanding Amount	**2,384,626**	**2,068,152**	**2,591,603**	**1,798,049**
b) Provisions made	**156,791**	**136,014**	**90,607**	**182,868**

Includes composite funding for land acquisition and construction

-The above breakup of loans and advances does not include loan commitments

57.5.2 Draw Down from Reserves

The Company has not draw down from reserve during the year ended March 31, 2023 (As at March 31, 2022 - Nil)

57.5.3 Concentration of Advances, Exposures and NPAs

57.5.3.1 Concentration of loans and advances

Particulars	March 31, 2023	March 31, 2022
Total Loans & Advances to twenty largest borrowers	969,731	1,282,557
Percentage of Loans & Advances to twenty largest borrowers to Total Advances of the HFC	21.78%	20.01%

57.5.3.2 Concentration of all exposure (including off-balance sheet exposure)

Particulars	March 31, 2023	March 31, 2022
Total Exposure to twenty largest borrowers	1,010,092	1,414,317
Percentage of Exposures to twenty largest borrowers to Total Exposures of the HFC	21.12%	21.03%

57.5.3.3 Concentration of NPAs

Particulars	March 31, 2023	March 31, 2022
Total Exposure to top ten NPA accounts	102,732	90,270

57.5.3.4 Sector-wise NPAs

Refer Note 59.3 for detailed sector wise NPAs

(Currency : Rs in lakhs)

57.5 **Additional Disclosures *(continued)***

57.5.3.4 **Movement of NPAs**

Particulars	**March 31, 2023**	**March 31, 2022**
(I) Net NPAs to Net Advances (%)	1.86%	1.01%
(II) Movement of NPAs (Gross)		
a) Opening balance	120,621	111,787
b) Additions during the year	235,795	21,303
c) Reductions during the year	201,985	12,469
d) Closing balance	154,431	120,621
(III) Movement of Net NPAs		
a) Opening balance	56,012	57,945
b) Additions during the year	96,406	3,885
c) Reductions during the year	70,930	5,818
d) Closing balance	81,488	56,012
(IV) Movement of provisions for NPAs (excluding provisions on standard assets)		
a) Opening balance	64,609	53,842
b) Provisions made during the year	139,389	17,418
c) Write-off/write-back of excess provisions	131,055	6,651
d) Closing balance	72,943	64,609

57.5.5 **Overseas assets**

The Company does not have any overseas assets.

57.5.6 **Off-balance Sheet SPVs sponsored (which are required to be consolidated as per accounting Norms)**

The Company does not have any sponsored SPVs which needs to be consolidated as per Accounting norms.

57.6 **Disclosure of complaints**

Refer Note 59.4 for detailed disclosure of complaints.

57.6 **Disclosure of Frauds**

There were 12 cases of frauds amounting to ₹ 185.85 lakhs reported during the year. (Previous year 13 cases amounting to ₹ 694.44 lakhs)

Piramal Capital and Housing Finance Limited

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Notes to the Standalone Financial Statements (Continued)
for the year ended March 31, 2023

(Currency : Rs in lakhs)

Disclosures required by the Reserve Bank of India (Continued)

58 Details of loans not in default and stressed loans transferred during the year ended March 31, 2023 under the RBI Master Direction RBI/DOR/2021-22/86 DOR.STR.REC 51/21.04.048/2021-22 dated September 24, 2021 on Transfer of Loan Exposures are given below:

i. Details of standard loans transferred during the year through direct assignment

(Rs. in lakhs)

No. of Accounts	16,886
Aggregate principal outstanding of loans*	242,212
Aggregate consideration paid	251,286
Weighted average maturity	113 Months
Weighted average holding period	17 Months
Retention of beneficial economic interest	-
Coverage of tangible security coverage**	100%
Rating-wise distribution of rated loans	Refer Note Below
Number of instances where the transferor has agreed to replace the transferred loans	-
Number of tranferred loans replaced	-

Note: (Rs. In lakhs)

Rating	Rating Agency	Amount transferred
[ICRA]AAA(SO)	ICRA	25,413
Unrated		216,799
Grand Total		242,212

*Represents book value of loans on the date of transfer in the books of the Company

**Represents tangible security coverage of only secured loans transferred

ii. Details of loans (not in default) acquired through assignment during the year ended March 31, 2023.

Amount of loans acquired through assignment (Rs in lakhs)	Rs 11,289
Retention of beneficial economic interest	10%
Weighted average residual maturity	114 months
Weighted average holding period	13 months
Coverage of tangible security	refer note below**
Rating-wise distribution of rated loans	Unrated

**For HL/LAP 100% cover, for other Unsecured Loans - NIL

iii. Details of stressed loans transferred during the year.

(Rs. In lakhs)

Particulars	To ARCs	To permitted transferees	To other transferees
No. of Accounts	20,602	43	-
Aggregate principal outstanding of loans transferred*	503,541	44,664	-
Weighted average residual tenor of the loans transferred (in months)	80	38	-
Net book value of loans transferred (at the time of transfer)	420,713	44,664	-
Aggregate consideration ***	412,660	54,500	-
Additional consideration realized in respect of accounts transferred in earlier years	NA	NA	-
Excess provision reversed	3,525	Nil**	-

*Represents book value of loans on the date of transfer in the books of the Company.

**Accounted under fair valuation gain / impairment gain on Purchased Orginated Credit Impaired (POCI) loans accounted at pool level.

***Includes amount of Rs. 7,302 lakhs paid to Committee of Creditors of erstwhile Dewan Housing Finance Corporation Limited

iv. Details of ratings on Security Receipts outstanding as on March 31, 2023 are given below:

(Rs. In lakhs)

Rating	Rating Agency	Recovery Rating	Gross Value of Outstanding SRs
RR1	India Ratings and Research Private Limited	100%-150%	5,673
RR2	India Ratings and Research Private Limited	75% - 100%	5,751
RR3	Infomerics Valuation and Rating Pvt Ltd	50%-75%	14,400
RR2	Infomerics Valuation and Rating Pvt Ltd	75% - 100%	17,024
Unrated *			266,899
Grand Total			309,747

* Pursuant to the Reserve Bank of India circular RBI/2021-22/154 DOR.SIG.FIN.REC 84/26.03.001/2021-22 dated February 10, 22, the security receipts issued to the Company by the Asset Reconstruction Company (ARC) towards consideration for transfer of stressed loans have not been rated by the ARC since the prescribed time period of six months has not elapsed from the date of acquisition of loans by the ARC.

(Currency : Rs in lakhs)

Disclosures required by the Reserve Bank of India ***(Continued)***

59 **Scale Based Regulation**
The following additional have been given in terms circular DOR CRE REC No 60/03 10 001/2021-22 dated October 22, 2021 issued by the Reserve Bank of India dated 22 October 2021

59.1 **Exposure to real estate sector**
The Company's exposure to real estate sector is provided in Note 57 3.7 1

59.2 **Exposure to capital market**
The Company's exposure to capital market is provided in Note 57 3 7 2

59.3 **Sectoral exposure**

A. Sector	As on 31 March 2023			As on 31 March 2022		
	Total Exposure (Includes on balance sheet and off-balance sheet exposure)	Gross NPAs	Percentage of Gross NPAs to total exposure in that sector	Total Exposure (includes on balance sheet and off-balance sheet exposure)	Gross NPAs	Percentage of Gross NPAs to total exposure in that sector
I. Bank Credit (II + III)	4,635,127	154,430	3.33%	5,205,587	120,621	2.32%
II. Food Credit		-		-	-	-
III. Non-food Credit	4,635,127	154,430	3.33%	5,205,587	120,621	2.32%
1. Agriculture and Allied Activities	-	-	-	-	-	-
2. Industry (Micro and Small, Medium and Large)	144,203	7,524	5.2%	368,928	7,366	2.00%
2.1 Micro and Small	1,971	-		21	-	-
2.2 Medium	6,886	73	1.06%	360	0.36	0.10%
2.3 Large	135,346	7,451	5.50%	368,547	7,365	2.00%
3. Services	1,898,251	99,196	5.23%	3,191,702	95,628	3.00%
3.1 Transport Operators		-	-	-	-	-
3.2 Computer Software	2,431	-	-	5,033	-	-
3.3 Tourism, Hotels and Restaurants	7,200	-	-	-	-	-
3.4. Shipping	8,393	-	-	9,908	-	-
3.5. Aviation	-	-	-	-	-	-
3.6. Professional Services	-	-	-	-	-	-
3.7. Trade	-	-	-	-	-	-
3.7.1 Wholesale Trade (other than food procurement)	3,904	-	-	7,021	-	-
3.7.2 Retail Trade	-	-	-	-	-	-
3.8. Commercial Real Estate	1,765,212	96,796	5.48%	2,896,452	76,922	2.66%
3.9. Non-Banking Financial Companies (NBFCs)[1] *of which*,	17,513	-	-	17,542	-	-
3.9.1. Housing Finance Companies (HFCs)	-	-	-	-	-	-
3.9.2. Public Financial Institutions (PFIs)	-	-	-	-	-	-
3.10. Other Services[2]	93,598	2,400	2.56%	255,746	18,706	7.31%
4. Personal Loans	2,592,674	47,711	1.84%	1,644,958	17,628	1.07%
4.1 Consumer Durables	17,408	1,287	7.39%	12,842	461	3.59%
4.2. Housing (Including Priority Sector Housing)	1,588,510	32,091	2.02%	1,364,890	14,786	1.08%
4.3 Advances against Fixed Deposits (Including FCNR (B), NRNR Deposits etc.)	-	-	-	-	-	-
4.4 Advances to Individuals against share, bonds, etc	-	-	-	-	-	-
4.5. Credit Card Outstanding	-	-	-	-	-	-
4.6. Education	-	-	-	-	-	-
4.7. Vehicle Loans	60,984	1,252	2.05%	8,026	6	0.07%
4.8. Loans against gold jewellery	188	16	8.69%	91	-	-
4.9. Other Personal Loans	925,584	13,065	1.41%	259,109	2,375	0.92%

(Currency : Rs in lakhs)

Disclosures required by the Reserve Bank of India *(Continued)*

59 **Scale Based Regulation**

The following additional have been given in terms circular DOR.CRE.REC No 60/03 10 001/2021-22 dated October 22, 2021 issued by the Reserve Bank of India dated 22 October 2021

A. Sector	As on 31 March 2023			As on 31 March 2022		
	Total Exposure (includes on balance sheet and off-balance sheet exposure)	Gross NPAs	Percentage of Gross NPAs to total exposure in that sector	Total Exposure (includes on balance sheet and off-balance sheet exposure)	Gross NPAs	Percentage of Gross NPAs to total exposure in that sector
B Industry		-				
2.1. Mining and Quarrying (Incl. Coal)	-	-	-	-	-	-
2.2. Food Processing	-	-	-	-	-	-
2.2.1. Sugar	-	-	-	-	-	-
2.2.2. Edible Oils and Vanaspati	-	-	-	-	-	-
2.2.3 Tea	-	-	-	-	-	-
2.2.4 Others	-	-	-	-	-	-
2.3. Beverage and Tobacco	-	-	-	-	-	-
2.4. Textiles	-	-	-	-	-	-
2.4.1 Cotton Textiles	-	-	-	-	-	-
2.4.2 Jute Textiles	-	-	-	-	-	-
2.4.3. Man-Made Textiles	-	-	-	-	-	-
2.4.4 Other Textiles	-	-	-	-	-	-
2.5. Leather and Leather Products	-	-	-	-	-	-
2.6. Wood and Wood Products	-	-	-	-	-	-
2.7. Paper and Paper Products	-	-	-	-	-	-
2.8. Petroleum, Coal Products and Nuclear Fuels	-	-	-	-	-	-
2.9. Chemicals and Chemical Products	-	-	-	-	-	-
2.9.1 Fertiliser	-	-	-	-	-	-
2.9.2 Drugs and Pharmaceuticals	-	-	-	-	-	-
2.9.3 Petro Chemicals	-	-	-	-	-	-
2.9.4 Others	-	-	-	-	-	-
2.10. Rubber, Plastic and their Products	-	-	-	-	-	-
2.11. Glass and Glassware	-	-	-	-	-	-
2.12. Cement and Cement Products	9,533	-	-	-	-	-
2.13. Basic Metal and Metal Product	-	-	-	-	-	-
2.13.1. Iron and Steel	-	-	-	-	-	-
2.13.2. Other Metal and Metal Product	-	-	-	-	-	-
2.14. All Engineering	-	-	-	-	-	-
2.14.1. Electronics	-	-	-	7,354	7,354	100.00%
2.14.2. Others	-	-	-	-	-	-
2.15. Vehicles, Vehicle Parts and Transport Equipment	7,354	7,354	100.00%	-	-	-
2.16. Gems and Jewellery	-	-	-	-	-	-
2.17. Construction	-	-	-	-	-	-
2.18. Infrastructure	-	-	-	324,623	-	-
2.18.1. Power	59,077	-	-	-	-	-
2.18.2 Telecommunications	-	-	-	-	-	-
2.18.3. Roads	-	-	-	-	-	-
2.18.4. Airports	-	-	-	-	-	-
2.18.5. Ports	-	-	-	-	-	-
2.18.6. Railways (other than Indian Railways)	-	-	-	-	-	-
2.18.7. Other Infrastructure	-	-	-	36,951	12	0.03%
2.19. Other Industries	68,239	170	0.25%	-	-	-
Industries (2.1 to 2.19)	144,203	7,524	5.23%	368,928	7,366	2.00%

(Currency : Rs in lakhs)

Disclosures required by the Reserve Bank of India *(Continued)*

59.4 Disclosure of complaints

Sr. No	Particulars	March 31, 2023	March 31, 2022
	Complaints received by the NBFC from its customers		
1	Number of complaints pending at beginning of the year	64	12
2	Number of complaints received during the year	5,458	8,865
3	Number of complaints disposed during the year	5,355	8,801
3.1	Of which, number of complaints rejected by the NBFC	-	-
4	Number of complaints pending at the end of the year	103	64

Maintainable complaints received by the NBFC from Office of Ombudsman			
Sr. No	Particulars	March 31, 2023	March 31, 2022
5	Number of maintainable complaints received by the NBFC from Office of Ombudsman	-	-
5.1	Of 5, number of complaints resolved in favour of the NBFC by Office of Ombudsman		-
5.2	Of 5, number of complaints resolved through conciliation/mediation/advisories issued by Office of Ombudsman	-	-
5.3	Of 5, number of complaints resolved after passing of Awards by Office of Ombudsman against the NBFC	-	-
6	Number of Awards unimplemented within the stipulated time (other	-	-

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
1	2	3	4	5	6
March 31, 2023					
Ground - 1 (PMAY related)	37	732	-75%	4	-
Ground - 2 (Credit Bureau related)	2	654	-436%	54	1
Ground - 3 (Property documents)		396	-66%	8	1
Ground - 4 (Refund related)	5	343	-64%	1	-
Ground - 5 (Foreclosure letter)	-	185	126%	[illegible]	-
Others	25	3,148	-4%	36	2
Total	64	5,458	-38%	103	4
March 31, 2022					
Ground - 1 (PMAY related)	35	2,879	39%	32	25
Ground - 2 (Property documents)	2	1,156	87%	6	3
Ground - 3 (Refund related)	5	959	81%	5	1
Ground - 4 (EMI related)	3	320	51%	1	1
Ground - 5 (Rate of interest related)	3	271	-19%	1	-
Others	30	3,280	116%	19	4
Total	78	8,865	90%	64	34

59.5 Details of intra-group exposures

Particulars	As on 31 March 2023		As on 31 March 2022	
	Exposure on Group entities	Exposure by Group entities	Exposure on Group entities	Exposure by Group entities
(i) Total amount of intra-group exposures	164,997	42,765	173,456	273,312
(ii) Total amount of top 20 intra-group exposures	164,997	42,765	173,456	273,312
(iii) Percentage of intra-group exposures to total exposure of the NBFC on borrowers/customers	3.71%	1.05%	3.51%	5.89%

Disclosures required by the Reserve Bank of India *(Continued)*

59.6 Unhedged foreign currency exposure

Particulars	Unhedged foreign currency exposure		Hedged foreign currency through forward or derivative	
	As on 31 March 2023	As on 31 March 2022	As on 31 March 2023	As on 31 March 2022
ECBs	-	-	62,951	56,940
Total	-	-	62,951	56,940

59.7 Related Party Disclosure

Details of related parties are disclosed in note 40

59.8 Corporate governance

Refer Directors' report for the relevant disclosures.

59.9 Breach of Covenent

There are no breach of covenents during the year ended 31 March 2023 (No breach of covenants during the year 31 March 2022)

59.10 Divergence in Asset Classification and Provisioning

Sr. No.	Particulars	March 31, 2023	March 31, 2022
1	Gross NPAs reported by the NBFC	-	-
2	Gross NPAs as assessed by the Reserve Bank of India/ NHB	-	-
3	Divergence in Gross NPAs (2-1)	-	-
4	Net NPAs as reported by the NBFC	-	-
5	Net NPAs as assessed by Reserve Bank of India/ NHB	-	-
6	Divergence in Net NPAs (5-4)	-	-
7	Provisions for NPAs as reported by the NBFC	-	-
8	Provisions for NPAs as assessed by Reserve Bank of India/ NHB	-	-
9	Divergence in provisioning (8-7)	-	-
10	Reported Profit before tax and impairment loss on financial instruments for the year	-	-
11	Reported Net Profit after Tax (PAT) for the year	-	-
12	Adjusted (notional) Net Profit after Tax (PAT) for the year after considering the divergence in provisioning	-	-

59.11 Items of income and expenditure of exceptional nature.

During the year the Company has impaired Goodwill of ₹1,025,681 lakhs (During the previous year the Company had expensed out transaction cost of merger ₹ 14,272 lakhs and reported this as an acquisition related cost disclosed as Exceptional Items) (Refer Note 39 B and 49)

59.12 Loans to Directors, Senior Officers and relatives of Directors

The Company has no granted any loans to directors, Senior officers and relative of directors since 01 October 2022.

59.13 Disclosure related to Listing requirement

As per Scale based regulations the Company is required to be listed by 30 September 2025

Walker Chandiok & Co LLP Chartered Accountants

T R Chadha & Co LLP Chartered Accountants

Piramal Capital & Housing Finance Ltd.

Piramal Capital & Housing Finance Limited
(formerly known as Dewan Housing Finance Corporation Limited)

Notes to the Standalone Financial Statements *(Continued)*
For the year ended March 31, 2023

(Currency Rs in lakhs)

60 Previous years figures have been regrouped and reclassified wherever necessary to conform to current year's presentation which are not considered to be material to the Financial Statements

The notes referred to above forms an integral part of the financial statements

As per our report of even date attached

For Walker Chandiok & Co LLP
Chartered Accountants
Firm Registration No 001076N/N500013

Rakesh Rathi
Partner
Membership No: 045228

For T R Chadha & Co LLP
Chartered Accountants
Firm's Registration No: 006711N/N500028

Hitesh Garg
Partner
Membership No: 502955

For and on behalf of the Board of Directors of Piramal Capital & Housing Finance Limited

Jairam Sridharan
Managing Director
DIN: 05165390

Ajay Piramal
Chairman
DIN: 00028116

Vikash Singhla
Chief Financial Officer

Bipin Singh
Company Secretary

Mumbai, May 5, 2023

PIRAMAL ASSET MANAGEMENT PRIVATE LIMITED
(Incorporated in the Republic of Singapore)
(Registration No. 201213024G)

STATEMENT OF FINANCIAL POSITION AS AT 12 DECEMBER 2022

	As at 12 December 2022 US$	As at 31 March 2022 US$
ASSETS		
Cash and cash equivalents	-	1,013,621
TOTAL ASSETS	-	1,013,621
EQUITY		
CAPITAL AND RESERVES		
Share capital	397,204	1,116,398
Accumulated losses	(397,204)	(128,667)
Total Equity	-	987,731
CURRENT LIABILITIES		
Other payables and accruals	-	18,530
Current income tax liabilities	-	7,360
Total liabilities	-	25,890
TOTAL EQUITY AND LIABILITIES		1,013,621

Approved:

MONGA LATIKA
Director

PRADEEP KUMAR VERMA
Director

PIRAMAL ASSET MANAGEMENT PRIVATE LIMITED
(Incorporated in the Republic of Singapore)
(Registration No. 201213024G)

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE PERIOD ENDED 12 DECEMBER 2022

	For the period ended 12 December 2022 US$	For the year ended 31 March 2022 US$
Revenue	-	364,086
Other Income	**156**	2,449
Employee benefits expense	**(59,909)**	(90,149)
Other expenses	**(18,610)**	(50,814)
(Loss)/ Profit before income tax	**(78,363)**	225,572
Income tax (expense)/ credit	**(54,152)**	11,852
(Loss)/ Profit for the financial year	**(132,515)**	237,424
Other comprehensive income	-	-
Total comprehensive income for the financial year	**(132,515)**	237,424

Approved:

MONGA LATIKA
Director

SDV

PRADEEP KUMAR VERMA
Director

PIRAMAL ASSET MANAGEMENT PRIVATE LIMITED
(Incorporated in the Republic of Singapore)
(Registration No. 201213024G)

STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 12 DECEMBER 2022

	Orinary shares US$	Preference shares US$	Accumulated losses US$	Total US$
For the period ended 12 December 2022				
Beginning of the financial period	397,204	719,194	(128,667)	987,731
Redemption of preference shares	-	(719,194)	-	(719,194)
Dividends	-	-	(136,022)	(136,022)
Total comprehensive income for the financial year	-	-	(132,515)	(132,515)
End of financial period	397,204	-	(397,204)	-
For the year ended 31 March 2022				
Beginning of the financial period	397,204	719,194	(366,091)	750,307
Redemption of preference shares	-	-	-	-
Dividends	-	-	-	-
Total comprehensive income for the financial year	-	-	237,424	237,424
End of financial year	397,204	719,194	(128,667)	987,731

Approved:

MONGA LATIKA
Director

PRADEEP KUMAR VERMA
Director

LODHA
&CO

CHARTERED ACCOUNTANTS

6, Karim Chambers, 40, A, Doshi Marg, (Hamam Street),
Mumbai 400 001 INDIA.
Telephone : 0091-22-2269 1414
0091-22-4002 1140 / 4002 1414
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E-mail : mumbai@lodhaco.com

Independent Auditor's Report

To The Members of
Piramal Finance Sales and Services Private Limited

Report on the Audit of Financial Statements

Opinion

We have audited the accompanying financial statements of Piramal Finance Sales and Services Private Limited ("the Company"), which comprises of Balance Sheet as at March 31, 2023, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flow for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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 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, its profit (including other comprehensive income), changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those 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 the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics.

We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Information Other than the Financial Statements and Auditor's report thereon

The Company's Board of Directors is responsible for the preparation of other information. The Other information comprises the information included in the Board's Report including Annexures to the Board report, but does not include the financial statement and our auditor's report thereon.

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

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

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we required to report that fact. We have nothing to report in this regard.

LODHA & CO
MUMBAI-01
Chartered Accountants

Responsibilities of Management and those charged with Governance for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance (including other comprehensive income), changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under Section 133 of the Act.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the 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, the 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 are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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 the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial control system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.

LODHA & CO. MUMBAI-01 Chartered Accountants

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion.

  Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the entity 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.

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

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

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

Report on Other Legal and Regulatory Requirements

1. Pursuant to 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, we give in the Annexure "A" a statement on the matters specified in paragraphs 3 and 4 of the Order.

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

   (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

   (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books and records.

   (c) The Balance sheet, the Statement of Profit & Loss (including other comprehensive income), Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.

   (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended.

   (e) On the basis of the written representation received from the directors as on March 31, 2023 taken on records by the Board of Directors, none of the directors are disqualified as on March 31, 2023 from being appointed as a Directors in terms of Section 164(2) of the Act.

LODHA & CO. MUMBAI-01 Chartered Accountants

(f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in Annexure "B".

(g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of Section 197(16) of the Act, as amended, The Company being a private limited Company, Section 197 of the Act is not applicable.

(h) With respect to the matters to be included in the Auditor's report in accordance with the 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 does not have any pending litigations as on March 31, 2023.

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

iii. There were no amounts which were required to be transferred, to the Investor Education and Protection Fund by the Company.

iv. a) The management has represented that, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend to or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries. (Refer note no. 35 to the financial statements)

b) The management has represented, that, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("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. (Refer note no. 36 to the financial statements)

c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representation under sub clause (i) and (ii) of Rule 11(e) of The Companies (Audit and Auditors) Rules, 2014, as provided under (a) and (b) above, contains any material misstatement.

v. The interim dividend declared and paid by the Company during the financial year 2022-23 is in accordance with Section 123 of the Act.

For **LODHA & COMPANY**
Chartered Accountants
Firm registration No. – 301051E

LODHA & CO. MUMBAI-01 Chartered Accountants

R.P Baradiya
Partner
Membership No. 44101
UDIN: 23044101BGTQZD6672

Place: Mumbai
Date: May 3, 2023

Annexure "A" referred to in "Report on Other Legal and Regulatory Requirements" section of our report to the members of Piramal Finance Sales and Services Private Limited as at and for the year ended March 31, 2023:

On the basis of such checks as we considered appropriate and according to the information and explanations given to us during the course of our audit, we state that:

i. a. In respect of Company's Property, Plant and Equipment (PPE) and Intangible Assets: - The Company does not have any PPE and Intangible assets and hence reporting under clause 3(i) (a), (b), (c) and (d) of the Order is not applicable to the Company.

b. In our opinion and according to the information and explanations given to us and based on our examination of the records, neither any proceedings have been initiated during the year nor are pending as at March 31, 2023 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988, as amended, and Rules made thereunder and hence reporting under clause 3(i)(e) of the Order is not applicable to the Company. (Refer note no. 31 to the financial statements)

ii. a. The Company is in the business of providing services and does not have any physical inventories and hence reporting under clause 3(ii) (a) of the Order is not applicable to the Company.

b. According to the information and explanations given to us and on the basis of our examination of records, the Company does not have any sanctioned working capital at any point of time during the year from banks and financial institutions and hence reporting under clause 3(ii)(b) of the Order is not applicable to the Company.

iii. In respect of Investment in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties:

(a) The Company has not provided any loans or advances in the nature of loans or guarantee or provided security to any other entity during the year and hence reporting under clause 3(iii)(a) of the Order is not applicable to the Company.

(b) According to the information and explanations given to us and on the basis our examination of the records, the Company has not made investment and hence reporting under clause 3(iii)(b) of the Order is not applicable to the Company.

(c) The Company has not granted any loans or advances in the nature of loans during the year and hence reporting under clauses 3(iii)(c), (d), (e) and (f) of the Order is not applicable to the Company.

iv. According to the information and explanations given to us and on the basis of our examination of the books and records of the Company, the Company has not given any loans, made any investment and given any guarantee and security under Section 185 or 186 of the Act and hence reporting under clause 3(iv) of the Order is not applicable to the Company.

v. According to the information and explanations given to us and on the basis of our examination of records, no deposits or amounts which are deemed to be deposits within the meaning of Section 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposits) Rules, 2014 have been accepted by the Company and hence reporting under clause 3(v) of the Order is not applicable to the Company.

vi. According to the information and explanations given to us, the maintenance of cost records has not been prescribed by the Central Government under Section 148 (1) of the Act for any of the

LODHA & CO MUMBAI-01 Chartered Accountants activities of the Company and hence reporting under clause 3(vi) of the Order is not applicable to the Company.

vii. (a) According to the information and explanations given to us and on the basis of our examination of the records, the Company is generally regular in depositing undisputed statutory dues including Goods and Services tax, provident fund, employees' state insurance, income tax, sales tax, custom duty, duty of excise, value added tax, cess and other statutory dues during the year with the appropriate authorities. No undisputed amounts payable in respect of the aforesaid statutory dues were outstanding as at the last day of the financial year for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us and on the basis of our examination of records, there are no statutory dues mentioned in clause vii (a) which have not been deposited on account of any dispute.

viii. According to the information and explanations given to us and on the basis of our examination of records, there were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961) and hence reporting under clause 3(viii) of the Order is not applicable to the Company. (Refer note no. 34 to the financial statements)

ix. (a) The Company has not taken any borrowings during the year and hence reporting under clause 3(ix)(a) of the Order is not applicable to the Company.

(b) The Company has not been declared as willful defaulter by any bank or financial institution or other lender.

(c) In our opinion and according to the information and explanations given to us, the Company has not taken any term loan during the year and hence reporting under clause 3(ix)(c) of the Order is not applicable to the Company.

(d) The Company has not raised any funds on short term basis during the year and hence reporting under clause 3(ix)(d) of the Order is not applicable to the Company.

(e) Based on our audit procedures and on the basis of information and explanations given to us, the Company does not have any subsidiaries, associates or joint venture and hence reporting under clause 3(ix)(e) and (f) of the Order is not applicable to the Company.

x. (a) In our opinion and according to the information and explanations given to us, the Company has not raised any money by way of Initial public offer or further public offer (including debt instrument) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable to the Company.

(b) According to the information and explanations given to us and based on our examination of the records, the Company has not made any preferential allotment, private placement of shares or fully or partly convertible debentures during the year or in the recent past and hence reporting under clause 3(x)(b) of the Order is not applicable to the Company.

xi. (a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India and according to the information and explanations given to us, we have neither come across any instance of fraud by or on the Company, noticed or reported during the year, nor have we been informed of such case by the management.

LODHA & CO. MUMBAI-01 Chartered Accountants

(b) During the year, no report under sub section 12 of Section 143 of the Act has been filed in Form ADT-4 as prescribed in Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(c) Based on our audit procedure performed and according to the information and explanations given to us, the Section 177(9) of the Act is not applicable and hence reporting under clause 3(xi)(c) of the Order is not applicable to the Company.

xii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company and hence reporting under clause 3(xii) of the Order is not applicable to the Company.

xiii. According to the information and explanations given to us and based on our examination of the records of the Company, all the transactions with related parties are in compliance with Section 188 of the Act and all the details have been disclosed in the financial statements as required by the applicable Accounting Standard. As explained, provisions of Section 177 of the Act are not applicable to the Company. (Refer note no. 21 to the financial statements)

xiv. (a) According to the information and explanations given to us and on the basis of our examination of the records, the Company has an adequate internal audit system commensurate with the size and nature of its business.

(b) We have considered the internal audit reports for the year under audit issued to the Company during the year and till date, in determining nature, timing and extent of our audit procedure.

xv. According to the information and explanations given to us and on the basis of our examination of records, the Company has not entered into any non-cash transactions prescribed under Section 192 of the Act with directors or persons connected with them during the year.

xvi. (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934 and hence reporting under clause 3(xvi) (a), (b) and (c) of the Order is not applicable to the Company.

(b) In our opinion, there is no core investment company within the "Companies in the Group" as defined in the Core Investment Companies (Reserve Bank) Directions, 2016 and hence reporting under clause 3(xvi)(d) of the Order is not applicable to the Company.

xvii. The Company has not incurred any cash losses during the financial year covered by our audit and immediately preceding financial year.

xviii. There has been no resignation of the statutory auditors of the Company during the year and hence reporting under clause 3(xviii) of the Order is 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 realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and 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 indicating that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any 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.

LODHA & CO.
MUMBAI-01
Chartered Accountants

xx. The Company was not having net worth of rupees five hundred crore or more, or turnover of rupees one thousand crore or more or a net profit of rupees five crore or more during the immediately preceding financial year and hence, provisions of Section 135 of the Act are not applicable to the Company during the year and hence reporting under clause 3(xx) (a) and (b) of the Order is not applicable to the Company.

xxi. According to the information and explanations given to us and based on our examination of the records of the Company, the Company does not have any subsidiary/associate or joint venture and hence reporting under clause 3(xxi) of the Order is not applicable to the Company.

For **LODHA & COMPANY**
Chartered Accountants
Firm registration No. – 301051E

LODHA & CO. MUMBAI-01 Chartered Accountants

R.P Baradiya
Partner
Membership No.44101
UDIN: 23044101BGTQZD6672

Place: Mumbai
Date: May 3, 2023

Annexure "B" referred to in "Report on Other Legal and Regulatory Requirements" section of our report to the members of Piramal Finance Sales and Services Private Limited as at and for the year ended March 31, 2023:

Report on the Internal Financial Controls over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Act

We have audited the internal financial controls over financial reporting of Piramal Finance Sales and Services Private Limited ("the Company") as of March 31, 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 Board of Directors of the Company 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 component 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 the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

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 deemed to be prescribed under Section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence 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 the reliability of financial reporting and the preparation of financial

LODHA & CO. MUMBAI-01 Chartered Accountants

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 entity are being made only in accordance with authorisations of management; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the entity's assets that could have a material effect on the financial statements; and (4) also provide reasonable assurance by the internal auditors through their internal audit reports given to the organisation from time to time.

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, to the best of our information and according to the explanations given to us, the Company has, broadly, 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 March 31, 2023, based on the internal control over financial reporting criteria established by the Company considering the essential Component 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 **LODHA & COMPANY**
Chartered Accountants
Firm registration No. – 301051E

LODHA & CO. MUMBAI-01 Chartered Accountants

R.P Baradiya
Partner
Membership No. 44101
UDIN: 23044101BGTQZD6672

Place: Mumbai
Date: May 3, 2023

Piramal Finance Sales and Service Private Limited

Balance Sheet
as at March 31, 2023

(Currency : in Lakhs)

		Note	As at March 31, 2023	As at March 31, 2022
	ASSETS			
1	**Non-Current Assets**			
(a)	Intangible assets under development	3	-	5
(b)	Deferred Tax Assets	4	60	18
(c)	Current tax Assets	5	445	86
	Total Non-Current Assets		**505**	**109**
2	**Current Assets**			
(a)	Financial Assets:			
	(i) Trade Receivables	6	989	1,277
	(ii) Cash and Cash Equivalents	7	115	26
(b)	Other current assets	8	1,197	-
	Total Current Assets		**2,301**	**1,303**
	Total Assets		**2,806**	**1,412**
	EQUITY AND LIABILITIES			
1	**Equity**			
(a)	Equity share capital	9	10	10
(b)	Other equity	10	169	111
	Total Equity		**179**	**121**
	Liabilities			
2	**Non-Current Liabilities**			
(a)	Provisions	11	172	35
	Total Non-Current Liabilities		**172**	**35**
3	**Current Liabilities**			
(a)	Financial liabilities:			
	(i) Trade payables	12		
	(a) Total outstanding dues to micro and small enterprises		0	-
	(b) Total outstanding dues to creditors other than micro and small enterprises		391	124
	(ii) Other financial liabilities	13	1,237	172
(b)	Other current liabilities	14	761	924
(c)	Provisions	11	66	36
	Total Current Liabilities		**2,455**	**1,256**
	Total Equity and Liabilities		**2,806**	**1,412**
	Significant accounting policies	2		

The notes referred to above form an integral part of the financial statements.

As per our report of even date attached.

For **Lodha and Co.**
Chartered Accountants
Firm's Registration No: 301051E

For and on behalf of the Board of Directors of Piramal Finance Sales and Service Private Limited

R.P Baradiya
Partner

Mumbai
May 03, 2023

LODHA & CO. MUMBAI-01 Chartered Accountants

Sunit Madan
Director
DIN: 06441957

Upma Goel
Director
DIN: 00713974

Piramal Finance Sales and Service Pvt. Ltd.

Internal Use--Confidential

Piramal Finance Sales and Service Private Limited

Statement of Profit and Loss

For the year ended March 31, 2023

(Currency : in Lakhs)

	Note	For the year ended March 31, 2023	For the year ended March 31, 2022
Revenue from operations	15	25,568	5,495
Other Income	16	-	1
Total Income		**25,568**	**5,496**
Expenses			
Employee benefits expense	17	23,931	5,093
Other expenses	18	1,152	275
Total Expenses		**25,083**	**5,368**
Profit before tax		**485**	**128**
Less: Tax Expenses	19		
Current tax		165	34
Deferred tax credit	4	(41)	(2)
		124	**32**
Profit for the year		**361**	**95**
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Remeasurement of the defined benefit liability/(asset)		4	50
Income tax relating to items that will not be reclassified to profit or loss		(1)	(13)
Other comprehensive income / (loss)		**3**	**37**
Total comprehensive income for the year		**358**	**58**
Earnings per equity share (Basic and Diluted) (Rs.) (Face value of Rs.10)	20	*360.51*	*95.49*
Significant accounting policies	2		

The notes referred to above form an integral part of the financial statements.

As per our report of even date attached.

For **Lodha and Co.**
Chartered Accountants
Firm's Registration No: 301051E

R. P. Baradiya
Partner

Mumbai
May 03, 2023

For and on behalf of the Board of Directors of Piramal Finance Sales and Service Private Limited

Sunit Madan
Director
DIN: 06441957

Upma Goel
Director
DIN: 00713974

Piramal Finance Sales and Service Private Limited

Statement of Cash Flows
For the year ended March 31, 2023

(Currency : in Lakhs)

		For the year ended March 31, 2023	For the year ended March 31, 2022
A.	**Cash flow from operating activities**		
	Profit before tax	485	128
	Adjustments:		
	Intangible assets written off	5	-
	Gain on sell of mutual fund	-	(1)
	Operating cash flow before working capital changes	**490**	**127**
	Decrease / (Increase) in trade receivables	288	(1,169)
	(Decrease) / Increase in provision	-	9
	(Decrease) / Increase in trade payables	267	102
	Decrease / (Increase) in other current assets	(1,197)	-
	(Decrease) / Increase in other non current financial liabilities	-	-
	(Decrease) / Increase in other financial liabilities	1,065	168
	(Decrease) / Increase in other current liabilities	(163)	858
	(Decrease) / Increase in long term provisions	132	-
	(Decrease) / Increase in short term provisions	31	-
	Cash flow from operations	**913**	**95**
	Less: Income taxes paid	(524)	(128)
	Net cash flow from / (used in) operating activities (a)	**389**	**(33)**
B	**Cash flow from investing activities**		
	Intangible Assets under developments	-	(5)
	Investments in mutual funds	-	(1,372)
	Redemptions from mutual funds	-	1,373
	Net cash flow from / (used in) investing activities (b)	-	**(4)**
C	**Cash flow from financing activities**		
	Interim Dividend paid	(300)	-
	Net cash flow from / (used in) financing activities (c)	**(300)**	-
	Net Increase / (Decrease) in cash and cash equivalents (a+b+c)	**89**	**(37)**
	Cash and cash equivalents as at beginning of the year	26	63
	Cash and cash equivalents as at end of the year (refer note 7)	115	26

The cash flow statement has been prepared under the 'Indirect Method' set out in Indian Accounting Standard-7, "Statement of cash flow"

The notes referred to above form an integral part of the financial statements.
As per our report of even date attached.

For **Lodha and Co.**
Chartered Accountants
Firm's Registration No: 301051E

R. P. Baradiya
Partner

LODHA & CO. MUMBAI-01 Chartered Accountants

Mumbai
May 03, 2023

For and on behalf of the Board of Directors of Piramal Finance Sales and Service Private Limitec

Sunit Madan
Director
DIN: 06441957

Upma Goel
Director
DIN: 00713974

Piramal Finance Sales and Service Pvt. Ltd.

Piramal Finance Sales and Service Private Limited

Statement of changes in equity

For the year ended March 31, 2023

(Currency : in Lakhs)

A. Equity Share Capital:

Particulars	Amount
Equity shares of Rs.10 each issued, subscribed and fully paid	
Balance as at April 1, 2021	10
Changes in Equity Share Capital during the year	-
Balance as at March 31, 2022	**10**
Balance as at April 1, 2022	10
Changes in Equity Share Capital during the year	-
Balance as at March 31, 2023	**10**

B. Other Equity:

Particulars	Reserves and Surplus	Total
	Retained Earnings	
Balance as at April 1, 2021	**53**	53
Profit for the year	95	95
Other comprehensive income for the year, net of income tax	(37)	(37)
Balance as at March 31, 2022	111	111
Profit for the year	361	361
Other comprehensive income for the year, net of income tax	(3)	(3)
Interim dividend paid	(300)	(300)
Balance as at March 31, 2023	**169**	**169**

As per our report of even date attached.

For **Lodha and Co.**
Chartered Accountants
Firm's Registration No: 301051E

R. P. Baradiya
Partner

LODHA & CO. MUMBAI-01 Chartered Accountants

Mumbai
May 03, 2023

For and on behalf of the Board of Directors of
Piramal Finance Sales and Service Private Limited

Sunit Madan
Director
DIN: 06441957

Upma Goel
Director
DIN: 00713974

Piramal Finance Sales and Service Pvt. Ltd.

Internal Use - Confidential

Piramal Finance Sales and Service Private Limited

Notes to the Financial Statements

For the year ended March 31, 2023

(Currency : in Lakhs)

1A GENERAL INFORMATION

Piramal Finance Sales And Service Private Limited ('the Company') was incorporated under the Companies Act, 2013 (18 of 2013), on September 09, 2020 with its registered in Mumbai. The Company started its operations w.e.f. October 01, 2020.The primary activities of the Company involve Sourcing, Marketing & Distribting of Financial products, Assets & providing manpower services.

1B. Basis of preparation

i) Basis of preparation

The financial statements have been prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015 as per Section 133 of the Companies Act, 2013 and relevant amendment rules issued thereafter ("Ind AS") on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period as explained below, the relevant provisions of the Companies Act, 2013 (the "Act").

Company's financial statements are presented in Indian Rupees (INR), which is also its functional currency.

ii) Basis of accounting

The financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current and non current classification of assets and liabilities.

iii) Use of Estimates and Judgements

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 disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the year. Accounting estimates could change from period to period. Actual results could differ from those estimates. Revisions to accounting estimates are recognised prospectively. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise.

Following areas entail a high degree of estimate and judgement or complexity in determining the carrying amount of some assets and liabilities.

1. Impairment of financial assets
2. Fair Valuation of financial assets and liabilities and
3. Measurement of defined benefit obligations: key actuarial assumptions

2. SIGNIFICANT ACCOUNTING POLICIES

i) Financial instruments

Recognition and initial measurement

Financial assets (including Lease rental discounting assets) and financial liabilities are recognised 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 fair value through profit or loss) 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 fair value through profit or loss are recognised immediately in statement of profit or loss.

Financial assets

Classification

Financial assets that meet the following conditions are subsequently measured at amortised cost:

- 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 on the principal amount outstanding.

(Currency : in Lakhs)

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

i) Financial instruments *(Continued)*

Financial assets *(Continued)*
Financial assets that meet the following conditions are subsequently measured at fair value through other comprehensive income (FVTOCI):
• the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling the financial assets; and
• the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

By default, all other financial assets are subsequently measured at fair value through profit and loss (FVTPL).

Debt instruments
Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its debt instruments:

Amortised cost
Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.

Fair value through other comprehensive income (FVTOCI):
Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVTOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in the statement of profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to the statement of profit or loss and recognised in other gains/ (losses). Interest income from these financial assets is included in other income using the effective interest rate method.

Fair value through profit or loss (FVTPL):
Assets that do not meet the criteria for amortised cost or FVTOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognised in the statement of profit and loss and presented net in the statement of profit and loss within other gains/(losses) in the period in which it arises. Interest income from these financial assets is included in other income.

Changes in the fair value of financial assets at FVTPL are recognised in the statement of profit and loss.

Impairment of financial assets
The Company applies the expected credit loss model for recognising impairment loss on financial assets measured at amortised cost, loan commitments, trade receivables and other contractual rights to receive cash or other financial asset.

Derecognition of financial assets
The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.
On derecognition of financial assets in entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable, is recognised in the statement of profit and loss.

Financial liabilities and equity instruments

Classification as debt or equity
Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity Instrument
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 are recognised at the proceeds received, net of direct issue costs.

LODHA & CO. MUMBAI-01 Chartered Accountants

Piramal Finance Sales and Service Pvt. Ltd.

Piramal Finance Sales and Service Private Limited

Notes to the Financial Statements
For the year ended March 31, 2023

(Currency : in Lakhs)

i) Financial instruments *(Continued)*

Financial liabilities

All financial liabilities are subsequently measured at amortised cost using the effective interest rate method or at FVTPL.

Financial liabilities are classified as at FVTPL when the financial liability is either contingent consideration recognised by the Company as an acquirer in a business combination to which Ind AS 103 applies or is held for trading or it is designated as at FVTPL.

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method.

The effective interest 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 and points 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. An exchange between the Company and the lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability.

ii) Employee benefits

Employee benefits include provident fund, compensated absences and long term service awards. In case of Provident fund, contributions are made to the Regional Provident Fund Office.

Defined contribution plans

The Company's contribution to provident fund to the Regional Provident Fund office are considered as defined contribution plans, as the Company does not carry any further obligations apart from the contributions made on a monthly basis and are charged as an expense based on the amount of contribution required to be made.

Defined benefit plans

The Company contributes to Defined Benefit Plans comprising of Gratuity and Compensated absences.

Gratuity: The Company provides for gratuity, a defined benefit plan (the "Gratuity Plan") in accordance with the Payment of Gratuity Act, 1972. The Gratuity Plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment. Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

The Company has a policy on compensated absences which are both accumulating and non-accumulating in nature. The expected cost of accumulating compensated absences is determined by actuarial valuation performed by an independent actuary at each Balance Sheet date using projected unit credit method on the additional amount expected to be paid / availed as a result of the unused entitlement that has accumulated at the Balance Sheet date. Expense on non-accumulating compensated absences is recognized in the period in which the

iii) Provisions, contingent liabilities and contingent assets

Provisions are recognised when there is a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material). The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

Contingent assets are not recognised in the financial statements. 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. However, they are assessed continually, and if it has become virtually certain that inflow of economic benefits will arise, the asset and related income are recognized in the financial statements.

LODHA & CO. MUMBAI-01 Chartered Accountants

Piramal Finance Sales and Service Pvt. Ltd.

Piramal Finance Sales and Service Private Limited

Notes to the Financial Statements

For the year ended March 31, 2023

(Currency : in Lakhs)

iv) Revenue recognition

Manpower and Professional services are recognised in statement of profit or loss over time as the services are rendered.

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the amortised cost and at the effective interest rate applicable.

Dividend income from investments is recognised when the Company's right to receive payment has been established (provided that it is probable that the economic benefits will flow to the Company and the amount of dividend income can be measured reliably).

v) Taxes on income

Tax expense for the period, comprising current tax and deferred tax, are included in the determination of the net profit or loss for the period. Current tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act, 1961.

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

vi) Segment Reporting

The Company is operating in a single reportable segement i.e. manpower and professional service fees. The Company is operating in a single reportable and geographical segment in accordance with Ind AS 108 - Operating Segments and accordingly the same is not applicable to the Company.

vii) Cash and cash equivalents

In the cash flow statement, cash and cash equivalents includes cash on hand, demand deposits with banks, other short-term highly liquid investments with original maturities of three months or less.

viii) Earnings per share

Basic earnings per share

The basic earnings per share is computed by dividing the net profit attributable to the equity shareholders by weighted average number of equity shares outstanding during the reporting year.

Diluted earnings per share

Number of equity shares used in computing diluted earnings per share comprises the weighted average number of shares considered for deriving basic earnings per share and also weighted average number of equity shares which would have been issued on the conversion of all dilutive potential shares. In computing diluted earnings per share only potential equity shares that are dilutive are included.

Piramal Finance Sales and Service Pvt. Ltd. *

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Notes to the Financial Statements

For the year ended March 31, 2023

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vix) Recent pronoucements under IndAS

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 31, 2023, MCA amended the Companies (Indian Accounting Standards) Rules, 2015 by issuing the Companies (Indian Accounting Standards) Amendment Rules, 2023, applicable from April 1, 2023, as below:

Ind AS 1 – Presentation of Financial Statements

The amendments require companies to disclose their material accounting policies rather than their significant accounting policies. Accounting policy information, together with other information, is material when it can reasonably be expected to influence decisions of primary users of general purpose financial statements.

Ind AS 12 – Income Taxes

The amendments clarify how companies account for deferred tax on transactions such as leases and decommissioning obligations. The amendments narrowed the scope of the Initial recognition exemption of Ind AS 12 so that it no longer applies to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences. Accordingly, companies will need to recognise a deferred tax asset and a deferred tax liability for temporary differences arising on transactions such as initial recognition of a lease and a decommissioning provision.

Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors

The definition of a "change in accounting estimates" has been replaced with a definition of "accounting estimates". Accounting estimates are defined as "monetary amounts in financial statements that are subject to measurement uncertainty". Entities develop accounting estimates if accounting policies require items in financial statements to be measured in a way that involves measurement uncertainty.

The above changes will not have any material impact on the financial statement during the year.

Piramal Finance Sales and Service Pvt. Ltd. ★

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Notes to the Financial Statements (Continued)
as at March 31, 2023

(Currency : in Lakhs)

	As at March 31, 2023	As at March 31, 2022
3 Intangible assets under development		
Software Development	-	5
Total	-	5
4 Deferred tax assets		
Deferred tax assets	60	18
Total	60	18

Movement of deferred tax

Particulars	**Opening balance as on April 1, 2022**	**Recognised in Profit and loss**	**Recognised in Other comprehensive income**	**Closing balance as on March 31, 2023**
Movement in deferred tax assets and liabilities:				
Provision for employee benefits	18	41	1	60
	18	41	1	60

Particulars	**Opening balance as on April 1, 2021**	**Recognised in Profit and loss**	**Recognised in Other comprehensive income**	**Closing balance as on March 31, 2022**
Movement in deferred tax assets and liabilities:				
Provision for employee benefits	3	2	13	18
Total	3	2	13	18

	As at March 31, 2023	As at March 31, 2022
5 Current tax assets		
Advance Tax (net of Provision as at 31 March 2023 - Rs 221 Lakhs and as at 31 March 2022 - Rs 55 Lakhs)	445	86
Total	445	86
6 Trade receivables		
Unsecured, considered good	173	1,277
To related parties		
Piramal Capital & Housing Finance Limited (Unsecured, considered good)	816	-
Total	989	1,277

Ageing Schedule

Trade Receivables as at 31.03.2023	**Outstanding for following periods from the due date of transaction** Less than 6 months	upto 1 year	1year-2year	2year-3year	3 year and above	Total
Undisputed Trade Receivables - considered good	303	-	-	-	-	303
Undisputed Trade Receivables - considered good unbilled revenue	686	-	-	-	-	686
Undisputed Trade Receivables - considered doubtful	-	-	-	-	-	-
Disputed Trade Receivables - considered good	-	-	-	-	-	-
Disputed Trade Receivables - considered doubtful	-	-	-	-	-	-
Total	989	-	-	-	-	989

Trade Receivables as at 31.03.2022	Less than 6 months	upto 1 year	1year-2year	2year-3year	3 year and above	Total
Undisputed Trade Receivables - considered good	972	305	-	-	-	1,277
Undisputed Trade Receivables - considered doubtful	-	-	-	-	-	-
Disputed Trade Receivables - considered good	-	-	-	-	-	-
Disputed Trade Receivables - considered doubtful	-	-	-	-	-	-
Total	972	305	-	-	-	1,277

	As at March 31, 2023	As at March 31, 2022
7 Cash and cash equivalents		
Balances with banks :		
- in current accounts	115	26
Total	115	26
8 Other Current Assets		
Advance given to vendors	1,115	-
Prepaid Expenses	82	-
Total	1,197	-

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Piramal Finance Sales and Service Pvt. Ltd.

Piramal Finance Sales and Service Private Limited

Notes to the Financial Statements (Continued)
as at March 31, 2023

(Currency : in Lakhs)

		As at March 31, 2023	As at March 31, 2022
9	**Equity Share Capital**		
	Authorized share capital:		
	100,000 Equity shares of Rs. 10 each	10	10
	Total	10	10
	Issued, subscribed and paid up capital:		
	Equity shares		
	100,000 Equity shares of Rs. 10 each fully paid up	10	10
	Total	10	10

Shares held by holding company / Promoters

Name of the shareholder	March 31, 2023	March 31, 2022
Piramal Capital & Housing Finance Limited (From September 28, 2022)	100,000	-
PHL Fininvest Private Limited (upto September 27, 2022)	-	100,000

Particulars of shareholder holding more than 5% shares of a class of shares

Name of the shareholder	March 31, 2023	March 31, 2022
Piramal Capital & Housing Finance Limited (From September 28, 2022)	100,000	-
PHL Fininvest Private Limited (upto September 27, 2022)	-	100,000

Details of shareholding of Promoters in the company

	As at March 31, 2023		
	No of Shares	% of Total Shares	% Change during the year
Piramal Capital and Housing Finance Limited *	100,000	100%	100%
Total	**100,000**	**100%**	**100%**

	As at March 31, 2022		
	No of Shares	% of Total Shares	% Change during the year
PHL Fininvest Private Limited #	100,000	100%	0%
Total	**100,000**	**100%**	**0%**

includes 10 shares of Rs. 10 each, fully paid held with Mr. Jairam Sridharan
* includes 10 shares of Rs. 10 each, fully paid held with Mr. Bipin Singh

Rights, preferences and restrictions attached to shares

Equity shares

The Company has one class of equity shares having a par value of Rs. 10 per share. Each holder of equity share is entitled for one vote per share. There are no restriction on payment of dividend to equity shareholders. Upon winding up of the company, the holders of equity share will be entitled to receive balance assets of the company after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

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Piramal Finance Sales and Service Pvt. Ltd.

Piramal Finance Sales and Service Private Limited

Notes to the Financial Statements (Continued)

as at March 31, 2023

(Currency : in Lakhs)

		As at March 31, 2023	As at March 31, 2022
10	**Other equity**		
	Surplus in statement of Profit & Loss (refer note 10.1)	169	111
	Total	**169**	**111**
10.1	**Surplus in statement of Profit & Loss**		
	Opening Balance	111	53
	Net profit for the year	361	95
	Other comprehensive income arising from remeasurement of defined benefit obligation net of income tax	(3)	(37)
	Less: Interim Dividend paid	(300)	-
	Closing Balance	**169**	**111**

Surplus in statement of Profit & Loss are the profits that the Company has earned till date, less any transfers to statutory reserve and dividends paid to investors and can be distributed by the Company as dividends to its equity shareholders and is determined based on the financial statements of the Company and also considering the requirements of the Companies Act, 2013. Thus, the amounts reported above are not distributable in entirely.

Piramal Finance Sales and Service Pvt. Ltd. ★

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Notes to the Financial Statements (Continued)
as at March 31, 2023

(Currency : in Lakhs)

		As at March 31, 2023	As at March 31, 2022
11	**Provisions**		
	Provision for Employee Benefits		
	Gratuity (refer Note 23)	82	71
	Compensated absence	156	-
	Total provisions	**238**	**71**
	Current	66	36
	Non-current	172	35
	Total	**238**	**71**
12	**Trade payables**		
(a)	Total outstanding dues of micro enterprises and small enterprises (MSME)	0	-
(b)	Total outstanding dues of creditors other than micro enterprises and small enterprises	391	124
	Total	**391**	**124**

Ageing Schedule

	Outstanding for following periods from the due date of transaction				
Trade Payables as at 31.03.2023	**Not Due**	**Up to 1 year**	**1year-2year**	**3 year and above**	**Total**
MSME	-	0	-	-	0
Others	-	387	4	-	391
Disputed dues -MSME	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-
Total	-	**387**	**4**	-	**391**

Trade Payables as at 31.03.2022	**Not Due**	**Up to 1 year**	**1year-2year**	**3 year and above**	**Total**
MSME	-	-	-	-	-
Others	-	124	-	-	124
Disputed dues -MSME	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-
Total	-	**124**	-	-	**124**

13	**Other financial liabilities**		
	Payable to employees	1,237	172
	Total other financial liabilities	**1,237**	**172**
14	**Other current liabilities**		
	Statutory dues payable	321	193
	Goods and service tax credit Payable	440	205
	Advance received from customers	-	526
	Total other current liabilities	**761**	**924**

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Piramal Finance Sales and Service Pvt. Ltd.

Piramal Finance Sales and Service Private Limited

Notes to the Financial Statements (Continued)
For the year ended March 31, 2023

(Currency : in Lakhs)

		For the year ended March 31, 2023	For the year ended March 31, 2022
15	**Revenue from operations**		
	Revenue from services:		
	Manpower services	25,568	5,370
	Professional services	-	125
		25,568	**5,495**
16	**Other income**		
	Short term capital gain on mutual fund	-	1
		-	**1**
17	**Employee benefits expenses**		
	Salaries and wages	22,164	4,698
	Contribution to provident and other fund	1,530	376
	Provision for gratuity	17	9
	Provision for leave encashment	160	-
	Staff welfare expenses	60	10
		23,931	**5,093**
18	**Other expenses**		
	Legal and professional fees	127	44
	Recruitment Expenses	796	174
	Travelling and conveyance	29	39
	Other expenses	182	4
	Rates and taxes, excluding taxes on income	-	1
	Postage and communication	0	0
	Intangible Asset Written off.	5	-
	Payments to auditors		-
	- audit fees	8	10
	- as tax audit	3	3
	-limited review fees	2	-
	-out of pocket expenses	0	-
		1,152	**275**

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Piramal Finance Sales and Service Pvt. Ltd.

Piramal Finance Sales and Service Private Limited

Notes to the Financial Statements (Continued)
as at March 31, 2023

(Currency : in Lakhs)

19	**Income Taxes**	**Year ended March 31, 2023**	**Year ended March 31, 2022**
a.	**Recognised in Profit or Loss**		
	Current Tax		
	In respect of the current year	165	34
	Deferred Tax	(42)	(2)
	Total	123	32

b. The income tax expense for the year can be reconciled to the accounting profit as follows:

	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ende March 31, 20
			Effective tax rate reconciliation	
Profit before tax	485	128		
Income tax expense calculated at 25.17% (enacted tax rate)	122	32	25.17%	25.1
Intangible assets under development written off	1	-		
Income tax expense recognised in profit or loss	123	32	25.17%	25.1

Piramal Finance Sales and Service Private Limited

Notes to the Financial Statements (Continued)
For the year ended March 31, 2023

(Currency : in Lakhs)

20 Earnings per share ('EPS')

Basic and diluted EPS is computed in accordance with Ind AS 33 'Earnings Per Share' specified under section 133 of the Companies Act, 2013.
The computation of earnings per share is set out below:

Description	March 31, 2023	March 31, 2022
Net profit attributable to equity share (Rs In Lakhs	361	95
Weighted average number of equity shares outstanding during the year for calculation of EPS	100,000	100,000
Basic and Diluted EPS of face value of Rs. 10 each	**360.51**	**95.49**

The basic and diluted EPS is same as there are no potential dilutive equity shares.

21 Information in accordance with the requirements of Indian Accounting Standard 24 on Related Party Disclosures.

List of Related Parties

a) **Ultimate holding company**
Piramal Enterprises Limited (PEL)

b) **Holding company**
PHL Fininvest Private Limited (Merged with PEL w.e.f. 1st Apr. 2022)
Piramal Enterprises Limited (Upto September 27, 2022)
Piramal Capital & Housing Finance Limited (from September 28, 2022)

c) **Fellow subsidiary company with whom transactions has been carried out**
Piramal Capital & Housing Finance Limited (Upto September 27, 2022)

d) **Enterprise in which KMP is having significant influence**
Pramerica Life Insurance Limited

e) **Key management personnel ('KMP')**
Sunit Madan (Director) w.e.f. September 09, 2020
Jagdeep Mallareddy (Director) w.e.f. September 09, 2020
Upma Goel (Director) w.e.f. December 12, 2022

Details of Transactions	March 31, 2023	March 31, 2022
Service Fees (Income)		
Piramal Capital & Housing Finance Limited	24,609	4,440
Dividend Paid		
Piramal Enterprises Limited	300	-
Insurance Premium (Expense)		
Pramerica Life Insurance Limited	99	-

Outstanding balances		
Trade receivables		
Piramal Capital & Housing Finance Limited	131	-
Unbilled Revenue		
Piramal Capital & Housing Finance Limited	686	-
Advance Received		
Piramal Capital & Housing Finance Limited	-	526
Advance Paid		
Pramerica Life Insurance Limited	2	-

22 Disclosures as required by the Micro, Small and Medium Enterprises Development Act, 2006 ("MSMED Act") are as under:

Particulars	As at March 31, 2023	As at March 31, 2022
Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end	0	-
Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end	-	-
Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
Interest paid, other than under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	22
Interest paid, under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
Interest due and payable towards suppliers registered under MSMED Act, for payments already made	-	-
Further interest remaining due and payable for earlier years	-	-

The above information regarding Micro, Small and Medium Enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company.

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Piramal Finance Sales and Service Private Limited

Notes to the Financial Statements (Continued)
For the year ended March 31, 2023

(Currency : in Lakhs)

23 Employee benefits:

Disclosures for defined benefit plans based on actuarial valuation reports as on March 31, 2023
The Company's defined contribution plans are Provident Fund. The Company has no further obligation beyond making the contributions to such plans.

A. Change in projected benefit obligation

Particulars	(Non-Funded) Gratuity Year Ended March 31, 2023	(Non-Funded) Gratuity Year Ended March 31, 2022
Present value of benefit obligation as at beginning of the year	71	12
Interest cost	3	1
Current service cost	14	8
Past service cost	-	-
Liability transferred in	-	-
Benefits paid	(10)	-
Actuarial (gain) / loss	4	50
Present value of defined benefit obligation as at the end of the year	82	71

B. Amount recognised in the Balance Sheet

Particulars	(Non-Funded) Gratuity As at March 31, 2023	(Non-Funded) Gratuity As at March 31, 2022
Present value of benefit obligation at the end of the year	(82)	(71)
Fair value of plan assets at the end of the year	-	-
Funded status (surplus/ (deficit))	(82)	(71)
Net (liability)/asset recognized in the Balance Sheet	(82)	(71)

C. Net interest cost for current year

Particulars	(Non-Funded) Gratuity Year Ended March 31, 2023	(Non-Funded) Gratuity Year Ended March 31, 2022
Present value of benefit obligation at the beginning of the year	71	12
(Fair value of plan assets at the beginning of the year)	-	-
Net liability/(asset) at the beginning	71	12
Interest cost	3	1
(Interest income)	-	-
Net interest cost for current year	3	1

D. Expenses recognised in Statement of Profit and Loss

Particulars	(Non-Funded) Gratuity Year Ended March 31, 2023	(Non-Funded) Gratuity Year Ended March 31, 2022
Current service cost	14	8
Interest cost	3	1
Past service cost	-	-
Total expenses / (income) recognised in the Statement of Profit and Loss	17	9

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Piramal Finance Sales and Service Pvt. Ltd.

Piramal Finance Sales and Service Private Limited

Notes to the Financial Statements (Continued)
For the year ended March 31, 2023

(Currency : in Lakhs)
23 Employee Benefits: *(Continued)*

E. Expenses recognized in the Other Comprehensive Income (OCI) for the year

Particulars	(Non-Funded) Gratuity Year Ended March 31, 2023	(Non-Funded) Gratuity Year Ended March 31, 2022
Actuarial (Gains)/Losses on Obligation For the Period	4	50
Return on plan assets, excluding interest income	-	-
Change in asset ceiling	-	-
Net (income)/expense For the year recognized in OCI	4	50

F. Principal actuarial assumptions used:

Particulars	(Non-Funded) Gratuity Year Ended March 31, 2023	(Non-Funded) Gratuity Year Ended March 31, 2022
Rate of discounting	7.29%	5.18%
Rate of salary increase	10.00%	7.00%
Rate of employee turnover	60.00%	25.00%
Mortality rate during employment	Indian Assured Lives Mortality (2012-14) Urban	Indian Assured Lives Mortality (2006-08)

G. Balance sheet reconciliation

Particulars	As at March 31, 2023	As at March 31, 2022
Opening net liability	71	12
Expenses recognized in Statement of Profit or Loss	17	9
Expenses recognized in OCI	4	50
Net liability transfer in	-	-
Benefit paid	(10)	-
Net liability/(asset) recognized in the Balance Sheet	82	71

H. Other details

Particulars	As at March 31, 2023	As at March 31, 2022
No of members	7174	4873
Per month salary for members	665	471
Weighted Average Duration of the Projected Benefit Obligation	2	2
Average expected future service (years)	1	1
Projected benefit obligation (PBO)	82	71
Prescribed contribution for next year (12 months)	-	-

I. Net interest cost for next year

Particulars	Estimated for the year ended March 31, 2023	Estimated for the year ended March 31, 2022
Present value of benefit obligation at the end of the year	82	71
(Fair value of plan assets at the end of the year)	-	-
Net liability/(asset) at the end of the year	82	71
Interest cost	6	3
(Interest income)	-	-
Net interest cost for next year	6	3

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Internal Use- Confidential

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Notes to the Financial Statements (Continued)
For the year ended March 31, 2023

(Currency : in Lakhs)

23 Employee Benefits: *(Continued)*

J. Expenses recognized in the Statement of Profit or Loss

Particulars	Estimated for the year ended March 31, 2023	Estimated for the year ended March 31, 2022
Current service cost	12	14
Net interest cost	6	3
(Expected contributions by the employees)	-	-
Expenses recognized	18	17

K. Maturity Analysis of the Benefit Payments: From the Employer

Projected Benefits Payable in Future Years From the Date of Reporting	Estimated for the year ended March 31, 2023	Estimated for the year ended March 31, 2022
1st Following Year	44	36
2nd Following Year	23	17
3rd Following Year	6	12
4th Following Year	4	4
5th Following Year	6	3
Sum of Years 6 to 10	5	3
Sum of Years 11 and above	0	0

23 Employee Benefits: *(Continued)*

L. Sensitivity analysis

Projected benefits payable in future years from the date of reporting	As at March 31, 2023	As at March 31, 2022
Projected benefit obligation on current assumptions	82	71
Delta effect of +1% change in rate of discounting	(1)	(1)
Delta effect of -1% change in rate of discounting	1	1
Delta effect of +1% change in rate of salary increase	1	1
Delta effect of -1% change in rate of salary increase	(1)	(1)
Delta effect of +1% change in rate of employee turnover	(1)	(0)
Delta effect of -1% change in rate of employee turnover	1	0

Notes:

Gratuity is payable as per company' scheme as detailed in the report.

Actuarial gains/losses are recognized in the period of occurrence under Other Comprehensive Income (OCI). All above reported figures of OCI are gross of taxation.

Since it is the first year of the company's operations, we have considered the Current Service Cost to be the difference between the Projected Benefit Obligation and Transfer In Liability.

Salary escalation and attrition rate are considered as advised by the company; they appear to be in line with the industry practice considering promotion and demand and supply of the employees.

Average Expected Future Service represents Estimated Term of Post - Employment Benefit Obligation.

Cash flow projection is done considering future salary, attrition and death in respective year for members as mentioned above.

These plans typically expose the Company to actuarial risks such as: investment risk, interest rate risk, longevity risk and salary risk.

Investment risk

The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. Plan investment is a mix of investments in government securities, and other debt instruments.

Interest risk

A decrease in the bond interest rate will increase the plan liability; however, this will be partially offset by an increase in the return on the plan's debt investments.

Longevity risk

The present value of the 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.

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Piramal Finance Sales and Service Pvt. Ltd.

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Notes to the Financial Statements (Continued)

For the year ended March 31, 2023

(Currency : in Lakhs)

24 Fair Value Disclosures

a) Categories of Financial Instruments:	March 31, 2023 FVTPL	March 31, 2023 Amortised Cost	March 31, 2022 FVTPL	March 31, 2022 Amortised Cos
Financial Assets				
Investments	-	-	-	-
Trade receivables #	-	989	-	1,27
Cash & bank balances #	-	115	-	2
	-	**1,104**	-	1,30
Financial liabilities				
Trade payables #	-	391	-	12
Other financial liabilities #	-	1,999	-	1,09
	-	**2,390**	-	1,22

Notes:

\# The Company has not disclosed the fair value of trade receivables, cash and bank balances, trade payables and other financ liabilities, because their carrying amounts are a reasonable approximation of fair value.

25 Capital Management

The Company manages its capital to ensure that it will be able to continue as going concern while maximising the return stakeholders through the optimisation of the debt and equity balance. The currrent capital structure of the Company as March 2023 & March 2022 consists of only equity.

The Company determines the amount of capital required on the basis of annual as well as long term operating plans and otl strategic investment plans. The funding requirements are met through equity or convertible / nonconvertible debt securit or other long-term /short-term borrowings. The Company monitors the capital structure on the basis of total debt to equ ratio and maturity profile of the overall debt portfolio of the Company.

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Notes to the Financial Statements (Continued)
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(Currency : in Lakhs)

26 Risk Management

Risk Management is an integral part of the Company's business strategy. The Risk Management oversight structure includes Committees of the Board and

The Board of Directors monitors the quality of audit function and also monitors compliance with related regulators.

The Company's risk management strategy is based on a clear understanding of various risks, disciplined risk assessment and measurement procedures and

The Board of Directors (BOD) of the Company reviews compliance with risk policies, monitors risk tolerance limits, reviews and analyse risk exposure and provides oversight of risk across the organization. The BOD nurtures a healthy and independent risk management function to inculcate a strong risk management culture in the Company and broadly perceives the risk arising from (i) liquidity risk, (ii) fraud risk and operational risk (iii) regulatory risk (iv) credit risk

26.1 Fraud risk and operational risk:

The Company has an elaborate system of internal controls commensurate with the size, scale and complexity of its operations and covers funding operations, financial reporting, fraud control and compliance with laws and regulations.

Risks associated with frauds are mitigated through 100% document verification by the management and review of all the cases which are entered in the system, including corrective and remedial actions as regards people and processes.

Management monitors and evaluates the efficacy and adequacy of internal control systems in the Company, its compliance with laws and regulations, efficacy of its operating systems, adherence to the accounting procedures and policies at all offices of the Company and report directly to the Board of Directors of the

26.2 Regulatory risk:

The Company requires certain statutory and regulatory approvals for conducting business and failure to obtain retain or renew these approvals in a timely manner, may adversely affect operations. Any change in laws or regulations made by the government or a regulatory body that governs the business of the Company may increase the costs of operating the business, reduce the attractiveness of investment and / or change the competitive landscape.

26.3 Liquidity Risk

The following tables detail the Company's remaining contractual maturity for its financial liabilities with agreed repayment periods. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay. The contractual maturity is based on the earliest date on which the Company may be required to pay.

Maturities of Financial Liabilities	March 31, 2023			
	Up to 1 year	1 to 3 years	3 to 5 years	5 years & above
Trade Payables	387	4	-	-
Other Financial Liabilities	1,999	-	-	-
	2,386	4	-	-

Maturities of Financial Liabilities	March 31, 2022			
	Up to 1 year	1 to 3 years	3 to 5 years	5 years & above
Trade Payables	124	-	-	-
Other Financial Liabilities	1,096	-	-	-
	1,220	-	-	-

The following table details the Company's expected maturity for its non-derivative financial assets. The table has been drawn up based on the undiscounted contractual maturities of the financial assets including interest that will be earned on those assets. The inclusion of information on non-derivative financial assets is necessary in order to understand the Company's liquidity risk management as the liquidity is managed on a net asset and liability basis.

Maturities of Financial Assets	March 31, 2023			
	Up to 1 year	1 to 3 years	3 to 5 years	5 years & above
Trade receivables	989	-	-	-
Cash & bank balances	115	-	-	-
	1,104	-	-	-

Maturities of Financial Assets	March 31, 2022			
	Up to 1 year	1 to 3 years	3 to 5 years	5 years & above
Trade receivables	1,277	-	-	-
Cash & bank balances	26			
	1,303	-	-	-

LODHA & CO. MUMBAI-01 Chartered Accountants

Piramal Finance Sales and Service Pvt. Ltd.

Piramal Finance Sales and Service Private Limited

Notes to the Financial Statements (Continued)

For the year ended March 31, 2023

(Currency : in Lakhs)

26.4 Credit Risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables).

Trade receivables:

The receivables of the Company are from manpower and professional services.

Customer credit risk is managed by each business unit subject to the Company's established policy, procedures and control relating to customer credit risk management.

Outstanding customer receivables are regularly monitored. No credit allowance made, since the entire outstanding balance has been cleared subject to balancesheet date.

Financial instruments and cash deposits:

The credit risk on other financial instruments is limited because the counterparties are banks with high credit-ratings assigned by credit-rating agencies.

27 Segment Reporting

The chief operational decision maker monitors its principle business segment i.e. Sourcing, Marketing & Distributing of Financial products, Assets & Services. The Company is operating in a single reportable and geographical segment in accordance with Ind AS 108 - Operating Segments as notified u/s 133 of the Companies Act, 2013 and accordingly the same is not applicable to the Company.

Customers contributing > 10 % of the revenue

Particualrs	For the year ended March 31, 2023	For the year ended March 31, 2022
Customer 1	96%	81%
Customer 2		
Customer 3		

28 Analytical Ratios

Ratio	Numerator	Denominator	March 31, 2023	March 31, 2022	Variance (%)	Remarks for Variance more than 25%
Current ratio	Current Assets	Current Liabilities	0.94	1.04	-10%	NA
Debt-equity ratio	Total Debt	Shareholder's Equity	N.A	N.A	N.A	NA
Debt service coverage ratio	Earnings available for debt service	Debt Service	N.A	N.A	N.A	NA
Return on equity ratio	Net Profits after taxes	Average Shareholder's Equity	3605.12%	954.92%	278%	Due to increase in revenue
Inventory turnover ratio	N.A	N.A	N.A	N.A	N.A	NA
Trade receivables turnover ratio (in	Net Credit Sales	Average Accounts Receivable	22.56	7.93	184%	Due to increase in revenue
Trade payables turnover ratio (in da	Purchase	Average Accounts Payable	4.48	3.80	18%	NA
Net capital turnover ratio	Net Sales	Working Capital	(164.55)	115.78	-242%	Due to increase in revenue
Net profit margin (%)	Net Profit after tax	Net Sales	1.41%	1.74%	-19%	Due to increase in revenue
Return on capital employed	Earning before interest and taxes	Capital Employed	271.47%	105.23%	158%	Due to increase in revenue
Return on investment	Interest income	Closing investments	N.A	N.A	N.A	N.A

29 The Company does not have any contingent liability and commitments as on March 31, 2023 (Previous year - Rs Nil)

30 There are no transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956

31 No proceeding has been initiated during the year or pending against the Company for holding any Benami property. Benami Transactions (Prohibition) Act, 1988, as amended and rules made thereunder.

32 The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

33 During the current year the Company has not traded or invested in Crypto currency or Virtual Currency.

34 The Company does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961

LODHA & CO. MUMBAI-01 Chartered Accountants

Piramal Finance Sales and Service Pvt. Ltd.

Piramal Finance Sales and Service Private Limited

Notes to the Financial Statements (Continued)
For the year ended March 31, 2023

(Currency : in Lakhs)

35 The Company, has not advanced or loaned or invested funds to any other person(s) or entity(is), including foreign entities (Intermediaries) with the understanding that the Intermediary shall: (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

36 The Company, has not received any fund from any person(s) or entity(is), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall: (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries

37 Previous year figures have been regrouped or reclassified wherever necessary.

For and on behalf of the Board of Directors of
Piramal Finance Sales and Service Private Limited

Piramal Finance Sales and Service Pvt. Ltd.

Sunit Madan

Sunit Madan
Director
DIN: 06441957

Upma Goel
Director
DIN: 00713974

Date:
May 03, 2023

LODHA & CO. MUMBAI-01 Chartered Accountants

Viridis Infrastructure Investment Managers Private Limited
Standalone Balance Sheet

(Currency: Indian rupees in hundreds)

	Notes	As at 31 March 2023	As at 31 March 2022
ASSETS			
1 Financial assets			
(a) Cash and cash equivalents	3	**503.85**	**816.85**
Total assets		**503.85**	**816.85**
LIABILITIES AND EQUITY			
1 Financial liabilities			
(a) Payables			
Trade payables	4		
Other payables	4		
(i) Total outstanding dues of micro enterprises and small enterprises		-	-
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises		**259.00**	**206.50**
2 Equity			
(a) Equity share capital	5	**1,000.00**	**1,000.00**
(b) Other equity	6	**(755.15)**	**(389.65)**
Total liabilities and equity		**503.85**	**816.85**

Significant accounting policies 2

The notes referred to above form an integral part of the standalone financial statements

As per our report of even date attached.

Verified -
Sabyasachi

Viridis Infrastructure Investment Managers Private Limited
Standalone Statement of Profit and Loss

(Currency: Indian rupees in hundreds)

Revenue	Notes	For the year ended 31 March 2023	For the year ended 31 March 2022
Revenue from operations		-	-
Other income		-	-
Total income		-	-
Expenses			
Other expenses	7	365.50	330.65
Total expenses		365.50	330.65
Profit / (Loss) before tax		(365.50)	(330.65)
Less: Tax expenses			
Current tax		-	-
Deferred tax		-	-
		-	-
Profit / (Loss) after tax		(365.50)	(330.65)
Other Comprehensive Income/(Expenses):			
A. Items that will not be reclassified to profit or loss			
(i) Remeasurements of the defined benefit plans		-	-
- Income tax relating to above items		-	-
		-	-
Total Comprehensive Income / (Expenses) for the year		(365.50)	(330.65)
Earnings per share [nominal value of share Rs. 10]	8		
Basic		(3.66)	(3.31)
Diluted		(3.66)	(3.31)

Significant accounting policies 2

The notes referred to above form an integral part of the standalone financial statements

As per our report of even date attached

Verified Jadav Desai

INDEPENDENT AUDITOR'S REPORT

To The Members of Piramal Payment Services Limited

Report on the Audit of the Financial Statements

Opinion

1. We have audited the accompanying financial statements of **Piramal Payment Services Limited** ("the Company"), which comprise the Balance Sheet as at 31 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 then ended and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the Standalone Ind AS financial statements").

   In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Ind AS 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 31 March 2023, and its Loss, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

2. We conducted our audit of the financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the Standalone Ind AS 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 Ind AS financial statements under the 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

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Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Information Other than the Financial Statements and Auditor's Report Thereon

3. The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the, Board's Report including Annexure to Board's Report and Shareholder's Information, but does not include the Standalone Ind AS Financial Statements and our auditor's report thereon. Our opinion on the Standalone Ind AS Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the Standalone Ind AS Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to communicate the matter to those charged with governance.

Responsibility of Management for the Standalone Ind AS Financial Statements

4. The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial

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statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Standalone IND AS 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 are also responsible for overseeing the company's financial reporting process.

Auditor's Responsibility for the Audit of the Financial Statements

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

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 the override of internal control.
- Obtain an understanding of internal financial 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

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whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to

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communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on Other Legal and Regulatory Requirements

6. As required by the Companies (Auditors' Report) Order, 2020 issued by the Central Government in terms of sub-section 11 of Section 143 of the Act, we give in the "Annexure A" of this report a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable. As Company does not have any subsidiary, joint venture or associate enterprise, consolidated financial statements is not prepared. Hence Paragraph 3(xxi) of Companies (Auditor's Report) Order, 2020 is not applicable.

7. As required by Section 143 (3) of the Act, based on our audit 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 purpose of our audit;
   b) In our opinion, proper books of accounts as required by law have been kept by the Company so far as it appears from our examination of those books.
   c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Cash Flows and Statement of Changes in Equity dealt with by this Report are in agreement with the books of accounts.
   d) in our opinion, the aforesaid Ind AS Financial Statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended
   e) On the basis of the written representations received from the directors of the Company as on 31st March, 2023 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 Section 164 (2) of the Act.
   f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

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8. 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, as amended, in our opinion and to the best of our information and according to the explanations given to us:
   (i) The Company does not have any pending litigations which would impact its financial position.
   (ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
   (iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
   (iv) (a) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

   (b) The management has represented, that, to the best of its knowledge and belief, no funds have been received by the company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries and

   (c) Based on such audit procedures that we have considered reasonable and appropriate in the circumstances; nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.

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(v) The dividend is neither declared nor paid during the year by the company.

9. With respect to the matter to be included in the Auditors' Report under section 197(16):

   In our opinion and according to the information and explanations given to us, no remuneration is paid by the company to its directors during the current year. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.

10. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company with effect from April 1, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.

For Vatsaraj & Co.
Chartered Accountants
FRN.: 111327W

Dr.CA B. K. Vatsaraj
Partner
M. No.: 039894
UDIN: 23039894BGZCSP5360
Place: Mumbai
Date: 03-05-2023

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ANNEXURE "A" referred to in Paragraph 6 of the Independent Auditor's Report of even date to the members of Piramal Payment Services Limited on the standalone Ind AS financial statements for the year ended 31st March 2023.

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we report that:

(i) The Company does not have any property, plant and equipment, intangible assets, right of use assets or investment property and accordingly, reporting under clause 3(i) of the Companies (Auditor's Report) Order, 2020 (hereinafter referred to as 'the Order') is not applicable to the Company.

(ii) The Company does not hold any inventory. Accordingly, reporting under clause 3(ii)(a) of the Order is not applicable to the Company

(iii) The Company has not made any investment in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured to companies, firms, Limited Liability Partnerships (LLPs) or any other parties during the year. Accordingly, reporting under clause 3(iii) of the Order is not applicable to the Company.

(iv) The Company has not entered into any transaction covered under sections 185 and 186 of the Act. Accordingly, reporting under clause 3(iv) of the Order is not applicable to the Company.

(v) In our opinion, and according to the information and explanations given to us, the Company has not accepted any deposits or there are no amounts which have been deemed to be deposits within the meaning of sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, reporting under clause 3(v) of the Order is not applicable to the Company.

(vi) The Central Government has not specified maintenance of cost records under sub-section (1) of section 148 of the Act, in respect of Company's services activities. Accordingly, reporting under clause 3(vi) of the Order is not applicable.

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(vii) (a) In our opinion, and according to the information and explanations given to us, the Company is regular in depositing 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 other material statutory dues, as applicable, with the appropriate authorities. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, there are no statutory dues referred to in subclause (a) above that have not been deposited with the appropriate authorities on account of any dispute

(viii) According to the information and explanations given to us, no transactions were surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961) which have not been previously recorded in the books of accounts.

(ix) According to the information and explanations given to us, the Company does not have any loans or other borrowings from any lender. Accordingly, reporting under clause 3(ix) of the Order is not applicable to the Company.

(x) (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments), during the year. Accordingly, reporting under clause 3(x)(a) of the Order is not applicable to the Company.

(b) During the year, the Company has made private placement (through rights issue) of shares. In our opinion and according to the information and explanations given to us, the Company has complied with the requirements of section 42 and section 62 of the Act and the Rules framed thereunder with respect to the same. Further, the amounts so raised have been utilized by the Company for the purposes for which these funds were raised.

(xi) (a) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or no material fraud on the Company has been noticed or reported during the period covered by our audit

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(b) According to the information and explanations given to us including the representation made to us by the management of the Company, no report under sub-section 12 of section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014, with the Central Government for the period covered by our audit.

(c) According to the information and explanations given to us including the representation made to us by the management of the Company, there are no whistle-blower complaints received by the Company during the year.

(xii) The Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it. Accordingly, reporting under clause 3(xii) of the Order is not applicable to the Company.

(xiii) The Company has not entered into any transactions with the related parties covered under Section 177 or Section 188 of the Act. Accordingly, reporting under clause 3(xiii) of the Order is not applicable to the Company.

(xiv) According to the information and explanations given to us, the Company is not required to and consequently, does not have an internal audit system as per the provisions of section 138 of the Act Accordingly, reporting under clause 3(xiv) of the Order is not applicable to the Company.

(xv) According to the information and explanation given to us, the Company has not entered into any non-cash transactions with its directors or persons connected with its directors and accordingly, reporting under clause 3(xv) of the Order with respect to compliance with the provisions of section 192 of the Act are not applicable to the Company.

(xvi) (a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, reporting under clauses 3(xvi)(a),(b) and (c) of the Order are not applicable to the Company.

(b) According to the information and explanation given to us and based on our verification of the records of the Company, the Company has not conducted any Non-Banking Financial or Housing Finance activities during the year without a valid certificate of Registration from the RBI as per the Reserve Bank of India Act, 1934.

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(c) According to the information and explanation given to us the Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, the reporting under clause 3(xvi)(c) are not applicable.

(d) According to the information and explanation given to us and as represented by the management of the Company, the Group does not have any CIC as part of the Group.

(xvii) The company has incurred cash losses of Rs 13.59 lakhs in the current financial year. Since the company is incorporated in the current year there is no comment on cash losses for the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors during the year. Accordingly, reporting under clause 3(xviii) of the Order is not applicable to the Company

(xix) 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, we are of the opinion that no 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 upto to the date of Audit report and we neither give any guarantee nor any assurance that all the 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) According to the information and explanations given to us, the Company does not meet the criteria as specified under sub-section (1) of section 135 of the Act read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 and according, reporting under clause 3(xx) of the Order is not applicable to the Company.

VATSARAJ & CO. ★ CHARTERED ACCOUNTANTS ★ FRN 111327W

(xxi) The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of standalone financial statements of the Company. Accordingly, no comment has been included in respect of said clause under this report

For Vatsaraj & Co.
Chartered Accountants
FRN.: 111327W

Dr.CA B. K. Vatsaraj
Partner
M. No.: 039894
UDIN: 23039894BGZCSP5360
Place: Mumbai
Date: 03-05-2023

VATSARAJ & CO. FRN 111327W CHARTERED ACCOUNTANTS

ANNEXURE 'B' to Independent Auditors' Report on the Ind AS Financial Statement of Piramal Payment Services Limited, Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Act, referred to in paragraph 7(f) under "Report on Other Legal and Regulatory requirement" section of our report of even date.

We have audited the internal financial controls over financial reporting of Piramal Payment Services 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.

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

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls 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") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance

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Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that

(1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;

(2) provide reasonable assurance that transactions are recorded as necessary to permit 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 unauthorized 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

VATSARAJ & CO. FRN 111327W CHARTERED ACCOUNTANTS

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, to the best of our information and according to the explanations given to us, 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 31 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 Vatsaraj & Co.
Chartered Accountants
FRN.: 111327W

Dr.CA B. K. Vatsaraj
Partner
M. No.: 039894
UDIN: 23039894BGZCSP5360
Place: Mumbai
Date: 03-05-2023

VATSARAJ & CO. ★ CHARTERED ACCOUNTANTS ★ FRN 111327W

PIRAMAL PAYMENT SERVICES LIMITED

Balance Sheet as at 31st March, 2023

(₹ Lakh)

	Particulars	Note	As at 31.03.23
I	Assets		
1	Financial Assets		
(a)	Cash and Cash Equivalent	3	549.24
(b)	Bank Balance other than (a) above		-
(c)	Derivative Financial Instrument		-
(d)	Receivables		-
	(I)Trade Receivable		-
	(II) Other Receivable		-
(e)	Loans		-
(f)	Investments		-
(g)	Other Financial Assets		-
2	Non-Financial Assets		
(a)	Inventories		-
(b)	Current Tax Assets (Net)		-
(c)	Deferred Tax Assets (Net)		-
(d)	Investment Property		-
(e)	Biological Assets other than Bearer Plants		-
(f)	Property Plant and Equipment		-
(g)	Capital WIP		-
(h)	Intangible Assets under development		-
(i)	Goodwill		-
(j)	Other Intangible Assets		-
(k)	Other Non Financial Assets (to be specified)		-
	Total Assets		549.24
II	Liabilities and Equity		
1	Financial Liabilities		
(a)	Derivative Financial Instrument		
(b)	Payables	4	
	(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		-
	(II) Other Payables		
	(i) total outstanding dues of micro enterprises and small enterprises		-
	(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		-
(c)	Debt Securities		-
(d)	Borrowings (Other than Debt Securities)		-
(e)	Deposits		-
(f)	Subordinated Liabilities		-
(g)	Other financial liabilities	5	12.83
2	Non-Financial Liabilities		
(a)	Current tax liabilities (Net)		-
(b)	Provisions		-
(c)	Deferred tax liabilities (Net)		-
(d)	Other non-financial liabilities(to be specified)		-
3	EQUITY		
(a)	Equity Share capital	6	550.00
(b)	Other Equity	7	(13.59)
	Total Liabilities and Equity		549.24
	Significant accounting policies	2	

As per our report of even date
For Vatsaraj & Co.
Chartered Accountants
ICAI FRN: 111327W

Dr. CA B. K. Vatsaraj
Partner
M No.: 39894

Place: Mumbai
Date: 03/05/2023

VATSARAJ & CO. FRN 111327W CHARTERED ACCOUNTANTS

Piramal Payment Services Limited Mumbai

For and behalf of the Board of Directors

Mr.Jairam Sridharan
Director
DIN :05165390
Date: 03/05/2023

Mr.Jagdeep Mallareddy
Director
DIN :07492539
Date: 03/05/2023

PIRAMAL PAYMENT SERVICES LIMITED

Statement of Profit and Loss for the period 29th April 2022 to 31st March, 2023

(₹ Lakh)

	Particulars	Notes	Year ended 31.03.2023
	Revenue from operations		
(i)	Interest Income		-
(ii)	Dividend Income		-
(iii)	Renatal Income		-
(iv)	Fees and Commission Income		-
(v)	Net gain on fair value changes		-
(vi)	Net gain on derecognition of financial instruments under amortised cost category		-
(vii)	Sale of products(including Excise Duty)		-
(viii)	Sale of services		-
(ix)	Others (to be specified)		-
(I)	**Total Revenue from operations**		-
(II)	Other Income (to be specified)		-
(III)	**Total Income (I+II)**		-
	Expenses		
(i)	Finance Costs		-
(ii)	Fees and commission expense		-
(iii)	Net loss on fair value changes		-
(iv)	Net loss on derecognition of financial instruments under amortised cost category		-
(v)	Impairment on financial instruments		-
(vi)	Cost of materials consumed		-
(vii)	Purchases of Stock -in -trade		-
(viii)	Changes in Inventories of finished goods, stock -in - trade and work -in - progress		-
(ix)	Employee Benefits Expenses		-
(ix)	Depreciation , amortization and impairmen		-
(x)	Others expenses (to be specified)	8	13.59
(IV)	**Total Expenses (IV)**		13.59
(V)	Profit / (loss) before exceptional items and tax (III - IV)		(13.59)
(VI)	Exceptional items		-
(VII)	Profit/(loss) before tax (V -VI)		(13.59)
(VIII)	Tax Expenses		
	(a) Current Tax		-
	(b) Deferred Tax		-
(IX)	Profit / (loss) for the period from continuing operations(VII -VIII)		(13.59)
(X)	Profit/(loss) from discontinued operations		
(XI)	Tax Expense of discontinued operations		
(XII)	Profit/(loss) from discontinued operations(After tax) (X -XI)		-
(XIII)	Profit/(loss) for the period (IX+XII)		(13.59)
(XIV)	**Other Comprehensive Income**		
	(A)		
	(i) Items that will not be reclassified to profit or loss (specify items and amounts)		-
	(ii) Income tax relating to items that will not be reclassified to profit or loss		-
	Subtotal (A)		-
	(B)		
	(i) Items that will be reclassified to profit or loss (specify items and amounts)		-
	(ii) Income tax relating to items that will be reclassified to profit or loss		-
	Subtotal (B)		
	Other Comprehensive Income (A + B)		
(XV)	**Total Comprehensive Income for the period (XIII+XIV) (Comprising Profit (Loss) and other Comprehensive Income for the period)**		(13.59)
	Paid-up Equity Share Capital (Face value ₹ 10)		10.00
(XVI)	Earnings per equity share (for continuing operations)		
	Basic (₹)		(0.29)
	Diluted (₹)		(0.29)
(XVII)	**Earnings per equity share (for discontinued operations)**		
	Basic (₹)		
	Diluted (₹)		
XVIII	**Earnings per equity share (for continuing and discontinued operations)**	9	
	Basic (₹)		(0.29)
	Diluted (₹)		(0.29)

See accompanying notes to the financial statements

For Vatsaraj & Co.
Chartered Accountants
ICAI FRN: 111327W

Dr. CA B. K. Vatsaraj
Partner
M No.: 39894

Place: Mumbai
Date: 03/05/2023

VATSARAJ & CO. FRN 111327W CHARTERED ACCOUNTANTS

Piramal Payment Services Limited Mumbai

For and behalf of the Board of Directors

Mr.Jairam Sridharan
Director
DIN :05165390
Date: 03/05/2023

Mr.Jagdeep Mallareddy
Director
DIN :07492539
Date: 03/05/2023

PIRAMAL PAYMENT SERVICES LIMITED

Cash Flow Statement for the Year Ended 31st March 2023

(₹ Lakh)

	For the quarter ended 31.03.2023	
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit/(Loss) Before Tax		(13.59)
Adjustments for:		
Interest Paid		-
Operating Profit before Working capital changes		**(13.59)**
Changes in Working capital		
Other Financial Liabilities	12.83	
Other Financial Assets		
Working Capital changes		12.83
Cash generated from operations during the year		(0.76)
Net Cash From Operating Activities		**(0.76)**
B. CASH FLOW FROM INVESTING ACTIVITIES		
Current Investments not considered as Cash or cash equivalents		
Investments in Equity Shares		-
Net Cash used in Investing Activities		**-**
C CASH FLOW FROM FINANCING ACTIVITIES		
Equity Shares Issued during the year	550.00	
	-	**550.00**
Net Cash generated From / (Used In) Financing Activities		**550.00**
Net Increase/ (Decrease) in Cash Equivalents		549.24
Cash and Cash Equivalents at the beginning of the year		-
Cash and Cash Equivalents at the close of the year		**549.24**

The above cash flow statement has been prepared under the "Indirect method" as set out in the Ind AS 7 on statement of Cash Flow as notified under Companies (Account) Rule 2015

This is the Cash Flow referred to in our Report of even date.
Negative Figure (-) represents Cash Outflow.

For Vatsaraj & Co.
Chartered Accountants
ICAI FRN: 111327W

Dr. CA B. K. Vatsaraj
Partner
M No.: 39894

Place: Mumbai
Date: 03/05/2023

For and behalf of the Board of Directors

Mr.Jairam Sridharan
Director
DIN :05165390
Date: 03/05/2023

Mr.Jagdeep Mallareddy
Director
DIN :07492539
Date: 03/05/2023

Piramal Payment Services Limited Mumbai

VATSARAJ & CO. FRN 111327W CHARTERED ACCOUNTANTS

PIRAMAL PAYMENT SERVICES LIMITED

Statement of Changes in Equity for the year ended 31st March'23

A Equity Share Capital

Current Period

(₹ Lakh)

Particulars	Balance at the beginning of the reporting period*	Changes in equity share capital due to prior period errors	Restated balance at the beginning of the reporting period	Changes in equity share capital during the year	Balance at the end of reporting period 31-03-2023
55,00,000 Equity Shares of ₹ 10/- each fully paid up	-	-	-	550	550
	-	-	-	-	-

*The Company was incorporated during the FY 2022-23 on 29-04-2022

B Other Equity

(₹ Lakh)

	Reserves & Surplus		
Partiulars	Retained Earnings	Other Comprehensive Income	Total
As at 29thApril'22	-	-	-
Profit/(Loss) for the Year Ended	(13.59)		(13.59)
As at 31st March'23	(13.59)		(13.59)

As per our report of even date
For Vatsaraj & Co.
Chartered Accountants
ICAI FRN: 111327W

Dr. CA B. K. Vatsaraj
Partner
M No.: 39894

Place: Mumbai
Date: 03/05/2023

For and behalf of the Board of Directors

Mr.Jairam Sridharan
Director
DIN :05165390
Date: 03/05/2023

Mr.Jagdeep Mallareddy
Director
DIN :07492539
Date: 03/05/2023

VATSARAJ & CO. FRN 111327W CHARTERED ACCOUNTANTS

Piramal Payment Services Limited Mumbai

Significant Accounting Policies and Explanatory Information forming part of the Financial Statements for the Period ended 31st March, 2023

1 CORPORATE INFORMATION

Piramal Payment Services Limited (PPSL) is wholly owned subsidiary company of Piramal Capital and Housing finance Corporation Limited and has been incorporated on 29th April 2022 under the provisions of Companies Act, 2013. PPSL has been incorporated to carry on the business of issuance and operations of Prepaid Payment Instruments in accordance with the RBI's Master Directions on Prepaid Payment Instruments, issued on August 27, 2021, to undertake any business relevant to prepaid payment instruments including but not limited to facilitating payments to merchants for goods and services, remittance facilities, bill payments, cash withdrawal etc., as permitted by the Reserve Bank of India or any governing authority from time-to-time; and other applicable statutory and legal provisions. PPSL has registered office in Mumbai. The Company has applied to the Reserve Bank of India for PPI License.

2 SIGNIFICANT ACCOUNTING POLICIES:

2.1 Basis of preparation of financial statements :

a) The Company has adopted Ind AS standards effective from date of incorporation. All applicable Ind AS have been applied consistently wherever required.

b) The financial statements have been prepared on a historical cost basis, except for certain financial instruments which are measured at fair values at the end of each reporting period, as explained in the accounting policies below.

c) These financial statements have been prepared on a going concern basis. The Company is in the process of raising funds by way of equity and borrowings from holding Company.

d) The preparation of financial statements requires management to make estimates and assumptions that effect the reported amounts of assets and liabilities on the date of financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognised in the period in which the results are known / materialised.

e) Amounts in the financial statements are presented INR in Lakhs, unless otherwise stated.

f) Based on the nature of its activities, the company has determined its operating cycle as 12 months for the purpose of classification of its Assets and Liabilities as current and non-current.

2.2 Revenue Recognition :

Other Income

Revenue is recognised when there is reasonable certainty as to measurement and ultimate realization of the same.

2.3 Financial Instrument

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

(I)Financial Asset:

Initial recognition and measurement :

All financial instruments are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through the statement of profit and loss,transaction costs that are attributable to the acquisition of the financial asset, purchase or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place are recognized on the trade date i.e. the date that the company commits to purchase or sell the asset.

Subsequent measurement : For the purpose of subsequent measurement financial assets are classified as measured at: • Amortised cost • Fair value through profit and loss (FVTPL) • Fair value through other comprehensive income (FVTOCI).

Financial assets at fair value through profit or loss (FVTPL) : Financial asset are measured at fair value through profit and loss if it does not meet the criteria for classification as measured at amortized cost or at FVTOCI. All fair value changes are recognized in the statement of profit and loss.

Equity Instruments : All investments in equity instruments classified under financial assets are initially measured at fair value, the group may, on initial recognition, irrevocably elect to measure the same either at FVTOCI or FVTPL.

VATSARAJ & CO. FRN 111327W CHARTERED ACCOUNTANTS

2.4 Financial Liability

Initial recognition and measurement :

Financial liabilities are recognized initially at fair value plus any transaction cost that are attributable to the acquisition of the financial liability except financial liabilities at FVTPL that are measured at fair value.

Subsequent measurement :

Financial liabilities are subsequently measured at amortised cost using the EIR method. Financial liabilities carried at fair value through profit or loss are measured at fair value with all changes in fair value recognised in the statement of profit and loss.

Financial liabilities at amortized cost: Amortized cost for financial liabilities represents amount at which financial liability is measured at initial recognition minus the principal repayments, plus or minus the cumulative amortization using the effective interest method of any difference between the initial amount and the maturity amount. The company is classifying the following under amortized cost. (1)Borrowings from banks (2) Borrowings from others (3)Trade payables (4) Other financial liabilities.

Derecognition: A financial liability shall be derecognized when, and only when, it is extinguished i.e. when the obligation specified in the contract is discharged or cancelled or expires.

2.5 Cash and cash equivalents

Cash and cash equivalent in the Balance Sheet comprise cash at banks and on hand, which are subject to an insignificant risk of changes in value. For the purpose of the statement of cash flows, cash and cash equivalents consist of cash at banks and on hand, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

2.6 Impairment of Assets :

The carrying amounts of assets are reviewed at each reporting date if there is any indication of impairment based on internal / external factors. An impairment loss is recognised wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the asset's fair value less cost of disposals and value in use. In assessing value in use, the stimated 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. Fair value is the price that would be received to sell an asset or paid to transfer a liability in orderly transaction between market participants at the measurement date. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.Impairment losses are recognised in the Statement of Profit and Loss in expense categories.

2.7 Earnings Per Share :

Basic earnings per share are 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.

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.

2.8 Taxes on Income

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

Deferred tax assets and liabilities are recognized for the future tax consequences attributable to temporary differences between the financial statements' carrying amount of existing assets and liabilities and their respective tax basis. Deferred tax assets and liabilities are measured using the enacted tax rates or tax rates that are substantively enacted at the balance sheet dates. The effect on the deferred tax assets and liabilities of a change in tax rate is recognized in the period that includes the enactment date. Deferred tax assets are recognized only to the extent there is virtual certainty of realization in future.

2.9 Provisions, Contingent Liability and Contingent Assets

The Company recognizes a provision when there is a present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation that the likelihood of outflow of resources is remote , no provision or disclosure is made. Contingent assets are disclosed where an inflow of economic benefits is probable.

VATSARAJ & CO.
FRN 111327W
CHARTERED ACCOUNTANTS

PIRAMAL PAYMENT SERVICES LIMITED
Notes forming part of the Financial Statements

3 **Cash and Cash Equivalent**

(₹ Lakh)

Particulars	As at 31.03.2023
(a) Cash on hand	-
(b) Balances with Banks in Current Accounts	549.24
Total Cash & Cash Equivalents	549.24

4 **Payables**

(₹ Lakh)

Particulars	As at 31.03.2023
Trade Payable	
(i) total outstanding dues of micro enterprises and small enterprises	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	-
Other Payables	
(i) total outstanding dues of micro enterprises and small enterprises	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	-
Total Payable	-

Trade payables are recognised at their original invoice amounts which represents their fair values on initial recognition. Trade payables are considered to be of short duration and are not discounted and the carrying values are assumed to approximate their fair values. Refer Note 18 for Disclosures as per section 22 of the Micro, Small and Medium Enterprises Development Act, 2006, (MSMED Act).

5 **Other Financial Liabilities**

(₹ Lakh)

Particulars	As at 31.03.2023
Statutory Liabilities	0.04
Other payables	12.79
Total Other Financial Liabilities	12.83

6 **Equity Share capital**

(₹ Lakh)

Particulars	Balance at the end of reporting period
Authorised	
55,00,000 Equity Shares of ₹ 10/- each	550.00
	550.00
Issued, Subscribed and Paid up	
55,00,000 Equity Shares of ₹ 10/- each fully paid up	550.00
	550.00

The Company at present has one class of issued, subscribed and paid up share referred to as equity shares having a par value of ₹ 10/- each. Each holder of equity share is entitled to one vote per share. The Company has not declared or paid any dividend.

The Company has issued 55,00,000 Equity share of Face Value Rs 10/- each to Piramal Capital & Housing Finance Limited (Formerly Dewan Housing Finance Corporation Ltd.) ie the Holding company during the year

Reconciliation of outstanding number of shares (₹ Lakh)

Particulars	As at 31.03.2023	
	No. of shares	Amount
Equity shares at the beginning	-	-
Add: Shares issued during the year	5,500,000	550
Equity shares at the end	5,500,000	550

Details of shareholders holding more than five percent equity shares in the Company

Particulars	As at 31.03.2023	
	No. of shares	% holding
Piramal Capital & Housing Finance Limited (Formerly Dewan Housing Finance Corporation Ltd.)	5,500,000	100.00
Total	**5,500,000**	**100.00**

Equity Shares held by Holding Company and List of Promoter Shareholders

Holding Company / Promoter Name	As at 31.03.2023		% of change during the year
	No. of shares	% holding	
Piramal Capital & Housing Finance Limited (Formerly Dewan Housing Finance Corporation Ltd.)	5,500,000	100.00	100%

VATSARAJ & CO.
FRN 111327W
CHARTERED ACCOUNTANTS

PIRAMAL PAYMENT SERVICES LIMITED
Notes forming part of the Financial Statements

7 **Other Equity**

(₹ Lakh)

Particulars			As at 31.03.2023
Surplus			
Balance at the beginning of the year			-
Add: Net Profit/(Loss) for the year			(13.59)
Balance at the end of year			(13.59)

8 **Other Expenses**

(₹ Lakh)

Particulars	Year Ended 31.03.2023
(a) Bank Charges	0.01
(b) Duties and Taxes-GST	1.09
(c) Filing Fees- Reimbursement	0.15
(d) Professional Fees	5.63
(e) ROC Filing Fees	6.16
(f) Filing Fees	0.16
(g) Audit Fees	0.40
Total Other expenses	**13.59**

9 **Earning Per Share**

(₹ Lakh)

Particulars	Year Ended 31.03.2023
Profit/(Loss) after tax as per statement of profit and loss	(13.59)
Net Profit attributable to equity shareholders	(13.59)
No. of Equity shares (Number)	5,500,000
Weighted Average No. of Equity Shares	4,704,451
Nominal value of Equity Shares (₹)	10
Earning Per Share (₹) :	
Basic	(0.29)
Diluted	(0.29)

10 **Related parties transactions**

As per Indian Accounting Standard (Ind AS 24) on " Related Party Disclosures" details of transactions with related parties as defined therein are given below:

A) List of related parties with whom transactions have taken place during the year:

1) COMPANIES

(i) Holding Company

(a) Piramal Capital & Housing Finance Limited (Formerly Dewan Housing Finance Corporation Limited)
(b) Piramal Enterprises Limited - Ultimate Holding Company

(ii) KEY MANAGEMENT PERSONNEL, DIRECTOR

(a) Mr. Bipin Singh, Director (wef 08.11.2021)
(b) Mr. Jairam Sridharan, Director (wef 29.04.2022)
(c) Mr. Jagdeep Mallareddy, Director (Wef, 29.04.2022)
(d) Mr. Saurabh Mittal, Director (Wef, 29.04.2022)

(iii) Enterprises over which KMP are able to exercise significant influence

(a) Piramal Consummer Products Private Limited
(b) PEL Finhold Private Limited
(c) Piramal Systems & Technologies Private Limited
(d) Piramal Investment Advisory Services Private Limited
(e) Providian Technology Services Private Limited (under liquidition)
(f) Social Worth Technologies Private Limited
(g) Piramal Finance Sales and Services Private Limited
(h) DHFL Holdings Limited
(i) DHFL Investments Limited
(j) PRL Agastya Private Limited
(k) Pramerica Life Insurance Limited#
(l) Piramal Payment Services Limited

B) Details of transactions during the period ended and balances as at the end of Period.

(₹ Lakh)

Details of Transactions	Holding Company For the Half year ended 31.03.2023
Outstanding balance as on 31.03.2023	12.53

11 **Audit Fees**

(₹ Lakh)

Particulars	As at 31.03.2023
Audit Fees	0.40
Total Audit Fees	**0.40**

12 Deferred Tax Assets not recognised as a matter of prudence and provsion for current tax is not made in view of assessable loss for the year.

13 Contingent Liability : NIL

14 Expenditure in Foreign currency : NIL

VATSARAJ & CO. FRN 111327W CHARTERED ACCOUNTANTS

PIRAMAL PAYMENT SERVICES LIMITED

Notes forming part of the Financial Statements

Note: 15

Fair value measurement

A **Accounting classification and fair values**

The carrying value of financial instruments by categories are as follows:

(₹ Lakh)

Particulars	31-Mar-23		
	Fair Value through Profit and Loss	Fair Value through OCI	Amortised Cost
Financial assets			
Cash and cash equivalents	-		549.24
Others	-	-	-
	-	**-**	**549.24**
Financial liabilities			
Borrowings	-	-	-
Trade Payable	-	-	-
Other financial liability	-		12.83
	-	**-**	**12.83**

VATSARAJ & CO. FRN 111327W CHARTERED ACCOUNTANTS

PIRAMAL PAYMENT SERVICES LIMITED

Notes forming part of the Financial Statements

FINANCIAL INSTRUMENTS – FAIR VALUES AND RISK MANAGEMENT

Note 15 Cont'd

B Measurement of fair values

Fair value hierarchy

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the company has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows

(₹ Hundred)

Assets and liabilities which are measured at amortised cost for which fair values are disclosed as at March 31, 2023	Carrying Amount	Level 1	Level 2	Level 3	Total
Financial assets					
Cash and bank balances	549.24				549.24
Total financial assets	**549.24**	-	-	-	**549.24**
Financial liabilities					
Borrowings	-				-
Trade Payable					
Other financial liability	12.83				12.83
Total financial liabilities	**12.83**	-	-	-	**12.83**

The financial instruments are categorised into three levels based on the inputs used to arrive at fair value measurments as described below:

Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities.

Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable,

Level 3: techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

The following methods and assumptions were used to estimate the fair value

Fair value of cash and cash equivalents, bank balances other than cash and cash equivalent, trade receivables, loans and other financial assets, trade payables, other financial liabilities approximate their carrying amounts largely due to current maturities of these instruments.

The fair value of the financial instruments that are not traded in an active market is determined using valuation techniques. The Company uses its judgment to select a variety of methods and make assumptions that are mainly based on market conditions existing at the end of each reporting period.

VATSARAJ & CO. FRN 111327W CHARTERED ACCOUNTANTS

PIRAMAL PAYMENT SERVICES LIMITED
Notes forming part of the Financial Statements

Note 15 Cont'd
Financial instruments – Fair values

B **Financial Risk Management**

Risk management framework

The Company's principal financial liabilities comprise trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include cash and cash equivalents that derive directly from its operations

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below:

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The Company manages liquidity risk by maintaining adequate reserves, by continuously monitoring forecast and actual cash flows and matching the maturity profiles of the financial assets and liabilities

VATSARAJ & CO. FRN 111327W CHARTERED ACCOUNTANTS

16 The Company does not have any income from operations during the period. Accordingly, disclosure requirement under Ind AS 108 - Operating Segment are not applicable.

17 **Micro, small and medium enterprises disclosure**

The identification of Micro, Small and Medium enterprises is based on the management's knowledge of their status. The Company has not received any intimation from suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006

Disclosures required under section 22 of the Micro, Small and Medium Enterprises Development Act, 2006, (MSMED Act).

	Particulars	As on 31-Mar-2023
(i)	Principal amount remaining unpaid to any supplier as at the end of the accounting year.	-
(ii)	Interest due thereon remaining unpaid to any supplier as at the end of the accounting year.	-
(iii)	The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day.	-
(iv)	The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act.	-
(v)	The amount of interest accrued and remaining unpaid at the end of the accounting year.	-
(vi)	The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23.	-

Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors.

18 **Details of Loans and Investments as required u/s 186(4) of Companies Act, 2013:-**

1. Loans and advances in the nature of loans to related parties - Nil
2. Gurantees given by the Company in respect of loans as on 31st Mar 2023 - Nil

19 **Maturity analysis of assets and liabilities**

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

(₹ Lakh)

	As on 31-Mar-2023		
	Within 12 months	**After 12 months**	**Total**
<u>ASSETS</u>			
Financial assets			
Cash and cash equivalents	-		-
Bank Balances other than cash and cash equivalent	549.24	-	549.24
<u>Receivables</u>			
(i) Trade receivables	-	-	-
Loans	-	-	-
Investments	-		-
Other Financial assets	-		-
Sub total	**549.24**	**-**	**549.24**
Non-financial assets			
Non current Tax assets (Net)	-	-	-
Investment Property	-	-	-
Property, Plant and Equipment	-	-	-
Other Intangible assets	-	-	-
Other Non-financial assets	-	-	-
Sub total	**-**	**-**	**-**
Total Assets	**549.24**	**-**	**549.24**
<u>LIABILITIES AND EQUITY</u>			
LIABILITIES			
Financial liabilities			
Derivative financial instruments	-	-	-
<u>Payables</u>			
Trade payables	-	-	-
Borrowings	-	-	-
Deposits	-	-	-
Other Financial liabilities	12.83	-	12.83
Sub total	**12.83**	**-**	**12.83**
Non-Financial liabilities			
Current tax liabilities (Net)	-	-	-
Provisions	-	-	-
Deferred tax liabilities (Net)	-	-	-
Other non-financial liabilities	-	-	-
Sub total	**-**	**-**	**-**
Total Liabilities and equity	**12.83**	**-**	**12.83**

VATSARAJ & CO.
FRN 111327W
CHARTERED ACCOUNTANTS

PIRAMAL PAYMENT SERVICES LIMITED

Notes forming part of the Financial Statements

20 Ratio as per the Schedule III requirements

i) Capital to risk-weighted assets ratio (CRAR)- Stock of High Quality Liquid Assets divided by Expected cash outflows for 30 days

Particulars	31-Mar-23
High Quality Liquid Assets	549.24
Total net Cashflow amounts	12.83
Ratio	4281%
% Change from previous period/ year	NA

ii) **Tier I CRAR**

Particulars	31-Mar-23
Net owned fund	-
Total risk weighted assets	-
Ratio	0.00%
% Change from previous period/ year	0.00%

iii) **Tier II CRAR**

Particulars	31-Mar-23
Aggregate Tier II Capital	-
Total risk weighted assets	-
Ratio	0.00%
% Change from previous period/ year	0.00%

iv) **Liquidity Coverage Ratio**

Particulars	31-Mar-23
High Quality Liquid Assets	549.24
Total net Cashflow amounts for next 30 days	(105.17)
Ratio	(522.24%)
% Change from previous period/ year	NA

21 Additional Regulatory Information required by Schedule III

i) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.

ii) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

iii) Details of transactions with the companies struck off under section 248 of Companies Act, 2013 or section 560 of Companies Act, 1956 are as follows:

Nature of transactions with struck-off Company	Name of Struck off comapany	Balance outstanding amounts in consideration as on 31 March 2023	Relationship with the Struck off company, if any, to be disclosed
Investment in Securities		-	Not Applicable
Receivable		-	Not Applicable
Payables		-	Not Applicable
Shares held by struckofcompany		-	Not Applicable
Other outstanding balance		-	Not Applicable

iv) The Company have not traded or invested in Crypto currency or Virtual Currency during the period.

v) The Company have not advanced or loaned or invested funds to any other person (s)or entity (ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

a) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries); or

b) Provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

vi) The Company have not received any fund from any person (s)or entity (ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall:

a) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries); or

b) Provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

vii) The Company have not had any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.

viii) The Company does not own or lease any immovable property.

22 Foreseable losses

The Compny does not have any long term contracts which are required to be assessed for material forseable losses.

23 Other matters

Information with regard to other matters specified in Schedule III to the Act is either Nil or not applicable to the Company for the year.

24 Previous year's figures

This being the first year, there are no comparable figures for the previous year and the statement of Profit & Loss is for the period 29th April 2022 to 31st March 2023.

For Vatsaraj & Co.
Chartered Accountants
ICAI FRN: 111327W

Dr. CA B. K. Vatsaraj
Partner
M No.: 39894
Place: Mumbai
Date:

For and behalf of the Board of Directors

Mr. Jairam Sridharan
Director
DIN :05165390
Date: 03/05/2023

Mr. Jagdeep Mallareddy
Director
DIN :07492539
Date: 03/05/2023

VATSARAJ & CO. FRN 111327W CHARTERED ACCOUNTANTS

Piramal Payment Services Limited Mumbai

K.K. MANKESHWAR & CO.
CHARTERED ACCOUNTANTS

121, POCKET-I JASOLA
NEW DELHI - 110 025
Tel. : +91-11-41402828
del@kkmindia.com

Independent Auditor's Report

To The Members of DHFL Advisory & Investments Private Limited

Report on Audit of Financial Statements

Opinion

We have audited the accompanying Financial Statements of M/s DHFL Advisory & Investments Private Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2023, and the Statement of Profit and Loss (including other comprehensive income), Statement of Changes in Equity and Cash Flow Statement for the year then ended, and notes to the Financial Statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "Financial Statements").

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 accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, of its loss and total comprehensive income (comprising loss and other comprehensive income), changes in equity and its cash flows for the year then ended on that date.

Basis for opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of 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 the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

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

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

In connection with our audit of the financial statements, our responsibility is to read the other information 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 in the audit or otherwise appears to be materially misstated.

K.K. Mankeshwar & Co. Chartered Accountants

When we read the director's report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take appropriate action as applicable under the relevant laws and regulations.

Responsibilities of management and those charged with governance for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these Financial Statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under Section 133 of the Act.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate implementation and maintenance of accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the 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 are also responsible for overseeing the company's financial reporting process.

Auditor's responsibilities for the 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 auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Financial Statements.

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 the override of internal control.

Chartered Accountants

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the Financial Statements, including 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.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 (the "Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

2. As required by section 143(3) of the Act, we report, to the extent applicable, that:

   a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

   b. In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;

   c. The Balance Sheet, Statement of Profit and Loss including Other Comprehensive Income, the Statement of changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account;

   d. In our opinion, the aforesaid Financial Statements comply with the Accounting Standards specified under Section 133 of the Act read with Companies (Indian Accounting Standards) rules, 2015 as amended.

Mankeshwar & Co. Chartered Accountants

e. On the basis of the 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 Section 164 (2) of the Act;

f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B"; and

g. The provision of section 197 read with schedule V of the Act are not applicable to the company for the year ended 31st March, 2023; 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:

   i) The Company has disclosed the impact of pending litigations on its financial position in its Financial Statements- refer Note -15 to the Financial Statements;

   ii) The Company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses;

   iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

   iv) (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, 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) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("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;

   (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

Chartered Accountants

(v) The Company has not declared/paid any dividend during the year and hence provision of Section 123 of the Act is not applicable.

Bachchas

DINESH KUMAR BACHCHAS
Partner
Membership No. 097820
For and on behalf of
K.K.MANKESHWAR & CO.,
Chartered Accountants
FRN:- 106009W
UDIN:23097820BGVRGO2654
New Delhi, dated the
03 MAY 2023

K.K. Mankeshwar & Co. Chartered Accountants

Annexure "A" to the Independent Auditors' Report
The Annexure referred to in paragraph 1 under "Report on Other Legal and Regulatory Requirement" section of our Independent Auditors' Report to the members of the Company on the financial statements for the year ended March 31, 2023, we report that:

1. In respect of the Company's Property, Plant and Equipment and Intangible Assets:
   a. The Company does not have any property, plant and equipment as at 31st March, 2023 hence reporting under clause 3(i)(a) to 3(i)(d) of the Order is not applicable.

   b. No proceedings have been initiated during the year or are pending against the Company as at March 31, 2023 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

2. As the Company does not have any inventory at the year end, accordingly clauses (ii)(a) and (ii)(b) of paragraph 3 of the Order is not applicable to the Company.

3. The Company has not made any investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnership or any other parties. Therefore, the provisions of the Clause 3(iii), (iii)(a), (iii)(b), (iii)(c), (iii)(d), (iii)(e), and (iii)(f) of the said Order are not applicable to the Company.

4. In our opinion and according to the information and explanations given to us, the Company has not advanced loans to directors including entities in which the Director is interested to which Section 185 of the Companies Act 2013 apply and hence not commented upon. Further as per information and explanation given to us by the management, provisions of Section 186 of the Companies Act 2013 in respect of loans and advances given have been complied with by the Company. Hence, provisions of Section 186 of the Companies Act 2013 in respect of investments made and, guarantees and securities given not applicable to the Company.

5. The Company has not accepted any deposits from the public within the meaning of Section 73, 74, 75 and 76 of the Act and the Rules framed there under to the extent notified.

6. According to the information and explanation given to us, we are informed that the maintenance of cost records has not been prescribed by the Central Government under sub-section (1) of section 148 of the Companies Act 2013.

7. According to the information and explanation given to us, in respect of statutory dues:

   a) According to information and explanations given to us and on the basis of our examination of the books of accounts, and records, the Company is regular in depositing undisputed statutory dues including income-tax, as applicable, with appropriate authorities though there has been slight delay in one case. The provisions relating to provident fund, employees' state insurance, goods and service tax, custom duty, cess and other statutory dues are not applicable to the Company during the year.

K. K. Mankeshwar & Co. Chartered Accountants

According to the information and explanations given to us, no undisputed amounts payable in respect of the above were in arrears as at March 31, 2023 for a period of more than six months from the date on when they become payable.

b) According to the information and explanations given to us and the records of the Company, there is no due in respect of income tax, goods and service tax and duty of customs as on 31st March 2023 which have not been deposited on account of a dispute are as follows:

Name of Statute	Nature of dues	Amount (Rs in Lakh)	Period for which the amount related	Forum where dispute is pending
Income Tax	Disallowance u/s 14A	99.45	A.Y 2017-18	ITAT- U/s 156
Income Tax	Disallowance u/s 14A	105.10	A.Y 2018-19	ITAT- U/s 156

8. There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961(43 of 1961).

9. (a) The Company has not taken any loans or other borrowings from any lender. Hence reporting under clause 3(ix)(a) of the Order is not applicable.

(b) The Company has not been declared wilful defaulter by any bank or financial institution orgovernment or any government authority.

(c) The Company has not taken any term loan during the year and there are no outstanding term loans at the beginning of the year and hence, reporting under clause 3(ix)(c) of the Order isnot applicable.

(d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.

(e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries.

(f) The Company has not raised any loans during the year and hence reporting on clause 3(ix)(f) of the Order is not applicable.

10. (a) The Company has not raised money by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.

(b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3(x)(b) of the Order is not applicable.

K K Maheshwari & Co. Chartered Accountants

11. (a) No fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

(b) No report under sub-section (12) of section 143 of the Companies 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 and upto the date of this report.

(c) According to the information and explanations given to us, there were no whistle blower complaints received during the year by the Company.

12. The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.

13. According to the information and explanation given to us and based on the examination of the records of the Company, all transaction with related parties are in compliance with section 188 of Companies Act, 2013 wherever applicable and the details have been disclosed in the financial statements, as required by the applicable accounting standards. The Provision of section 177 are not applicable to the company and accordingly reporting under clause 3(xiii) insofar as it relates to section 177 of the Act is not applicable to the company and hence not commented upon.

14. (a) According to the information and explanations given by the management, the company has an internal audit system commensurate with the size and nature of its business.

(b) We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.

15. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, clause (xv) of paragraph 3 of the Order is not applicable.

16. (a) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a), (b) and (c) of the Order is not applicable.

(b) Based on the information and explanations given to us and as represented by the management of the Company, the Group (as defined in Core Investment Companies (Reserve Bank) Directions, 2016) does not have any CIC.

17. The Company has incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.

18. There has been no resignation of the statutory auditors of the Company during the year.

K.K. Mankeshwar & Co.
Chartered Accountants

19. According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, our knowledge of the plans of the Board of Directors and management 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.

20. (a) There are no unspent amounts towards Corporate Social Responsibility (CSR) on other thanongoing projects requiring a transfer to a Fund specified in Schedule VII to the Companies Act in compliance with second proviso to sub-section (5) of Section 135 of the said Act. Accordingly, reporting under clause 3(xx)(a) of the Order is not applicable for the year.

(b) There are no any amount remaining unspent under sub-section (5) of section 135 of the Companies Act, pursuant to any ongoing project, has been transferred to special account in compliance with the provision of sub-section (6) of section 135 of the said Act. Accordingly, reporting under clause 3(xx)(b) of the Order is not applicable for the year.

DINESH KUMAR BACHCHAS
Partner
Membership No. 097820
For and on behalf of
K.K.MANKESHWAR & CO.,
Chartered Accountants
FRN:- 106009W
UDIN:23097820BGVRG02654
New Delhi, dated the
03 MAY 2023

K.K. Mankeshwar & Co. Chartered Accountants

"ANNEXURE B" TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF DHFL ADVISORY & INVESTMENTS PRIVATE LIMITED

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 M/s DHFL Advisory & Investments Private Limited ("the Company") as of March 31, 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. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

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 Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence 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.

K K Mankeshwar & Co. Chartered Accountants

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit 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 March 31, 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.

DINESH KUMAR BACHCHAS
Partner
Membership No. 097820
For and on behalf of
K.K.MANKESHWAR & CO.,
Chartered Accountants
FRN:- 106009W
UDIN: 23097820BGVRGO2654
New Delhi, dated the
03 MAY 2023

K.K. Mankeshwar & Co. Chartered Accountants

DHFL ADVISORY & INVESTMENTS PRIVATE LIMITED

Balance Sheet as at 31st March, 2023

Amount in (₹ Lakh)

	Particulars	Note	As at 31.03.23	As at 31.03.22
I	Assets			
A	Non Current Assets			
(a)	Financial Asset			
	i) Others Financial Asset	3	1.55	1.55
B	Current Assets			
(a)	Financial Asset			
	i) Cash & Cash Equivalent	4	56.81	60.34
(b)	Other current asset	5	0.29	0.27
	Total Assets		58.65	62.16
I	Equity and Liabilities			
A	Equity			
(a)	Equity Share Capital	6	7,501.00	7,501.00
(b)	Other Equity	7	(7,448.22)	(7,442.78)
B	Liabilities			
(a)	Current Liabilities			
(i)	Financial Liabilities			
	i) Other Financial Liabilities	8	5.72	3.78
(ii)	Other Current Liabilities	9	0.15	0.16
	Total Equity and Liabilities		58.65	62.16
	Significant Accounting Policies and Explanatory Information forming part of the Financial Statements	1-23		

This is the Balance Sheet referred to in our report of even date

DINESH KUMAR BACHCHAS
Partner
Membership No. 097820
For and on behalf of
K.K.MANKESHWAR & CO.,
Chartered Accountants
FRN:- 106009W

K.K. Mankeshwar & Co. Chartered Accountants

New Delhi, dated the 03 May, 2023

For and behalf of the Board of Directors

Mr. Pradeep Sawant
Director
DIN : 09857171

Mr. Nirav Adani
Director
DIN:10122297

DHFL Advisory & Investments Pvt. Ltd. Mumbai

DHFL ADVISORY & INVESTMENTS PRIVATE LIMITED

Statement of Profit & Loss for Year ended 31st March, 2023

Amount in (₹ Lakh)

	Particulars	Notes	Year ended 31.03.2023	Year ended 31.03.2022
I	INCOME			
	(a) Revenue from Operation		-	-
	(b) Other Income	10	0.02	1.28
	TOTAL INCOME		0.02	1.28
II	EXPENSES			
	(a) Other Expenses	11	5.46	3.56
	TOTAL EXPENSES		5.46	3.56
III	Profit / (Loss) before tax		(5.44)	(2.28)
IV	Less: Provision for Taxation			
	(a) Current Tax		-	-
	(b) Deferred Tax Charge		-	-
V	Profit / (Loss) for the year (III - IV)		(5.44)	(2.28)
VI	Other comprehensive income			-
VII	Total Comprehensive Income/(Loss) for the Year (V + VI)		(5.44)	(2.28)
	Paid up Equity Share Capital (Face value ₹10/- each)		7,501.00	7,501.00
VIII	Earnings per Equity share (face value ₹ 10 each)	14		
	Basic (₹)		(0.01)	(0.00)
	Diluted (₹)		(0.01)	(0.00)
	Significant Accounting Policies and Explanatory Information forming part of the Financial Statements	1-23		

This is the Statement of Profit and Loss referred to in our report of even date

DINESH KUMAR BACHCHAS
Partner
Membership No. 097820
For and on behalf of
K.K.MANKESHWAR & CO.,
Chartered Accountants
FRN:- 106009W

K.K. Mankeshwar & Co. Chartered Accountants

New Delhi, dated the 03 May, 2023

For and behalf of the Board of Directors

Mr. Pradeep Sawant
Director
DIN : 09857171

Mr. Nirav Adani
Director
DIN:10122297

DHFL ADVISORY & INVESTMENTS PRIVATE LIMITED

Cash Flow Statement for Year Ended 31st March, 2023

Amount in (₹ Lakh)

Particulars	Year Ended 31.03.2023		Year Ended 31.03.2022	
A. CASH FLOW FROM OPERATING ACTIVITIES				
Net Profit/(Loss) Before Tax as per Statement of Profit and Loss		(5.44)		(2.28)
Adjustments for:				
Liability written Back		-		(1.26)
Interest on Loan		(0.02)		(0.02)
Operating Profit/(Loss) before Working capital changes		(5.46)		(3.56)
Changes in Working capital				
Other current asset	-		(0.25)	
Other Liabilities	1.93		0.25	
Working Capital changes		1.93		(0.00)
Cash generated from operations during the year		(3.53)		(3.56)
Less: Income Tax (Paid) / Received (Net)		-		-
Net Cash generated From / (Used In) Operating Activities		(3.53)		(3.56)
B. CASH FLOW FROM INVESTING ACTIVITIES				
Net Cash generated From / (Used In) Investing Activities		-		-
C. CASH FLOW FROM FINANCING ACTIVITIES				
Net Cash generated From / (Used In) Financing Activities		-		-
Net Increase/ (Decrease) in Cash Equivalents		(3.53)		(3.56)
Cash and Cash Equivalents at Beginning of the Year		60.34		63.90
Cash and Cash Equivalents at the End of the year		56.81		60.34
Components of Cash & Cash Equivalent				
Balance with bank in current account		56.80		60.33
Cash on Hand		0.01		0.01
		56.81		60.34

This is the Cash Flow referred to in our report of even date.

DINESH KUMAR BACHCHAS
Partner
Membership No. 097820
For and on behalf of
K.K.MANKESHWAR & CO.,
Chartered Accountants
FRN:- 106009W

K.K. Mankeshwar & Co. Chartered Accountants

New Delhi, dated the 03 May, 2023

For and behalf of the Board of Directors

Mr. Pradeep Sawant	**Mr. Nirav Adani**
Director	**Director**
DIN : 09857171	**DIN:10122297**

DHFL Advisory & Investments Pvt. Ltd. Mumbai

DHFL ADVISORY & INVESTMENTS PRIVATE LIMITED

Statement of Changes in Equity
(All amount in INR Lakh, except number of share and per share data, unless otherwise stated)

A Equity Share Capital

(1) Current reporting period

Balance at the beginning of the current reporting year as at 1.4.2022	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting year	Changes in equity share capital during the current year	Balance at the end of the current reporting year as at 31.03.2023
7,501.00	-	7,501.00	-	7,501.00

(2) Previous reporting period

Balance at the beginning of the current reporting year as at 1.4.2021	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting year	Changes in equity share capital during the current year	Balance at the end of the current reporting year as at 31.03.2022
7,501.00	-	7,501.00	-	7,501.00

B Other Equity

Particulars	Reserves & Surplus
	Retained Earnings
As at 1st April'21	(7,440.49)
Profit/(loss) for the year ended	(2.29)
As at 31st March' 22	(7,442.78)
As at 1st April '22	(7,442.78)
Profit/(loss) for the Year Ended	(5.44)
As at 31st March' 23	(7,448.22)

This is the Statement of Changes in Equity referred to in our report of even date

DINESH KUMAR BACHCHAS
Partner
Membership No. 097820
For and on behalf of
K.K.MANKESHWAR & CO.,
Chartered Accountants
FRN:- 106009W

K.K. Mankeshwar & Co. Chartered Accountants

For and behalf of the Board of Directors

Mr. Pradeep Sawant
Director
DIN : 09857171

Mr. Nirav Adani
Director
DIN:10122297

New Delhi, dated the 03 May, 2023

DHFL Advisory & Investments Pvt. Ltd. Mumbai

DHFL ADVISORY & INVESTMENTS PRIVATE LIMITED

Significant Accounting Policies and Explanatory Information forming part of the Financial Statements for the year ended 31st March, 2023

1. **Corporate information**

DHFL Advisory & Investments Pvt. Ltd. (DAIPL), incorporated under the Companies Act, 2013, is a subsidiary company of Piramal Capital and Housing Finance Limited (Formerly Dewan Housing Finance Corporation Limited) and carrying on the business of providing all kinds of advisory / consultancy services and fees based intermediation activities including but not limited to the treasury, banking, insurance and other financial services as well as marketing, advertising and business promotional activities; soliciting or procuring insurance business as a corporate agent in respect of all classes of insurance, consulting for soliciting of all types of loans, investment and portfolio research, market research. DAIPL has its registered office in Mumbai.

The Financial Statement were authorised for issue by the Company's Board of Directors on 03rd May, 2023.

2. **Significant Accounting Policies**

This note provides a list of the significant accounting policies adopted in the preparation of these financial statements ('financial statements'). These policies have been consistently applied to all the years presented, unless otherwise stated.

2.1 Basis of Preparation and Presentation

The financial statements have been prepared and presented under historical cost convention on a going concern and an accrual basis in accordance with the Indian Accounting Standards ("Ind AS") and the relevant provisions of the Companies Act, 2013 (the "Act") (to the extent notified). The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued thereafter.

As per 2nd proviso to rule 6 of Companies (Accounts) Rules 2014, as amended by Companies (Account) Amendment Rules 2014, consolidation is not applicable in preparation of consolidated financial statement by an intermediate wholly-owned subsidiary, other than a wholly-owned subsidiary whose immediate parent is a company incorporated outside India. The Company being intermediate wholly owned subsidiary of (PCHFL), consolidation of financial statement of DHFL Pramerica Assets Managers Pvt. Ltd. with the company has not been carried.

Historical cost convention

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. The financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period.

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. The measurement and/ or disclosure in these financial statements has been accordingly determined except for share based payment transactions, leasing transactions and certain other transactions that are required to be valued in accordance with Ind AS 102, Ind AS 17 and Ind AS 36, respectively.

Chartered Accountants

DHFL ADVISORY & INVESTMENTS PRIVATE LIMITED

Significant Accounting Policies and Explanatory Information forming part of the Financial Statements for the year ended 31st March, 2023

2.1.A The company has incurred a loss of Rs. 5.44 Lacs during the year ended 31 March 2023 and the accumulated losses as at 31 March, 2023 amounting to Rs. 7,448.22 Lacs. The considering present available cash and cash equivalent is sufficient to sustain the current level of operations and the management is in the process of exploring business opportunities, hence the financial statements are prepared on a going concern basis.

2.2 Presentation of financial statements

The Balance Sheet and the Statement of Profit and Loss are prepared and presented in the format prescribed in the Schedule III to the Act. The Statement of Cash Flows has been prepared and presented as per the requirements of Ind AS 7 "Statement of Cash Flows".

Amounts in the financial statements are presented in Indian Rupees in Lakhs. Per share data is presented in Indian Rupee.

2.3 Operating Cycle

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification.

An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is treated as current when it is:

- Expected to be settled in normal operating cycle.
- Due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

K K Mankeshwar & Co. Chartered Accountants

DHFL ADVISORY & INVESTMENTS PRIVATE LIMITED

Significant Accounting Policies and Explanatory Information forming part of the Financial Statements for the year ended 31st March, 2023

2.4 Revenue recognition

Revenue from contract with customers is recognised in the Statement of Profit and Loss through following steps:

i. Identification of the contract or contracts with the customers
ii. Identification of the performance obligations in the contracts
iii. Determination of the transaction price
iv. Allocation of the transaction price to the performance obligations in the contract
v. Recognition of revenue when company satisfy a performance obligation.

Revenue, mainly comprises of charges towards Advisory and Consultancy services. The same is recognized on performance of service.

2.5 Taxes on income

Income tax expense represents the sum of the tax currently payable and deferred tax. Income tax expense comprises current and deferred taxes. Income tax expense is recognized in the Statement of Profit and Loss except when they relate to items that are recognized outside profit or loss (whether in other comprehensive income or directly in equity), in which case tax is also recognized outside profit or loss.

Current Tax

The tax currently payable is based on the estimated taxable profit for the year for the Company and is calculated using applicable tax rates and tax laws that have been enacted or substantively enacted. Taxable profit differs from 'profit before tax' as reported in the Statement of Profit and Loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The current tax is calculated using applicable tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax

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. Such deferred tax assets and liabilities are computed separately for each taxable entity. 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 carry-forwards 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.

K K Mankeshwar & Co. Chartered Accountants

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.

Deferred tax assets include Minimum Alternative Tax (MAT) paid in accordance with the tax laws in India, which gives rise to future economic benefits in the form of adjustment of future income tax liability. Accordingly, MAT is recognized as deferred tax asset in the balance sheet when the assets can be measured reliably and it is probable that the future economic benefit associated with the asset will be realized.

2.6 Provisions, contingent liabilities and contingent assets

- Provisions are recognised only when: an entity has a present obligation (legal or constructive) as a result of a past event; and
- it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and
- a reliable estimate can be made of the amount of the obligation

Provision is measured using the cash flows estimated to settle the present obligation and when the effect of time value of money is material, the carrying amount of the provision is the present value of those cash flows. Reimbursement expected in respect of expenditure required to settle a provision is recognised only when it is virtually certain that the reimbursement will be received.

Contingent liability is disclosed in case of:

- a present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation; and
- a present obligation arising from past events, when no reliable estimate is possible.

Where the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under such contract, the present obligation under the contract is recognised and measured as a provision.

Contingent Assets:

Contingent assets are not recognised but disclosed in the financial statements when economic inflow is probable.

Provisions, contingent liabilities and contingent assets are reviewed at each Balance Sheet date.

2.7 Cash and cash equivalents

Cash and cash equivalents include cash on hand, balance in current account and Balances with banks in deposits accounts with original maturity of less than 3 months. 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.

K.K. Mankeshwar & Co. Chartered Accountants

2.8 Earnings per share

The Company reports basic and diluted earnings per share in accordance with Ind AS 33 on Earnings per share. The basic earnings per share is computed by dividing the net profit attributable to the equity shareholders by weighted average number of equity shares outstanding during the reporting year.

The number of equity shares used in computing diluted earnings per share comprises the weighted average number of shares considered for deriving basic earnings per share and also weighted average number of equity shares which would have been issued on the conversion of all dilutive potential shares. In computing diluted earnings per share only potential equity shares that are dilutive are included.

2.9 Segments

Based on "Management Approach" as defined by Ind AS 108, The Chief Operating Decision Maker (CODM) evaluates the "Operating Segments". Operating segments are reported in a manner consistent with the internal reporting provided to the CODM. The accounting policies adopted for segment reporting are in conformity with the accounting policies adopted for the Company. Revenue and expenses have been identified to segments on the basis of their relationship to the operating activities of the segment. Income / costs which relate to the Company as a whole and are not allocable to segments on a reasonable basis have been included under Unallocated Income / Costs.

2.10 Statement of Cash Flows

Statement of Cash Flows is prepared segregating the cash flows into operating, investing and financing activities. Cash flow from operating activities is reported using indirect method.

Cash and cash equivalents (including bank balances) shown in the Statement of Cash Flows exclude items which are not available for general use as on the date of Balance Sheet.

2.11 Exceptional items

An item of income or expense which its size, type or incidence requires disclosure in order to improve an understanding of the performance of the Company is treated as an exceptional item and the same is disclosed in the notes to accounts.

2.12 Commitments

Commitments are future liabilities for contractual expenditure, classified and disclosed as follows:

- Estimated amount of contract remaining to be executed on capital account and not provided for;
- other non-cancellable commitments, if any, to the extent they are considered material and relevant in the opinion of management.

K. K. Mankeshwar & Co. Chartered Accountants

2.13 Financial Instruments

Recognition of Financial Instruments

Financial instruments comprise of financial assets and financial liabilities. Financial assets and financial liabilities are recognised in the Company's balance sheet when the Company becomes a party to the contractual provisions of the instrument. Financial assets primarily comprise of investments, trade receivables and cash and cash equivalents. Financial liabilities primarily comprise of borrowings and other payables.

Initial Measurement of Financial Instruments

Recognised financial assets and financial liabilities are initially measured at fair value. Transaction costs and revenues that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at FVTPL) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs and revenues directly attributable to the acquisition of financial assets or financial liabilities at FVTPL are recognised immediately in the Statement of Profit and Loss.

If the transaction price differs from fair value at initial recognition, the Company will account for such difference as follows:

- if fair value is evidenced by a quoted price in an active market for an identical asset or liability or based on a valuation technique that uses only data from observable markets, then the difference is recognised in the Statement of Profit and Loss on initial recognition (i.e. day 1 profit or loss);
- in all other cases, the fair value will be adjusted to bring it in line with the transaction price (i.e. day 1 profit or loss will be deferred by including it in the initial carrying amount of the asset or liability).

After initial recognition, the deferred gain or loss will be released to profit or loss on a rational basis, only to the extent that it arises from a change in a factor (including time) that market participants would take into account when pricing the asset or liability.

Financial Assets - Classification

- debt instruments that are held within a business model whose objective is to collect the contractual cash flows, and that have contractual cash flows that are solely payments of principal and interest on the principal amount outstanding (SPPI), are subsequently measured at amortised cost;
- all other debt instruments (e.g. debt instruments managed on a fair value basis, or held for sale) and equity investments are subsequently measured at FVTPL.

K K Mankeshwar & Co. Chartered Accountants

However, the Company may make the following irrevocable election / designation at initial recognition of a financial asset on an asset-by-asset basis:

- the Company may irrevocably elect to present subsequent changes in fair value of an equity investment that is neither held for trading nor contingent consideration recognised by an acquirer in a business combination to which Ind AS 103 applies, in OCI; and
- the Company may irrevocably designate a debt instrument that meets the amortised cost or FVTOCI criteria as measured at FVTPL if doing so eliminates or significantly reduces an accounting mismatch (referred to as the fair value option).

A financial asset is held for trading if:

- it has been acquired principally for the purpose of selling it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Group manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument or a financial guarantee

Investment in equity instruments at FVOCI

The Company subsequently measures all equity investments at fair value through profit or loss, unless the Company's management has elected to classify irrevocably some of its equity investments as equity instruments at FVOCI.

The Company has not elected to classify any equity investment at FVOCI.

Debt instruments at amortised cost or at FVTOCI

The Company assesses the classification and measurement of a financial asset based on the contractual cash flow characteristics of the asset individually and the Company's business model for managing the asset.

For an asset to be classified and measured at amortised cost or at FVTOCI, its contractual terms should give rise to cash flows that are meeting SPPI test.

For the purpose of SPPI test, principal is the fair value of the financial asset at initial recognition. That 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.

K K Mankeshwar & Co. Chartered Accountants

DHFL ADVISORY & INVESTMENTS PRIVATE LIMITED

Significant Accounting Policies and Explanatory Information forming part of the Financial Statements for the year ended 31st March, 2023

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 individually and together to achieve a particular business objective.

When a debt instrument measured at FVTOCI is derecognised, the cumulative gain/loss previously recognised in OCI is reclassified from equity to profit or loss. In contrast, for an equity investment designated as measured at FVTOCI, the cumulative gain/loss previously recognised in OCI is not subsequently reclassified to profit or loss but transferred within equity.
Debt instruments that are subsequently measured at amortised cost or at FVTOCI are subject to impairment.

Financial assets at fair value through profit or loss (FVTPL)
Investments in equity instruments are classified as at FVTPL, unless the Company irrevocably elects or initial recognition to present subsequent changes in fair value in other comprehensive income for investments in equity instruments which are not held for trading.

Debt instruments that do not meet the amortised cost criteria or FVTOCI criteria are measured at FVTPL. In addition, debt instruments that meet the amortised cost criteria or the FVTOCI criteria but are designated as at FVTPL are measured at FVTPL upon initial recognition if such designation eliminates or significantly reduces a measurement or recognition inconsistency that would arise from measuring assets or liabilities or recognising the gains and losses on them on different bases.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on remeasurement recognised in statement of profit or loss.

Subsequent Measurement of Financial assets
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.

The Company business model objective is to hold financial assets in order to collect contractual cash flows. The contractual terms of the financial asset give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding on specified dates. During the current year due to certain market conditions, the company has sold financial assets during the year by way of assignment transactions which does not impact the business model of the Company and hence the Company continues to carry the financial assets at amortised cost.

K.K. Mankeshwar & Co. Chartered Accountants

DHFL ADVISORY & INVESTMENTS PRIVATE LIMITED

Significant Accounting Policies and Explanatory Information forming part of the Financial Statements for the year ended 31st March, 2023

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. During the current financial year and previous financial year there was no change in the business model under which the Company holds financial assets and therefore no reclassifications were made.

Impairment

The Company measures the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses. 12-month expected credit losses are portion of the life-time expected credit losses and represent the lifetime cash shortfalls that will result if default occurs within the 12 months after the reporting date and thus, are not cash shortfalls that are predicted over the next 12 months.

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.

For assessing increase in credit risk and impairment loss, the company combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

Impairment losses and releases are accounted for and disclosed separately from modification losses or gains that are accounted for as an adjustment of the financial asset's gross carrying value.

The Company has established a policy to perform an assessment, at the end of each reporting period, of whether a financial instrument's credit risk has increased significantly since initial recognition, by considering the change in the risk of default occurring over the remaining life of the financial instrument.

The impairment requirements for the recognition and measurement of a loss allowance are equally applied to debt instruments at FVTOCI except that the loss allowance is recognised in other comprehensive income and is not reduced from the carrying amount in the balance sheet.

The Financial assets for which the Company has no reasonable expectations of recovering either the entire outstanding amount, or a proportion thereof, the gross carrying amount of the financial asset is reduced. This is considered a (partial) derecognition of the financial asset.

K.K. Mankeshwar & Co. Chartered Accountants

Derecognition of financial assets

A financial asset is derecognised only when:

- The Company has transferred the rights to receive cash flows from the financial assets or
- retains the contractual rights to receive the cash flows of the financial assets, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial assets. In such cases, the financial assets are derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

The Company transfers loans through assignment transactions. In accordance with the Ind AS 109, on derecognition of a financial asset under assignment transactions, the difference between the carrying amount and the consideration received shall be recognised in 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 write-off. 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 gains.

Equity Investments (in subsidiaries)

Investments in subsidiaries, associates and joint venture are carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. On disposal of investments in subsidiaries, associates and joint venture, the difference between net disposal proceeds and the carrying amounts are recognized in the statement of profit and loss.

Financial liabilities and equity

Classification as debt or equity

Debt and equity instruments issued by a Company entity are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

K K Mankeshwar & Co. Chartered Accountants

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.

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain/loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

Debt Instrument

The fair value of the liability portion of an optionally convertible debenture is determined using a market interest rate for an equivalent non-convertible debenture. This amount is recorded as liability on an amortised cost basis until extinguished on conversion or redemption of the debenture. The remainder of the proceeds is attributable to the equity portion of compound instrument. This is recognised and included in shareholder's equity net of income tax effect, and not subsequently remeasured.

Financial liabilities

A financial liability is a contractual obligation to deliver cash or another financial asset or to exchange financial assets or financial liabilities with another entity under conditions that are potentially unfavourable to the Company or a contract that will or may be settled in the Company's own equity instruments and is a non-derivative contract for which the Company is or may be obliged to deliver a variable number of its own equity instruments, or a derivative contract over own equity that will or may be settled other than by the exchange of a fixed amount of cash (or another financial asset) for a fixed number of the Company's own equity instruments.

All financial liabilities are subsequently measured at amortised cost using the effective interest method or at FVTPL. However, financial liabilities that arise when a transfer of a financial asset does not qualify for derecognition or when the continuing involvement approach applies, financial guarantee contracts issued by the Company, and commitments issued by the Company to provide a loan at below-market interest rate are measured in accordance with the specific accounting policies.

Financial liabilities at FVTPL

Financial liabilities are classified as at FVTPL when the financial liability is either contingent consideration recognised by the Company as an acquirer in a business combination to which Ind AS 103 applies or is held for trading or it is designated as at FVTPL.

A financial liability is classified as held for trading if:

- it has been incurred principally for the purpose of repurchasing it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Group manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument.

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Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost.

Financial liabilities subsequently measured at amortised cost

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method. Interest expense that is not capitalised as part of costs of an asset is included in the 'Finance costs' line item.

The effective interest 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 net carrying amount on initial recognition

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.

2.14 Non-Current Assets held for sale

Non-current assets are classified as held for sale if their carrying amount is intended to be recovered principally through a sale (rather than through continuing use) when the asset is available for immediate sale in its present condition subject only to terms that are usual and customary for sale of such asset and the sale is highly probable and is expected to qualify for recognition as a completed sale within one year from the date of classification.

Non-current assets classified as held for sale are measured at lower of their carrying amount and fair value less costs to sell.

2.15 Critical accounting judgements and key sources of estimation uncertainties

The preparation of the financial statements in conformity with Ind AS requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable.

Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise.

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DHFL ADVISORY & INVESTMENTS PRIVATE LIMITED

Significant Accounting Policies and Explanatory Information forming part of the Financial Statements for the year ended 31st March, 2023

Impairment of financial assets

The impairment provisions for financial assets are based on assumptions about risk of default and expected loss rates. The company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period and accordingly Impairment has been estimated.

Income Taxes

The Company's tax jurisdiction is India. Significant judgements are involved in estimating budgeted profits for the purpose of paying advance tax, determining the provision for income taxes, including amount expected to be paid / recovered for uncertain tax positions.

Fair value measurement of financial instruments

When the fair values of financials 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 valuation techniques which involve various judgements and assumptions.

Going Concern Assumption

Going concern assumption has been applied on the basis that the company will able to continue its operation in the foreseeable future, and without there being any intention or necessity for it to either liquidate or curtail materially its scale of business operations.

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DHFL ADVISORY & INVESTMENTS PRIVATE LIMITED

Significant Accounting Policies and Explanatory Information forming part of the Financial Statements
(All amount in INR Lakh, except number of share and per share data, unless otherwise stated)

3 Others Financial Asset

Particulars	As at 31.03.23	As at 31.03.22
	Amount In Lacs	Amount In Lacs
Security Deposit	1.55	1.55
Total Other Financial Asset	1.55	1.55

4 Cash & Cash Equivalent

Particulars	As at 31.03.23	As at 31.03.22
	Amount In Lacs	Amount In Lacs
Balances with Bank	56.80	60.33
Cash on Hand	0.01	0.01
Total Cash & Cash Equivalent	56.81	60.34

5 Other Current Assets

Particulars	As at 31.03.23	As at 31.03.22
	Amount	Amount
Loan to Related Party*	0.29	0.27
Total Other Current Assets	0.29	0.27

* Repayable on demand

6 Equity Share Capital

Particulars	As at 31.03.23		As at 31.03.22	
	Number	Amount In Lacs	Number	Amount In Lacs
Authorised				
Equity Share of ₹ 10/- each	90,000,000	9,000.00	90,000,000	9,000.00
	90,000,000	9,000.00	90,000,000	9,000.00
Issued, Subscribed & Fully Paid Up				
Equity Share of ₹ 10/- each	75,010,000	7,501.00	75,010,000	7,501.00
Total Equity Share Capital	75,010,000	7,501.00	75,010,000	7,501.00

a The reconciliation of the number of shares outstanding and the amount of share capital as at the beginning and at the end of the reporting period:

Particulars	As at 31.03.23		As at 31.03.22	
	Number	Amount In Lacs	Number	Amount In Lacs
Equity shares at the beginning	75,010,000	7,501.00	75,010,000	7,501.00
Add: Shares issued during the year	-	-	-	-
Equity shares at the end	75,010,000	7,501.00	75,010,000	7,501.00

b The rights, preferences and restrictions attaching to equity shares including restrictions on the distribution of dividends and the repayment of capital;

The Company at present has one class of issued, subscribed and paid up share referred to as equity shares having a par value of ₹ 10/- each. Each holder of equity share is entitled to one vote per share. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

c Shares in respect of equity shares of company held by its holding company or its ultimate holding company including shares held by subsidiaries or associates of the holding company or the ultimate holding company in aggregate;

Particulars	As at 31.03.23		As at 31.03.22	
	Number	% Holding	Number	% Holding
Piramal Capital & Housing Finance Limited (Formerly Dewan Housing Finance Corporation Ltd)	75,009,985	99.99	75,009,985	99.99
(Holding Company)	75,009,985	99.99	75,009,985	99.99

d Shares in respect of Shareholding of Promoters

Shares held by promoters at the end of the year as on 31.3.2023			% Change during the year
Promoter name	No. of Shares	%of total shares	
Piramal Capital & Housing Finance Limited (Formerly Dewan Housing Finance Corporation Ltd)	75,009,985	100%	-

Shares held by promoters at the end of the year as on 31.3.2022			% Change during the year
Promoter name	No. of Shares	%of total shares	
Piramal Capital & Housing Finance Limited (Formerly Dewan Housing Finance Corporation Ltd)	75,009,985	100%	-

7 Other Equity

Particulars	As at 31.03.23		As at 31.03.22	
	Amount in Lacs		Amount in Lacs	
Reserves & Surplus				
Retained Earnings				
Opening Balance	(7,442.78)		(7,440.49)	
Add: Profit / (Loss) for the Year	(5.44)		(2.29)	
Closing Balance	(7,448.22)	(7,448.22)	(7,442.78)	(7,442.78)
Total Other Equity		(7,448.22)		(7,442.78)

8 Other Financial Liabilities

Particulars	As at 31.03.23	As at 31.03.22
	Amount in Lacs	Amount in Lacs
Other Payables	5.72	3.78
Total Other Financial Liabilities	5.72	3.78

9 Other Current Liabilities

Particulars	As at 31.03.23	As at 31.03.22
	Amount in Lacs	Amount in Lacs
Statutory Dues	0.15	0.16
Total Other Current Liabilities	0.15	0.16

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10 Other Income

Particulars	For the year ended 31.3.23	For the year ended 31.3.22
	Amount in Lacs	Amount in Lacs
Liability written Back		1.26
Interest on Loan	0.02	0.02
Total Other Income	0.02	1.28

11 Other Expenses

Particulars	For the year ended 31.3.23	For the year ended 31.3.22
	Amount in Lacs	Amount in Lacs
(a) Professional Charges	0.93	0.33
(b) Auditor's Fee*	1.50	1.50
(c) Bank charges	0.01	0.02
(d) Filing fees	0.95	0.01
(e) Duties and Taxes	0.30	0.59
(f) Prior period Expenses		1.11
(g) Interest on TDS	0.00	-
(i) Annual Custody Fees	1.77	-
Total Other Expenses	5.46	3.56

*PAYMENT TO AUDITORS

Particulars	For the year ended 31.3.23	For the year ended 31.3.22
	Amount in Lacs	Amount in Lacs
(a) Audit Fee	1.50	1.50
Total	1.50	1.50

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Ratios	For the year ended 31.3.23	For the year ended 31.3.22	Variance
(a) Current Ratio	0.10	0.07	58.25%*
(b) Debt-Equity Ratio	NA	NA	NA
(c) Debt Service Coverage Ratio	NA	NA	NA
(d) Return on Equity Ratio	(0.10)	(0.04)	154.90%*
(e) Inventory turnover ratio	NA	NA	NA
(f) Trade Receivables turnover ratio	NA	NA	NA
(g) Trade payables turnover ratio	NA	NA	NA
(h) Net capital turnover ratio	NA	NA	NA
(i) Net profit ratio	NA	NA	NA
(j) Return on Capital employed	(0.10)	(0.04)	162.95%*
(k) Return on Investment	NA	NA	NA

*Variance due to made provision for Annual custody fees and increase loss as compared last year.

13 Other Statutory information

i) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.

ii) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

iii) The Company does not have any transactions with struck-off companies

iv) The Company have not traded or invested in Crypto currency or Virtual Currency during the year.

v) During the year the Company have not advanced or loaned or invested funds to any other person (s)or entity (ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

a) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries); or

b) Provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

vi) During the year the Company have not received any fund from any person (s)or entity (ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall:

a) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries); or

b) Provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

vii) The Company have not had any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.

viii) The Company does not have any owned or Leased immovable property.

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(All amount in INR Lakh, except number of share and per share data, unless otherwise stated)

14 Earning Per Share

Particulars	Year ended 31.03.2023	Year ended 31.03.2022
Net Profit Attributable to Equity Shareholders		
Profit/(loss) after tax	(5.44)	(7.70)
Net Profit attributable to equity shareholders	(5.44)	(2.40)
No. of Equity shares (Number)	75,009,985	75,009,985
Weighted Average No. of Equity Shares	75,009,985	75,009,985
Nominal value of Equity Shares (₹)	10	10
Earning Per Share (₹):		
Basic	(0.01)	(0.03)
Diluted	(0.01)	(0.03)

15 Contingent Liability & Commitment

(Amount in Lacs)

Particulars			Year ended 31.03.2023	Year ended 31.03.2022
Contingent Liability				
Income tax dues				
AY 2017-18	Income tax demand	99.46		
AY 2018-19	Income tax demand	105.11	204.57	204.57
Capital Commitment			Nil	Nil

16 Related Party Disclosures

a Name of the Related Parties and Nature

i Holding Company — Piramal Capital & Housing Finance Limited (Formerly Dewan Housing Finance Corporation Limited)
Piramal Enterprises Limited - Ultimate Holding Company.

ii Key Managerial Personnel, Director & Relative — (a) Mr. Pradeep Atmaram Sawant, Director (wef, 11.11.2020)
(b) Mr. Alok Balal, Director (wef, 11.05.2021)
(c) Ms. Srishti Soni - Company Secretary
(d) Mr. Vinesh Bulchandani Chief Financial Officer (Submitted his resignation on 01.06.2019, however the Board has not accepted the resignation.)

iii Joint Venture Partner — Nil

iv Associate Company — Nil

v Enterprises over which KMP are able to exercise significant influence — (a) DHFL Holdings Limited
(b) DHFL Changing Lives Foundation

b Details of transactions with Related Party

(Amount in Lacs)

Details of Transactions	
Advance Given	0.25(-)
Interest Accrued	0.02(-)
Balance as at 2022	0.27(-)
Interest Accrued	0.02(-)
Balance as at 2023	0.29(-)

Bracket indicates of previous year

Notes

a. Related Party relationship is identified by the Company

b. The transaction with the related parties are disclosed only till the relationship exists.

c. Figures in bracket represents previous year figures.

c **Disclosure required under Section 186 (4) of the companies Act, 2013.**

(a) Particulars of Loans given

(Amount in Lacs)

Sr. No	Name of the Loanee	As at March 2022	Loan Given	Interest Accured	Repayments of loan given	As at March 2023	purpose
1	DHFL Holdings Limited	0.27	-	0.07	-	0.79	Filing Fees

Sr. No	Name of the Loanee	As at March 2021	Loan Given	Interest Accured	Repayments of loan given	As at March 2022	purpose
1	DHFL Holdings Limited	-	0.25	0.02	-	0.27	Filing Fees

17 **Details of dues to micro, small and medium enterprises**

Based on the information available with the Company there are no dues outstanding to Micro, Small, and Medium Enterprises as at year end under the Micro, Small Medium Enterprises Development Act, 2006 (MSMED Act, 2006). Further, no interest during the year has been paid or payable under the terms of the MSMED Act, 2006

18 **Fair Value Measurement**

Financial instruments by category

(Amount in Lacs)

Particulars	31st March '23			31st March '22		
	FVTPL	FVOCI	Amortised Cost	FVTPL	FVOCI	Amortised Cost
Financial Asset						
Cash & Cash Equivalent	-	-	56.81		-	60.34
Other Financial Assets		-	1.84	-	-	1.82
Total Financial Asset	-	-	58.65	-	-	62.15
Financial Liabilities						
Other Financial Liabilities	-	-	5.72	-	-	3.78
Total Financial Liabilities	-	-	5.72	-	-	3.78

The carrying amounts of cash and cash equivalent and other liabilities and assets etc. are considered to be the same as their fair values, due to current and short term nature of such balances.
For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values.

Fair Value Hierarchy
Recognised fair value measurements
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 (for example, over-the-counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.
Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

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19 Capital management

The Company manages its capital so as to safeguard its ability to continue as a going concern and to optimise returns to its shareholders. The capital structure of the Company is based on management's judgment of the appropriate balance of key elements in order to meet its strategic and day-to-day needs. We consider the amount of capital in proportion to risk and manage the capital structure in 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 or issue new shares.

20 Financial Risk Management
The Company's principal financial liabilities, comprise borrowings and other payables. The main purpose of these financial liabilities is to support its operations. The Company's principal financial assets include other assets and cash and cash equivalents that derive directly from its operations.

The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below:
Credit risk
Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers. The maximum exposure to credit risk is equal to the carrying value of the financial assets. The objective of managing counterparty credit risk is to prevent losses in financial assets. The Company assesses the credit quality of the counterparties, taking into account their financial position, past experience and other factors.

Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company manages its liquidity risk by ensuring, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due. The Company's Management is responsible for liquidity, funding as well as settlement management.

The management monitors the Company's net liquidity position through forecasts on the basis of expected cash flows. The company is also taking steps to improve liquidity going forward by focusing on new initiatives.

The table below provides details regarding the contractual maturities of significant financial liabilities and assets as at March 31, 2023 and March 31, 2022 (Amount in lacs)

Particulars	Carrying Amount	Less than 12 Months	More than 12 Months	Total
As at March 31, 2023				
Liabilities				
Other Financial Liabilities	5.72	5.72		5.72
Assets				
Cash & Cash Equivalent	56.81	56.81		56.81
Other Financial Asset	1.84	0.29	1.55	1.84
As at March 31, 2022				
Liabilities				
Other Financial Liabilities	3.78	3.78		3.78
Assets				
Cash & Cash Equivalent	60.34	60.34		60.34
Other financial assets	1.82	0.27	1.55	1.82

21 Taxes
a. Income Tax Expense
The major components of income tax expenses for the year ended March 31, 2023
Profit & Loss section (Amount in Lacs)

Particulars	31st March '23	31st March '22
Current Tax Expense		
Deferred Tax		
Total Income Tax Expense Recognised in profit and loss	-	

Other comprehensive income section

Particulars	31st March '23	31st March '22
Tax on Other Comprehensive Income		
Total income tax expense recognised in Other comprehensive income	-	-

b. Reconciliation of Effective Tax Rate

	Particulars	31st March '23	31st March '22
i	Income before income tax	(5.44)	(2.28)
ii	Enacted Tax rate in India	25.63%	25.63%
iii	Expected Tax Expense (i*ii)	(1.39)	(0.59)
iv	Other than temporary differences		0.59
	Total	-	-
v	Temporary Difference	33.28	30.45
	Temporary difference on which deferred tax assets not recognised	(33.28)	(30.45)
	Total	-	-
vi	Net Adjustment (iv + v)		
vii	Tax expense recognised in Statement of Profit & Loss (iii+vi)	-	-

Note: In the view of losses, provision for tax has not been recognised. Further the deferred tax asset arising out of timing difference and carryforward of unused tax losses and unused tax credits has not been recognised. Since it is not probable that sufficient future taxable profit will be available to allow all or part of the deferred tax asset to be utilized.

22 Vide Order dated June 7, 2021, the Mumbai bench of the Hon'ble National Company Law Tribunal ("NCLT") approved the Resolution Plan submitted by Piramal Capital & Housing Finance Limited ("PCHFL") for the Corporate Insolvency resolution process of Dewan Housing Finance Limited ("DHFL") under Section 31 of the Insolvency and Bankruptcy Code, 2016. Pursuant to the Resolution Plan, PCHFL has obtained control over DHFL and its subsidiaries by virtue of holding 100% shareholding and subsequently, PCHFL merged into DHFL to conclude acquisition on September 30, 2021 (Implementation Date). The Resolution Plan was filed with the respective Registrar of Companies on September 30, 2021 giving effect to the said merger

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Chartered Accountants

21. In the opinion of the management the provision for all known liabilities are adequate and are not in excess of amount considered reasonably necessary.

As per our report of even date

DINESH KUMAR BACHLAS
Partner
Membership No. 097820
For and on behalf of
K.K MANKESHWAR & CO.,
Chartered Accountants
FRN:- 106009W

New Delhi, dated the 03 May, 2023

K.K Mankeshwar & Co.
Chartered Accountants

For and behalf of the Board of Directors

Mr. Pradeep Sawant
Director
DIN : 09657171

Mr. Nirav Adani
Director
DIN:10122797

INDEPENDENT AUDITOR'S REPORT

To the Members of DHFL Investments Limited

Report on the Audit of the Standalone Ind AS Financial Statements

Opinion

1. We have audited the accompanying Standalone Ind AS financial statements of DHFL Investments 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 then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the Standalone Ind AS financial statements").

   In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Ind AS financial statements to 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 (Ind AS) as amended, and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, and loss and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

2. We have conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Ind AS 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 Ind AS financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Information Other than the Standalone Financial Statements and Auditor's Report Thereon

3. The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the, Board's Report including Annexure to Board's Report and Shareholder's Information, but does not include the Standalone Ind AS Financial statements and our auditor's report thereon. Our opinion on the Standalone Ind AS Financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. In

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connection with our audit of the Standalone Ind AS Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to communicate the matter to those charged with governance.

Responsibility of Management for the Standalone Ind AS Financial Statements

4. The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

   In preparing the Standalone IND AS 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 are also responsible for overseeing the company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Ind AS Financial Statements

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

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

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

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

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

Report on Other Legal and Regulatory Requirements

6. As required by the Companies (Auditors' Report) Order, 2020 issued by the Central Government in terms of sub-section 11 of Section 143 of the Act, we give in the "Annexure

VATSARAJ & CO. FRN 111327W CHARTERED ACCOUNTANTS

A" of this report a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable. As the Company does not have any subsidiary, joint venture or associate enterprise, consolidated financial statements is not prepared. Hence Paragraph 3(xxi) of Companies (Auditor's Report) Order (CARO) is not applicable.

7. As required by Section 143(3) of the Act, we report that:
   (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
   (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
   (c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Cash Flows and Statement of Changes in Equity dealt with by this Report are in agreement with the books of accounts.
   (d) in our opinion, the aforesaid Standalone Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
   (e) On the basis of the written representations received from the directors as on 31st March, 2023 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 Section 164 (2) of the Act.
   (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

8. 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, as amended, in our opinion and to the best of our information and according to the explanations given to us:
   i. The Company does not have any pending litigations which would impact its financial position.
   ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
   iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company
   iv. (a) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend 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

VATSARAJ & CO. FRN 111327W CHARTERED ACCOUNTANTS

(b) The management has represented, that, to the best of its knowledge and belief, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries and

(c) Based on such audit procedures that we have considered reasonable and appropriate in the circumstances; nothing has come to our notice that has caused them to believe that the representations under sub-clause (a) and (b) contain any material misstatement.

v. The dividend is neither declared nor paid during the year by the Company.

9. With respect to the matter to be included in the Auditors' Report under section 197(16): In our opinion and according to the information and explanations given to us, no remuneration is paid by the Company to its directors during the current year. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.
10. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company with effect from April 1, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023

For Vatsaraj & Co.
Chartered Accountants
FRN: 111327W

SD/-

Dr.CA B. K. Vatsaraj
Partner
M.No.: 039894
UDIN: 23039894BGZCS84352
Place: Mumbai
Date: 03-05-2023

VATSARAJ & CO. FRN 111327W CHARTERED ACCOUNTANTS

ANNEXURE "A" referred to in Paragraph of the Independent Auditor's Report of even date to the members of DHFL Investments Limited on the standalone Ind AS financial statements for the year ended 31st March 2023

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we report that:

(i) The Company does not have any property, plant and equipment, intangible assets, right of use assets or investment property and accordingly, reporting under clause 3(i) of the Companies (Auditor's Report) Order, 2020 (hereinafter referred to as 'the Order') is not applicable to the Company.

(ii) The Company does not hold any inventory. Accordingly, reporting under clause 3(ii) of the Order is not applicable to the Company.

(iii) The Company has not made any investment in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured to companies, firms, Limited Liability Partnerships (LLPs) or any other parties during the year. Accordingly, reporting under clause 3(iii) of the Order is not applicable to the Company.

(iv) The Company has not entered into any transaction covered under sections 185 and 186 of the Act. Accordingly, reporting under clause 3(iv) of the Order is not applicable to the Company.

(v) In our opinion, and according to the information and explanations given to us, the Company has not accepted any deposits or there are no amounts which have been deemed to be deposits within the meaning of sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, reporting under clause 3(v) of the Order is not applicable to the Company.

(vi) The Central Government has not specified maintenance of cost records under sub-section (1) of section 148 of the Act, in respect of Company's products/ services / business activities. Accordingly, reporting under clause 3(vi) of the Order is not applicable.

(vii) In respect of statutory dues:

(a) In our opinion, and according to the information and explanations given to us, the Company is regular in depositing 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 other material statutory dues, as applicable, with the appropriate authorities. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, there are no statutory dues referred to in subclause (a) above that have not been deposited with the appropriate authorities on account of any dispute.

VATSARAJ & CO. FRN 111327W CHARTERED ACCOUNTANTS

(viii) According to the information and explanations given to us, no transactions were surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961) which have not been previously recorded in the books of accounts.

(ix) According to the information and explanations given to us, the Company does not have any loans or other borrowings from any lender. Accordingly, reporting under clause 3(ix) of the Order is not applicable to the Company.

(x) (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments), during the year. Accordingly, reporting under clause 3(x)(a) of the Order is not applicable to the Company.

(b) During the year, the Company has made private placement of shares(Rights Issue). In our opinion and according to the information and explanations given to us, the Company has complied with the requirements of section 42 and section 62 of the Act and the Rules framed thereunder with respect to the same. Further, the amounts so raised have been utilized by the Company for the purposes for which these funds were raised.

(xi) (a) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or no material fraud on the Company has been noticed or reported during the period covered by our audit.

(b) According to the information and explanations given to us including the representation made to us by the management of the Company, no report under sub-section 12 of section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014, with the Central Government for the period covered by our audit.

(c) According to the information and explanations given to us including the representation made to us by the management of the Company, there are no whistle-blower complaints received by the Company during the year.

(xii) The Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it. Accordingly, reporting under clause 3(xii) of the Order is not applicable to the Company.

(xiii) In our opinion and according to the information and explanations given to us, all transactions entered into by the Company with the related parties are in compliance with sections 177 and 188 of the Act, where applicable. Further, the details of such related party transactions have been disclosed in the standalone financial statements, as required under Indian Accounting Standard (Ind AS) 24, Related Party Disclosures specified in Companies (Indian Accounting Standards) Rules 2015 as prescribed under section 133 of the Act.

(xiv) According to the information and explanations given to us, the Company is not required to and consequently, does not have an internal audit system as per the provisions of section 138 of the Act Accordingly, reporting under clause 3(xiv) of the Order is not applicable to the Company.

VATSARAJ & CO. FRN 111327W CHARTERED ACCOUNTANTS

(xv) According to the information and explanation given to us, the Company has not entered into any non-cash transactions with its directors or persons connected with its directors and accordingly, reporting under clause 3(xv) of the Order with respect to compliance with the provisions of section 192 of the Act are not applicable to the Company.

(xvi) (a) The company is not required to registered under section 45-IA of Reserve Bank of India Act, 1934. Accordingly, reporting under clauses 3(xvi)(a),(b) and (c) of the Order are not applicable to the Company.

(b) According to the information and explanation given to us and based on our verification of the records of the Company, During the year no Non-Banking Financial or Housing Finance activities are conducted.

(c) According to the information and explanation given to us the Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, the reporting under clause 3(xvi)(c) are not applicable.

(d) According to the information and explanation given to us, the Group does not have any CIC. Accordingly, the requirements of clause 3(xvi)(d) are not applicable.

(xvii) The Company has incurred cash losses in the current financial year and in the immediately preceding financial years amounting to Rs. 7.77 Lakhs and Rs. 3.72 Lakhs respectively.

(xviii) There has been no resignation of the statutory auditors during the year. Accordingly, reporting under clause 3(xviii) of the Order is not applicable to the Company.

(xix) In our opinion and According to the information and explanation given to us and based on the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, the auditor's knowledge of the Board of Directors and management plans, material uncertainty exists as on the date of the audit report that company might not be 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 upto to the date of Audit report and we neither give any guarantee nor any assurance that all the 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.

VATSARAJ & CO. FRN 111327W CHARTERED ACCOUNTANTS

(xx) According to the information and explanations given to us, the Company does not meet the criteria as specified under sub-section (1) of section 135 of the Act read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 and according, reporting under clause 3(xx) of the Order is not applicable to the Company.

(xxi) The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of standalone financial statements of the Company. Accordingly, no comment has been included in respect of said clause under this report.

For Vatsaraj & Co.
Chartered Accountants
FRN: 111327W

SD/-

Dr.CA B. K. Vatsaraj
Partner
M.No.: 039894
UDIN: 23039894BGZCSQ4352
Place: Mumbai
Date:03-05-2023

VATSARAJ & CO. ★ CHARTERED ACCOUNTANTS ★ FRN 111327W

ANNEXURE 'B' to Independent Auditors' Report on the Standalone Ind AS Financial Statement of DHFL Investments Limited, Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Act, referred to in paragraph 7(f) under "Report on Other Legal and Regulatory requirement" section of our report of even date.

We have audited the internal financial controls over financial reporting of DHFL Investments Limited ("the Company") as of 31st March, 2023 in conjunction with our audit of the Standalone Ind AS 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 the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

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 controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Standalone Ind AS 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;

VATSARAJ & CO. FRN 111327W CHARTERED ACCOUNTANTS

(2) Provide reasonable assurance that transactions are recorded as necessary to permit preparation of Standalone Ind AS financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations 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 Standalone Ind AS 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 Vatsaraj & Co.
Chartered Accountants
FRN: 111327W

S/D/-

Dr.CA B. K. Vatsaraj
Partner
M.No.: 039894
UDIN: 23039894BGZCS84352
Place: Mumbai
Date: 03-05-2023

VATSARAJ & CO. FRN 111327W CHARTERED ACCOUNTANTS

DHFL INVESTMENTS LIMITED

Balance Sheet as at 31st March, 2023

(₹ Lakh)

	Particulars	Note	31st March, 2023	31st March, 2022
I	Assets			
1	Financial Assets			
(a)	Cash and Cash Equivalent	3	16.85	4.31
(b)	Bank Balance other than (a) above		-	-
(c)	Derivative Financial Instrument		-	-
(d)	Receivables			
	(I)Trade Receivable		-	-
	(II) Other Receivable		-	-
(e)	Loans		-	-
(f)	Investments	4	102,002.25	102,002.25
(g)	Other Financial Assets			
	Security Deposit		1.50	1.50
2	Non-Financial Assets			
(a)	Inventories		-	-
(b)	Current Tax Assets (Net)		-	-
(c)	Deferred Tax Assets (Net)		-	-
(d)	Investment Property		-	-
(e)	Biological Assets other than Bearer Plants		-	-
(f)	Property Plant and Equipment		-	-
(g)	Capital WIP		-	-
(h)	Intangible Assets under development		-	-
(i)	Goodwill		-	-
(j)	Other Intangible Assets		-	-
(k)	Other Non Financial Assets (to be specified)		-	-
	Total Assets		102,020.60	102,008.26
II	Liabilities and Equity			
1	Financial Liabilities			
(a)	Derivative Financial Instrument			
(b)	Payables	5	-	-
	(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		6.76	6.59
	(II) Other Payables			
	(i) total outstanding dues of micro enterprises and small enterprises		-	-
	(ii) total outstanding dues of creditors other than micro enterprises and small enterprises			
(c)	Debt Securities		-	-
(d)	Borrowings (Other than Debt Securities)		-	-
(e)	Deposits		-	-
(f)	Subordinated Liabilities		-	-
(g)	Other financial liabilities	6	0.18	0.25
2	Non-Financial Liabilities			
(a)	Current tax liabilities (Net)		-	-
(b)	Provisions		-	-
(c)	Deferred tax liabilities (Net)		-	-
(d)	Other non-financial liabilities(to be specified)		-	-
3	EQUITY			
(a)	Equity Share capital	7	10,145.00	10,125.00
(b)	Other Equity	8	91,868.66	91,876.42
	Total Liabilities and Equity		102,020.60	102,008.26
	Significant accounting policies	2		

As per our report of even date
For Vatsaraj & Co.
Chartered Accountants
FRN: 111327W

Sd/-
Dr. CA B. K. Vatsaraj
Partner
M No.: 039894
Place: Mumbai
Date: 03/05/2023

VATSARAJ & CO. FRN 111327W CHARTERED ACCOUNTANTS

For and behalf of the Board of Directors

Mr. Jairam Sridharan
Director
DIN : 05165390
Date: 03/05/2023

Ms. Uptha Goel
Director
DIN: 00713974
Date: 03/05/2023

DHFL Investments Limited Mumbai

DHFL INVESTMENTS LIMITED

Statement of Profit and Loss for the year ended 31st March, 2023

(₹ Lakh)

	Particulars	Notes	Year ended 31.03.2023	Year ended 31.03.2022
	Revenue from operations			
(i)	Interest Income			
(ii)	Dividend Income		-	-
(iii)	Rental Income		-	-
(iv)	Fees and Commission Income		-	-
(v)	Net gain on fair value changes		-	-
(vi)	Net gain on derecognition of financial instruments under amortised cost category		-	-
(vii)	Sale of products(including Excise Duty)		-	-
(viii)	Sale of services		-	-
(ix)	Others (Write back of interest)		-	3.61
(I)	**Total Revenue from operations**		-	3.61
(II)	Other Income (to be specified)		-	-
(III)	**Total Income (I+II)**		-	3.61
	Expenses			
(i)	Finance Costs		-	-
(ii)	Fees and commission expense		-	-
(iii)	Net loss on fair value changes		-	-
(iv)	Net loss on derecognition of financial instruments under amortised cost category		-	-
(v)	Impairment on financial instruments		-	-
(vi)	Cost of materials consumed		-	-
(vii)	Purchases of Stock -in -trade		-	-
(viii)	Changes in Inventories of finished goods, stock -in - trade and work -in - progress		-	-
(ix)	Employee Benefits Expenses		-	-
(ix)	Depreciation , amortization and impairmen		-	-
(x)	Others expenses (to be specified)	9	7.77	3.72
(IV)			**7.77**	**3.72**
(V)	Profit / (loss) before exceptional items and tax (III - IV)		(7.77)	(0.11)
(VI)	Exceptional items - Impairment/(Reversal of Impairment) of investment in Joint		-	47,165.63
(VII)	Profit/(loss) before tax (V -VI)		(7.77)	(47,165.74)
(VIII)	Tax Expenses			
	(a) Current Tax		-	-
	(b) Deferred Tax		-	-
(IX)	Profit / (loss) for the period from continuing operations(VII -VIII)		(7.77)	(47,165.74)
(X)	Profit/(loss) from discontinued operations		-	-
(XI)	Tax Expense of discontinued operations		-	-
(XII)	Profit/(loss) from discontinued operations(After tax) (X -XI)		-	-
(XIII)	Profit/(loss) for the period (IX+XII)		(7.77)	(47,165.74)
(XIV)	**Other Comprehensive Income**			
	(A)			
	(i) Items that will not be reclassified to profit or loss (specify items and amounts)		-	-
	(ii) Income tax relating to items that will not be reclassified to profit or loss		-	-
	Subtotal (A)		-	-
	(B)			
	(i) Items that will be reclassified to profit or loss (specify items and amounts)		-	-
	(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
	Subtotal (B)		-	-
	Other Comprehensive Income (A + B)		-	-
(XV)	**Total Comprehensive Income for the period (XIII+XIV) (Comprising Profit (Loss) and other Comprehensive Income for the period)**		(7.77)	(47,165.74)
(XVI)	Paid up Equity Share Capital (Face value ₹10/- each)		10,125.00	10,125.00
(XVII)	**Earnings per equity share (for continuing operations)**			
	Basic (₹)		(0.01)	(46.58)
	Diluted (₹)		(0.01)	(46.58)
(XVIII)	**Earnings per equity share (for discontinued operations)**			
	Basic (₹)		-	-
	Diluted (₹)		-	-
(XIX)	**Earnings per equity share (for continuing and discontinued operations)**	10		
	Basic (₹)		(0.01)	(46.58)
	Diluted (₹)		(0.01)	(46.58)

See accompanying notes to the financial statements

As per our report of even date

For Vatsaraj & Co.
Chartered Accountants
FRN: 111327W

SD/-

Dr. CA B. K. Vatsaraj
Partner
M No.: 039894
Place: Mumbai
Date: 03/05/2023

VATSARAJ & CO. FRN 111327W CHARTERED ACCOUNTANTS

For and behalf of the Board of Directors

Mr. Jairam Sridharan
Director
DIN : 05165390
Date: 03/05/2023

Ms. Upma Goel
Director
DIN: 00713974
Date: 03/05/2023

Investments Mumbai

DHFL INVESTMENTS LIMITED

Cash Flow Statement for the Period ended 31st March, 2023

(₹ Lakh)

	Period ended 31.03.2023		Year Ended 31.03.2022	
A. CASH FLOW FROM OPERATING ACTIVITIES				
Net Profit/(Loss) Before Tax		(7.77)		(47,165.74)
Adjustments for:				
Impairement of Investment		-		47,165.63
IND AS adjustment		-		(3.61)
Operating Profit before Working capital changes		(7.77)		(3.72)
Changes in Working capital				
Other Current Liabilities	0.10		2.69	
Working Capital changes		0.10		2.69
Cash generated from operations during the year		(7.66)		(1.03)
Net Cash From Operating Activities		(7.66)		(1.03)
B. CASH FLOW FROM INVESTING ACTIVITIES				
Current Investments not considered as Cash or cash		-		-
Investments in Equity Shares	-	-	-	-
Net Cash used in Investing Activities		-		-
C CASH FLOW FROM FINANCING ACTIVITIES				
Proceeds from issue of Equity Shares		-		-
Loan received/(paid) from Holding Company	20		-	
Proceeds from issue of CCD's	-	20		-
Net Cash generated From / (Used In) Financing Activities		20		-
Net Increase/ (Decrease) in Cash Equivalents		12.34		(1.03)
Cash and Cash Equivalents at the beginning of the year		4.51		5.54
Cash and Cash Equivalents at the close of the year		16.85		4.51

This is the Cash Flow referred to in our Report of even date.
Negative Figure (-) represents Cash Outflow.

For Vatsaraj & Co.
Chartered Accountants
FRN: 111327W

SDL

Dr. CA B. K. Vatsaraj
Partner
M No.: 039894
Place: Mumbai
Date: 03/05/2023

VATSARAJ & CO. FRN 111327W CHARTERED ACCOUNTANTS

For and behalf of the Board of Directors

Mr. Jairam Sridharan
Director
DIN : 05165390
Date: 03/05/2023

Ms. Upma Goel
Director
DIN: 00713974
Date: 03/05/2023

DHFL Investments Limited Mumbai

DHFL INVESTMENTS LIMITED

Statement of Changes in Equity for the Year ended 31st March, 2023

A Equity Share Capital

(₹ Lakh)

Particulars	Balance at the beginning of the reporting period	Changes in equity share capital due to prior period errors	Restated balance at the beginning of the reporting period	Changes in equity share capital during the year	Balance at the end of reporting period
Authorised					
12,00,00,000 (PY. 21-22 12,00,00,000, Equity Shares of (₹) 10/- each	12,000.00	-	-	-	12,000.00
	12,000.00	-	-	-	12,000.00
Issued, Subscribed and Paid up					
10,14,50,000 (PY. 21-22 10,12,50,000) Equity Shares of (₹) 10/- each fully paid up	10,125.00	-	-	20.00	10,145.00
	10,125.00	-	-	-	10,145.00

B Other Equity

(₹ Lakh)

Partiulars	Reserves & Surplus			Total
	Retained Earnings	Capital Reverse	Equity Portion of Compound Financial Instrument	
As at 1st April, 2021	(51,053.89)		190,088.46	139,034.57
Transfer to capital reserve	-	190,088.46	(190,088.46)	0.00
Rightback of Debt component CCD	-	7.60	-	7.60
Profit/(Loss) for the year	(47,165.74)	-	-	(47,165.74)
As at 31st March, 2022	(98,219.63)	190,096.06	-	91,876.42
As at 1st April, 2022	(98,219.63)	190,096.06	-	91,876.42
Profit/(Loss) for the year	(7.77)	-	-	(7.77)
As at 31st March, 2023	(98,227.40)	190,096.06	-	91,868.66

Piramal Capital and Housing Finance Limited (PCHFL) has acquired Dewan Housing Finance Corporation Limited (DHFL) as part of an Insolvency and Bankruptcy process. PCHFL submitted the Resolution Plan on 22 December 2020, and it contained prayers inter alia seeking nullification of the Compulsory Convertible Debentures ("CCDs") issued to Wadhawan Global Capital Private Limited ("WGC") and extinguishment of rights pursuant to these CCDs. Vide the order approving the Resolution Plan dated 7 June 2021, the Hon'ble National Company Law Tribunal (NCLT) also allowed the prayers contained therein. Based on the approval of the Resolution Plan by Hon'ble NCLT, the Company has written back the carrying value of CCDs through capital reserve.
WGC and a limited liability partnership by the name of TDH Realty LLP have pursued the litigation against the Resolution Plan purportedly as the ultimate beneficiary of the CCDs. However the PCHFL has sought legal advice and based on the same legal expert have adviced that the PCHFL have strong case on merits.

As per our report of even date
For Vatsaraj & Co.
Chartered Accountants
FRN: 111327W

SD/-

Dr. CA B. K. Vatsaraj
Partner
M No.: 039894
Place: Mumbai
Date: 03/05/2023

For and behalf of the Board of Directors

Mr. Jairam Sridharan
Director
DIN : 05165390
Date: 03/05/2023

Ms. Upma Goel
Director
DIN: 00713974
Date: 03/05/2023

Significant Accounting Policies and Explanatory Information forming part of the Financial Statements for the Period ended 31st March, 2023

1 CORPORATE INFORMATION

DHFL Investments Limited (DIL) is wholly owned subsidiary company of Piramal Capital & Housing Finance Limited (Formerly Dewan Housing Finance Corporation Limited) and has been incorporated under the provisions of Companies Act, 2013. DIL has been incorporated with the intent of becoming a "core investment company" under the Master Directions issued by Reserve Bank of India on August 25, 2016. DIL's business objective is to acquire any shares, stock, debentures stocks or securities in accordance with the Reserve Bank of India Act, 1934 and other applicable statutory and legal provisions. DIL has registered office in Mumbai.

2 SIGNIFICANT ACCOUNTING POLICIES:

2.1 Basis of preparation of financial statements :

a) The financial statements of the Company have been prepared in accordance with the Indian Accounting Standards as notified under section 133 of the Companies Act 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules 2015 by Ministry of Corporate Affairs ('MCA') as amended by the Companies (Indian Accounting Standards) Rules, 2016.

b) For all periods up to and including the year ended March 31, 2018 the Company prepared its financial statements in accordance with accounting standards notified under the section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP) as amended from time to time.

c) The financial statements for the year ended March 31, 2018 are the Company's first Ind AS financial statements. The Company has adopted Ind AS standards effective from April 01, 2017 with comparatives for year ending March 31, 2018 and April 01, 2017 being restated and the adoptions were carried out in accordance with Ind AS 101 – First time adoption of Indian Accounting Standards. All applicable Ind AS have been applied consistently and retrospectively wherever required.

d) The financial statements have been prepared on a historical cost basis, except for certain financial instruments which are measured at fair values at the end of each reporting period, as explained in the accounting policies below.

e) The preparation of financial statements requires management to make estimates and assumptions that effect the reported amounts of assets and liabilities on the date of financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognised in the period in which the results are known / materialised.

f) Amounts in the financial statements are presented in Rs in Lakhs , unless otherwise stated.

2.2 Current / Non-Current Classification

For the purpose of current/non-current classification of assets and liabilities, the Company has ascertained its normal operating cycle as twelve months and certain criteria set out in the Schedule III to the Act. This is based on the nature of services and the time between the acquisition of assets or inventories for processing and their realization in cash and cash equivalents.

2.3 Operating Cycle

An operating cycle is the time between the acquisition of goods for processing and their realisation in cash or cash equivalents. The Company has ascertained the operating cycle as twelve months for the purpose of current or non-current classification of assets and liabilities.

2.4 Functional and Presentation Currency

The Standalone Financial Statements are presented in Indian Rupees (INR), which is also the Company's functional currency. All amounts have been rounded off to the nearest lakhs, unless otherwise indicated.

2.5 Revenue Recognition :

Dividend Income

Revenue is recognised when the Company's right to receive the payment is established, which is generally when shareholders approve the dividend.

Other Income

Revenue is recognised when there is reasonable certainty as to measurement and ultimate realization of the same.

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2.6 Financial Instrument

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

(I)Financial Asset

Initial recognition and measurement :

All financial instruments are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through the statement of profit and loss,transaction costs that are attributable to the acquisition of the financial asset, purchase or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place are recognized on the trade date i.e. the date that the company commits to purchase or sell the asset.

Subsequent measurement : For the purpose of subsequent measurement financial assets are classified as measured at: • Amortised cost • Fair value through profit and loss (FVTPL) • Fair value through other comprehensive income (FVTOCI).

Financial assets at fair value through profit or loss (FVTPL) : Financial asset are measured at fair value through profit and loss if it does not meet the criteria for classification as measured at amortized cost or at FVTOCI. All fair value changes are recognized in the statement of profit and loss.

Equity Instruments :All investments in equity instruments classified under financial assets are initially measured at fair value, the group may, on initial recognition, irrevocably elect to measure the same either at FVTOCI or FVTPL.

2.7 Financial Liability

Initial recognition and measurement :

Financial liabilities are recognized initially at fair value plus any transaction cost that are attributable to the acquisition of the financial liability except financial liabilities at FVTPL that are measured at fair value.

Subsequent measurement :

Financial liabilities are subsequently measured at amortised cost using the EIR method. Financial liabilities carried at fair value through profit or loss are measured at fair value with all changes in fair value recognised in the statement of profit and loss.

Financial liabilities at amortized cost: Amortized cost for financial liabilities represents amount at which financial liability is measured at initial recognition minus the principal repayments, plus or minus the cumulative amortization using the effective interest method of any difference between the initial amount and the maturity amount. The company is classifying the following under amortized cost. (1)Borrowings from banks (2) Borrowings from others (3)Trade payables (4) Other financial liabilities.

Derecognition: A financial liability shall be derecognized when, and only when, it is extinguished i.e. when the obligation specified in the contract is discharged or cancelled or expires.

2.8 Cash and cash equivalents

Cash and cash equivalent in the Balance Sheet comprise cash at banks and on hand, which are subject to an insignificant risk of changes in value. For the purpose of the statement of cash flows, cash and cash equivalents consist of cash at banks and on hand, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

2.9 Impairment of Assets :

The carrying amounts of assets are reviewed at each reporting date if there is any indication of impairment based on internal / external factors. An impairment loss is recognised wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the asset's fair value less cost of disposals and value in use. In assessing value in use, the stimated 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. Fair value is the price that would be received to sell an asset or paid to transfer a liability in orderly transaction between market participants at the measurement date. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.Impairment losses are recognised in the Statement of Profit and Loss in expense categories.

3.0 Earnings Per Share :

Basic earnings per share are 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.

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.

3.1 Taxes on Income

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

Deferred tax assets and liabilities are recognized for the future tax consequences attributable to temporary differences between the financial statements' carrying amount of existing assets and liabilities and their respective tax basis. Deferred tax assets and liabilities are measured using the enacted tax rates or tax rates that are substantively enacted at the balance sheet dates. The effect on the deferred tax assets and liabilities of a change in tax rate is recognized in the period that includes the enactment date. Deferred tax assets are recognized only to the extent there is virtual certainty of realization in future.

2.10 Provisions, Contingent Liability and Contingent Assets

The Company recognizes a provision when there is a present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation that the likelihood of outflow of resources is remote , no provision or disclosure is made. Contingent assets are disclosed where an inflow of economic benefits is probable.

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DHFL INVESTMENTS LIMITED
Notes forming part of the Financial Statements

3 Cash and Cash Equivalent

(₹ Lakh)

Particulars	As at 31.03.2023	As at 31.03.2022
(a) Cash on hand	0.04	0.04
(b) Balances with Banks in Current Accounts	16.81	4.47
Total Cash & Cash Equivalents	16.85	4.51

4 Investments

(₹ Lakh)

Particulars	March 31, 2023				March 31, 2022			
	Nos.	At Cost	Fair Value through profit/ loss or OCI	Amortised Cost	Nos.	At Cost	Fair Value through profit/ loss or OCI	Amortised Cost
Non-current Investments								
Unquoted								
Investment in unquoted equity instruments in associate								
DHFL Venture Trustee Company Pvt. Ltd	22,500	2.25	-	-	22,500	2.25	-	-
Investment in unquoted equity instruments in Joint Venture								
Pramerica Life Insurance Company Limited (erstwhile DHFL Pramerica Life Insurance Company Limited)	187,030,931	200,050.00	-	-	187,030,931	200,050.00	-	-
Less : Impairement in value								
Total Non-current Investments - Gross(A)		200,052.25	-	-		200,052.25	-	-
Investment outside India	-	-	-	-	-	-	-	-
Investment in India	-	200,052.25	-	-	-	200,052.25	-	-
Total Non-current Investments - Gross (B)		200,052.25	-	-		200,052.25	-	-
Less: Allowance for Impairment Loss (C)		98,050.00		-		98,050.00	-	-
Total Non-current Investments - Net (D)		102,002.25	-	-		102,002.25	-	-

5 Payables

(₹ Lakh)

Particulars	As at 31.03.2023	As at 31.03.2022
Trade Payable		
(i) total outstanding dues of micro enterprises and small enterprises	-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	6.76	6.59
Other Payables		
(i) total outstanding dues of micro enterprises and small enterprises	-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	-	-
Total Payable	6.76	6.59

Ageing of Trade Payable	As at 31.03.2023	As at 31.03.2022
Total outstanding dues of creditors other than micro enterprises and small enterprises		
Less than 1 year	5.03	4.45
1 to 2 years	0.83	2.14
2 to 3 years	0.90	0.00
More than 3 years		
Total	6.76	6.59

Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. The Company has not received any memorandum (as required to be filed by the suppliers with notified authority under the Micro, Small and Medium Enterprises Development Act, 2006) from vendor claiming the status as micro or small enterprises. Refer Note 17 for Disclosures made as per section 22 of the Micro, Small and Medium Enterprises Development Act 2006, (MSMED Act)

Trade payables are recognised at their original invoice amounts which represents their fair values on initial recognition. Trade payables are considered to be of short duration and are not discounted and the carrying values are assumed to approximate their fair values.

6 Other Financial Liabilities

(₹ Lakh)

Particulars	As at 31.03.2023	As at 31.03.2022
Statutory Liabilities	0.18	0.25
Total Other Financial Liabilities	0.18	0.25

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DHFL INVESTMENTS LIMITED

Notes forming part of the Financial Statements

7 Equity Share capital

(₹ Lakh)

Particulars	Balance at the beginning of the reporting period	Changes in equity share capital due to prior period errors	Restated balance at the beginning of the reporting period	Changes in equity share capital during the year	Balance at the end of reporting period
Authorised					
12,00,00,000 (PY 21-22 12,00,00,000) Equity Shares of (₹) 10/- each	12,000.00				12,000.00
	12,000.00				12,000.00
Issued, Subscribed and Paid up					
10,14,50,000 (PY 21-22 10,12,50,000) Equity Shares of (₹) 10/- each fully paid up	10,125.00			20.00	10,145.00
	10,125.00				10,145.00

The Company at present has one class of issued, subscribed and paid up share referred to as equity shares having a par value of (₹) 10/- each. Each holder of equity share is entitled to one vote per share. The Company has not declared or paid any dividend.

The Company has issued 2,00,000 Equity share of Face Value Rs 10/- each to Piramal Capital & Housing Finance Limited (Formerly Dewan Housing Finance Corporation Ltd.) ie the Holding company during the year

(₹ Lakh)

Particulars	As at 31.03.2023		As at 31st March, 2022	
	No. of shares	Amount	No. of shares	Amount
Equity shares at the beginning	101,250,000	10,125.00	101,250,000	10,125.00
Add: Shares issued during the year	200,000	20.00	-	-
Equity shares at the end	101,450,000	10,145.00	101,250,000	10,125.00

Details of shareholders holding more than five percent equity shares in the Company are as under:

Particulars	As at 31.03.2023		As at 31st March, 2022	
	No. of shares	% holding	No. of shares	% holding
Piramal Capital & Housing Finance Limited (Formerly Dewan Housing Finance Corporation Ltd.) (Holding Company)	101,449,940	100.00	101,249,940	100.00
	101,449,940	100.00	101,249,940	100.00

Equity Shares held by Holding Company and List of Promoter Shareholders

Holding Company / Promoter Name	As at 31.03.2023		% of change during the year
	No. of shares	% holding	
Piramal Capital & Housing Finance Limited (Formerly Dewan Housing Finance Corporation Ltd.)	101,449,940	100.00	-

Holding Company / Promoter Name	As at 31.03.2022		% of change during the year
	No. of shares	% holding	
Piramal Capital & Housing Finance Limited (Formerly Dewan Housing Finance Corporation Ltd.)	101,249,940	100.00	-

8 **Other Equity**

Refer to the statement of changes in equity for movement in Other equity

9 **Other Expenses**

(₹ Lakh)

Particulars	Year ended 31.03.2023	Year ended 31.03.2022
(a) Auditor's Remuneration	2.25	1.55
(b) Professional Fees	1.94	1.22
(c) ROC Filing Fees	0.55	0.02
(d) Bank Charges	0.12	0.39
(e) Duties and Taxes	0.61	0.53
(f) Miscellaneous Expenses	(0.37)	0.01
(g) Annual NSDL Fees	2.66	0.00
Total Other expenses	7.77	3.72

10 **Earning Per Share**

(₹ Lakh)

Particulars	Year ended 31.03.2023	Year ended 31.03.2022
Profit/(Loss) after tax as per statement of profit and loss	(7.77)	(47,165.74)
Net Profit attributable to equity shareholders	(7.77)	(47,165.74)
No. of Equity shares (Number)	101,450,000	101,250,000
Weighted Average No. of Equity Shares	101,327,260	101,250,000
Nominal value of Equity Shares (₹)	10	10
Earning Per Share (₹)		
Basic	(0.01)	(46.58)
Diluted	(0.01)	(46.58)

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DHFL INVESTMENTS LIMITED
Notes forming part of the Financial Statements

11 Related parties transactions

As per Indian Accounting Standard (Ind AS 24) on " Related Party Disclosures" details of transactions with related parties as defined
A) List of related parties with whom transactions have taken place during the year:

1) COMPANIES

(i) **Holding Company**

(a) Piramal Capital & Housing Finance Limited (Formerly Dewan Housing Finance Corporation Limited) (based on voting power)
(b) Piramal Enterprises Limited - Ultimate Holding Company

(ii) Key Managerial Personnel, Director & Relative

(a) Mr. Bipin Singh, Director (wef. 03.11.2021)
(c) Mr Jairam Sridharan, Director (wef. 03.11.2021)
(d) Mr Pradeep Bhadauria, Director (wef. 03.11.2021)
(e) Mr Sashant Tawar, Chief Financial Officer (Resigned on 01.06.2019 however the Board has not accepted the resignation)
(f) CS - Ruchi Sheth(Appointed wef 01.07.2022)

(iii) Enterprises over which KMP are able to exercise significant influence

(a) Piramal Consumer Products Private Limited
(b) PEL Finhold Private Limited
(c) Viridis Power Managers Private Limited
(d) Piramal Systems & Technologies Private Limited
(e) Piramal Investments Advisory Services Private Limited
(f) Providian Technology Services Private Limited
(g) Social Worth Technologies Private Limited
(h) Pramerica Life Insurance Limited
(i) Piramal Capital & Housing Finance Limited
(j) Piramal Payment Services Limited
(k) DHFL Holdings Limited

B) Details of transactions during the period ended and balances as at the end of Period.

(₹ Lakh)

Details of Transactions	Pramerica Life Insurance Company Limited (erstwhile DHFL Pramarica Life Insurance Company Limited) (Joint Venture)		DHFL Venture Trustee Company Pvt. Ltd (Associate Company)		Wadhawan Global Capital Pvt. Ltd (Holding Company)	
	Year ended 31.03.2023	Year ended 31.03.2022	Year ended 31.03.2023	Year ended 31.03.2022	Year ended 31.03.2023	Year ended 31.03.2022
1) Amount written Back						
Interest payable on CCD					-	7.60
Liability portion of Compound financial instruments					-	3.61
equity component of CCD					-	190,088.46
2) Investement in Equity	102,000.00	102,000.00	2.25	2.25	-	-

12 Audit Fees

(₹ Lakh)

Particulars	Year ended 31.03.2023	Year ended 31.03.2022
Audit Fees	2.25	1.50
Certification	-	0.05
Total Audit Fees	2.25	1.55

13 Segment Reporting

The income of the Company comprises of solely dividend and interest income and accordingly there are no reportable segments as specified in IND AS 108 ("Operating Segment") which needs to be reported.

14 Deferred Tax Assets not recognised as a matter of prudence and provision for current tax is not made in view of assessable loss for the year.

15 Contingent Liability : NIL

16 Vide Order dated June 7, 2021, the Mumbai bench of the Hon'ble National Company Law Tribunal ("NCLT") approved the Resolution Plan submitted by Piramal Capital & Housing Finance Limited ("PCHFL") for the Corporate Insolvency resolution process of Dewan Housing Finance Corporation Limited ("DHFL") under Section 31 of the Insolvency and Bankruptcy Code, 2016. Pursuant to the Resolution Plan, PCHFL has obtained control over DHFL and its subsidiaries by virtue of holding 100% shareholding and subsequently, PCHFL merged into DHFL to conclude acquisition on September 30, 2021 (Implementation Date). The Resolution Plan was filed with the respective Registrar of Companies on September 30, 2021 giving effect to the said merger.

17 Micro, small and medium enterprises disclosure

The identification of Micro, Small and Medium enterprises is based on the management's knowledge of their status. The Company has not received any intimation from suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006.

Disclosures required under section 22 of the Micro, Small and Medium Enterprises Development Act, 2006, (MSMED Act).

Particulars	As on 31-March-2023	As on 31-March-2022
(i) Principal amount remaining unpaid to any supplier as at the end of the accounting year.	-	-
(ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	-	-
(iii) The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day	-	-
(iv) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act	-	-
(v) The amount of interest accrued and remaining unpaid at the end of the accounting year	-	-
(vi) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23	-	-

Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the

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DHFL INVESTMENTS LIMITED

Notes forming part of the Financial Statements

18 Details of Loans and Investments as required u/s 186(4) of Companies Act, 2013:-

1. Investments made are disclosed under note no. 4
2. Loans and advances in the nature of loans to related parties - Nil
3. Guarantees given by the Company in respect of loans as on 31st March 2023 - Nil

19 Maturity analysis of assets and liabilities

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

(₹ Lakh)

	As on 31st March-2023			As on 31-March-2022		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
ASSETS						
Financial assets						
Cash and cash equivalents	0.04		0.04	0.04		0.04
Bank Balances other than cash and cash equivalent	16.81		16.81	4.47		4.47
Receivables						
(i) Trade receivables						
Loans						
Investments		102,002.25	102,002.25		102,002.25	102,002.25
Other Financial assets		1.50	1.50		1.50	1.50
Sub total	16.85	102,003.75	102,020.60	4.51	102,003.75	102,008.26
Non-financial assets						
Non current Tax assets (Net)						
Investment Property						
Property, Plant and Equipment						
Other Intangible assets						
Other Non financial assets						
Sub total	-	-	-	-	-	-
Total Assets	16.85	102,003.75	102,020.60	4.51	102,003.75	102,008.26
LIABILITIES AND EQUITY						
LIABILITIES						
Financial liabilities						
Derivative financial instruments						
Payables						
Trade payables	6.76		6.76	6.59		6.59
Borrowings						
Deposits						
Other Financial liabilities	0.18		0.18	0.25		0.25
Sub total	6.94	-	6.94	6.84	-	6.84
Non-Financial liabilities						
Sub total	-	-	-	-	-	-
Total Liabilities and equity	6.94	-	6.95	6.84	-	6.84

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DHFL INVESTMENTS LIMITED
Notes forming part of the Financial Statements

Note: 20

FINANCIAL INSTRUMENTS – FAIR VALUES AND RISK MANAGEMENT

A. Accounting classification

The carrying value of financial instruments by categories are as follows:

Particulars	Carrying Value					
	31st March 2023			31st March 2022		
	Fair Value through OCI	Fair Value through profit or loss	Amortised Cost	Fair Value through OCI	Fair Value through profit or loss	Amortised Cost
Financial assets						
Cash and cash equivalents	-	-	16.85	-	-	4.51
Others	-	-	1.50	-	-	1.50
Investments:						
Investment in associates/ joint ventures	-	-	102,002.25	-	-	102,002.25
	-	-	**102,020.60**	-	-	**102,008.26**
Financial liabilities						
Borrowings	-	-	-	-	-	-
Trade Payables			6.76			6.59
Other financial liability	-	-	0.18	-	-	0.25
	-	-	**6.94**	-	-	**6.84**

B. Fair Values

The following table provides the fair value measurement hierarchy of the Company's assets and liabilities:-

As at March 31, 2023

Assets and liabilities which are measured at amortised cost for which fair values are disclosed as at March 31,	Carrying Amounts	Fair Value hierarchy			Total
		Quoted prices in active markets (level 1)	Significant observable inputs (level 2)	Significant unobservable inputs (level 3)	
Financial assets					
Cash and Cash Equivalent	16.85	-	-	-	16.85
Investments	102,002.25	-	-	-	102,002.25
Security Deposit	1.50	-	-	-	1.50
Financial Liabilities					
Other financial liabilities	0.18				0.18
Trade Payables	6.76	-	-	-	6.76

As at March 31, 2022

Assets and liabilities which are measured at amortised cost for which fair values are disclosed as at March 31, 2022	Carrying Amounts	Fair Value hierarchy			Total
		Quoted prices in active markets (level 1)	Significant observable inputs (level 2)	Significant unobservable inputs (level 3)	
Financial assets					
Cash and Cash Equivalent	4.51	-	-	-	4.51
Investments	102,002.25	-	-	-	102,002.25
Security Deposit	1.50	-	-	-	1.50
Financial Liabilities					
Other financial liabilities	0.25				0.25
Trade Payables	6.59	-	-	-	6.59

The financial instruments are categorised into three levels based on the inputs used to arrive at fair value measurments as described below:
Level 1 : Quoted prices (unadjusted) in active markets for identical assets or liabilites.
Level 2: Inputs other than the quoted prices included within Level 1 that are observable for the assets or liablity, either directly or indirectly; and
Level 3: Inputs based on unobservable market data.

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

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Notes 20 Cont'd
Financial instruments – Fair values

Financial Risk Management

The Company has exposure to the following risks arising from financial instruments:
Credit risk
Liquidity risk and
Market risk

Risk management framework

The Company's principal financial liabilities comprise of other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include cash and cash equivalents that derive directly from its operations. The Company also holds FVTPL investments.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below:

Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk.

Financial instruments affected by market risk include FVTPL investments.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

Equity price risk

The Company's non-listed equity securities are susceptible to market price risk arising from uncertainties about future values of the investment securities. Company's investment in it's group company - DHFL Pramarica Life Insurance Company Limited, which is non-listed, is significant. But being the startegic investment, company is not enfluenced by equity price risk.

Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities from its other financial instruments.

Financial instruments and cash deposits

Credit risk from balances with banks and financial institutions is managed by the Company's board of directors. Investments of surplus funds are made only with approval of Board of directors.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The Company manages liquidity risk by maintaining adequate reserves, by continuously monitoring forecast and actual cash flows and matching the maturity profiles of the financial assets and liabilities.

Capital Management

Capital includes equity attributable to the equity holders to ensure that it maintains an efficient capital structure and healthy capital ratios in order to support its business and maximise shareholder value. The Company manages its capital structure and makes adjustments to it, in light of changes in economic conditions or its business requirements. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. No changes were made in the objectives, policies or processes during the period/year ended March 31, 2023 and March 31, 2022.

VATSARAJ & CO.
FRN 111327W
CHARTERED ACCOUNTANTS

DHFL INVESTMENTS LIMITED

Notes forming part of the Financial Statements

21 Ratio as per the Schedule III requirements

i) Capital to risk-weighted assets ratio (CRAR): Stock of High Quality Liquid Assets divided by Expected cash outflows for 30 days

Particulars		
High Quality Liquid Assets	31-Mar-23	31-Mar-2022
Total net Cashflow amounts	16.85	4.51
Ratio	6.94	6.84
% Change from previous period/ year	242.70%	65.93%
	72.83%	

Increase is due to non payment of liability and infusion of fund

ii) Tier I CRAR

Particulars		
Net owned fund	31-Mar-23	31-Mar-2022
Total risk weighted assets	102,013.66	102,001.42
Ratio	102,002.25	102,002.25
% Change from previous period/ year	100.01%	100.00%
	0.01%	

iii) Tier II CRAR

Particulars		
Aggregate Tier II Capital	31-Mar-23	31-Mar-2022
Total risk weighted assets		
Ratio		
% Change from previous period/ year	0.00%	0.00%
	0.00%	

iv) Liquidity Coverage Ratio

Particulars		
High Quality Liquid Assets	31-Mar-23	31-Mar-2022
Total net Cashflow amounts	16.85	4.51
Ratio	6.94	6.84
% Change from previous period/ year	242.70%	65.93%
	72.83%	

Increase is due to non payment of liability and infusion of fund

22 Other Statutory information

i) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property

ii) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period

iii) Details of transactions with the companies struck off under section 248 of Companies Act, 2013 or section 560 of Companies Act, 1956 are as follows

Nature of transactions with struck-off Company	Name of Struck off comapany	Balance outstanding amounts in consideration as on 31 March 2023	Balance outstanding amounts in consideration as on 31 March 2022	Relationship with the Struck off company, if any, to be disclosed
Investment in Securities				Not Applicable
Receivable				Not Applicable
Payables				Not Applicable
Shares held by struckoffcompany				Not Applicable
Other outstanding balance				Not Applicable

iv) The Company have not traded or invested in Crypto currency or Virtual Currency during the period

v) The Company have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall

a) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or

b) Provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries

vi) The Company have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall

a) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries); or

b) Provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries

vii) The Company have not had any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961

viii) The Title deeds for all the immovable property (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) are held in the name of the Company

23 Foreseable losses

The Company has a process whereby periodically all long term contracts are assessed for material foreseeable losses. At the year-end, the Company has reviewed all such contracts and confirmed that no provision is required to be created under any law / accounting standard towards any foreseeable loss

24 Other matters

Information with regard to other matters specified in Schedule III to the Act is either Nil or not applicable to the Company for the year

25 Previous year's figures

Figures for the previous year have been regrouped, rearranged and reclassified wherever necessary. Accordingly, amounts and other disclosure for the previous year are included as an integral part of the current year financial statement and are to be read in relation to the amounts and other disclosures relating to the current year

For Vatsaraj & Co.
Chartered Accountants
ICAI FRN: 111327W

SD/-

Dr. CA B. K. Vatsaraj
Partner
M No.: 033994
Place: Mumbai
Date: 03/05/2023

VATSARAJ & CO. FRN 111327W CHARTERED ACCOUNTANTS

For and behalf of the Board of Directors

Mr. Jairam Sridharan
Director
DIN: 05165390
Date: 03/05/2023

Ms. Upma Goel
Director
DIN: 00713974
Date: 03/05/2023

DHFL Investments Limited Mumbai

INDEPENDENT AUDITOR'S REPORT
To the Members of DHFL Holdings Limited
Report on the Audit of the Standalone Ind AS Financial Statements

Opinion

1. We have audited the accompanying Standalone Ind AS financial statements of DHFL Holdings 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 then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the Standalone Ind AS financial statements").

   In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Ind AS 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 (Ind AS) as amended, and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, and loss and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

2. We have conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the Standalone Ind AS financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Information Other than the Standalone Financial Statements and Auditor's Report Thereon

3. The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the, Board's Report including Annexure to Board's Report and Shareholder's Information, but does not include the Standalone Ind AS Financial Statements and our auditor's report thereon Our opinion on the Standalone Ind AS Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the Standalone Ind AS Financial Statements, our responsibility is to read the other information

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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. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to communicate the matter to those charged with governance.

Responsibility of Management for the Standalone Ind AS Financial Statements

4. The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

   In preparing the Standalone IND AS 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 are also responsible for overseeing the company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Ind AS Financial Statements

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

   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

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provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the 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 Ind AS financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Standalone Ind AS Financial Statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

Report on Other Legal and Regulatory Requirements

6. As required by the Companies (Auditors' Report) Order, 2020 issued by the Central Government in terms of sub-section 11 of Section 143 of the Act, we give in the "Annexure A" of this report a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable. As Company does not have any subsidiary, joint venture or associate enterprise, consolidated financial statements is not prepared. Hence Paragraph 3(xxi) of Companies (Auditor's Report) Order,2020 is not applicable.

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

(a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;

(b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

(c) The Balance Sheet, the Statement of Profit and Loss, the Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.

(d) in our opinion, the aforesaid Standalone Ind AS Financial Statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

(e) On the basis of the written representations received from the directors as on 31st March, 2023 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 Section 164 (2) of the Act.

(f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting

8. 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 does not have any pending litigations which would impact its financial position.

   ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

   iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company·

   iv. (a) The management has represented that, to the best of it's knowledge and belief, other than 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 company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any mannner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries

   (b) The management has represented, that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall,

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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) Based on such audit procedures that we has considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused them to believe that the representations under sub-clause (a) and (b) contain any material misstatement.

v. The dividend is neither declared nor paid during the year by the company.

9. With respect to the matter to be included in the Auditors' Report under section 197(16):
In our opinion and according to the information and explanations given to us, no remuneration is paid by the company to its directors during the current year. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.

10. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company with effect from April 1, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.

For Vatsaraj & Co.
Chartered Accountants
FRN.: 111327W

SIDL

Dr.CA B. K. Vatsaraj
Partner
M. No.: 039894
UDIN: 23039894BGZCSR5750
Place: Mumbai
Date: 03-05-2023

VATSARAJ & CO. FRN 111327W CHARTERED ACCOUNTANTS

Annexure 'A' referred to in Paragraph 6 of the Independent Auditor's Report of even date to the members of DHFL Holdings Limited as on the standalone Ind AS financial statements for the year ended 31st March 2023.

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we report that:

(i) The Company does not have any property, plant and equipment, intangible assets, right of use assets or investment property and accordingly, reporting under clause 3(i) of the Companies (Auditor's Report) Order, 2020 (hereinafter referred to as 'the Order') is not applicable to the Company.

(ii) The Company does not hold any inventories. Accordingly, Para 3 (ii) of the Order is not applicable to the Company.

(iii) According to the information and explanation given to us and according to the records of the Company as examined by us, the company has not made any investment in, provided any guarantee or security or granted any loans or advances in nature of loans, secured or unsecured to companies, firms, Limited Liability Partnership or any other parties during the year. Accordingly, Para 3(iii) of the Order is not applicable to the Company.

(iv) In our opinion and according to the explanations given to us, the Company has not entered into any transactions covered under section 185 and 186 of the Act. Accordingly, Para 3(iv) of the Order is not applicable to the Company.

(v) In our opinion and according to the information and explanations given to us, the company has not accepted any deposit or there are no amounts which have been deemed to be deposits within the meaning of section 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014(as amended). Accordingly, Para 3 (v) of the Order is not applicable to the Company.

(vi) The Central Government has not specified maintenance of cost records under sub-section (1) of section 148 of the Act, in respect of Company's product/services/business activities. Accordingly, Para 3 (vi) of the Order is not applicable to the Company.

(vii) In respect of statutory dues:

(a) According to the information and explanation given to us and according to the records of the Company as examined by us, undisputed statutory dues including provident fund, employees' state insurance, income tax, custom duty, cess, goods and services tax and other material statutory dues have been regularly deposited during the year with the appropriate authorities. Further, no undisputed amounts payable was outstanding as at March 31, 2023 for a period of more than six months from the date on which they become payable.

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(b) According to the information and explanation given to us, there are no statutory dues referred to in subclause (a) above that have not been deposited with the appropriate authorities on account of any dispute.

(viii) According to the information and explanation given to us, no transactions were surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 which have not been previously recorded in the books of accounts.

(ix) (a) According to the information and explanation given to us, loan amounting to INR 288.71 hundred are repayable on demand and terms and conditions for payment of interest thereon have not been stipulated. Further, such loans and interest thereon have not been demanded for repayment as on date.

(b) According to the information and explanation given to us, on the basis of our audit procedures, we report that the Company has not been declared willful defaulter by any bank or financial institution or government or government authority or any other lenders.

(c) According to the information and explanation given to us and based on the records of the Company examined by us, the Company has not raised any money by way of term loans during the year and did not have any term loans outstanding at the beginning of the current year. Accordingly, Para (ix)(c) of the order is not applicable to the Company.

(d) According to the information and explanation given to us and based on the records of the Company examined by us, the Company has not raised any funds on short term basis during the year. Accordingly, Para (ix)(d) of the Order is not applicable to the Company.

(e) According to the information and explanation given to us, the Company does not have any Subsidiaries, associates or Joint Venture. Accordingly, Para (ix)(e) of the Order is not applicable to the Company.

(f) According to the information and explanation given to us and based on the records of the Company examined by us, no loans were raised during the year by way of pledge of securities, therefore Para 3(ix)(f) of the Order is not applicable to the Company.

(x) (a) According to the information and explanation given to us and based on the records of the Company examined by us, during the year Company has not raised any money by way of initial public offering or other public offering. Therefore, Para 3 (x)(a) of the Order is not applicable to the Company.

(b) According to the information and explanation given to us and based on the records of the Company examined by us, during the year Company has not raised any money by way of preferential allotment or private placement of shares or convertible debentures. Therefore, Para 3 (x)(b) of the Order is not applicable to the Company

VATSARAJ & CO. ★ FRN 111327W ★ CHARTERED ACCOUNTANTS

(xi) (a) To the best of our knowledge and belief and according to the information and explanation given to us, no fraud by the Company or any fraud on the Company by its officers/ employees has been noticed or reported, during the year. Therefore, Para 3 (xi) of the Order is not applicable to the Company.

(b) According to the information and explanations given to us including the representation made to us by the management of the Company, no report under sub-section 12 of section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014, with the Central Government for the period covered by our audit.

(c) According to the information and explanations given to us including the representation made to us by the management of the Company, there are no whistle-blower complaints received by the Company during the year.

(xii) In our opinion and according to information and explanations given to us, Company is not a Nidhi Company. Therefore, Para 3 (xii) of the Order is not applicable to the Company.

(xiii) According to the information and explanation given to us and based on our verification of the records of the Company and on the basis of review and approval by the Board and Audit Committee, the transactions with related parties are in compliance with Section 177 and 188 of the Act where applicable and the details of such transactions have been disclosed in the Standalone Ind AS financial statements as required by the applicable accounting standards.

(xiv) In our opinion and according to information and explanations given to us, the Company is not required to and consequently, does not have an internal audit system as per the provision of the companies act 2013. Accordingly, para (xiv) is not applicable to the Company.

(xv) According to the information and explanation given to us and based on our verification of the records of the Company, the company has not entered into any non-cash transactions with directors or persons connected with its directors. Accordingly, para (xv) is not applicable to the Company.

(xvi) (a) According to the information and explanation given to us the company is not required to get registered under section 45-IA of Reserve Bank of India Act, 1934.

(b) According to the information and explanation given to us and based on our verification of the records of the Company, the Company has not conducted any Non-Banking Financial or Housing Finance activities during the year without a valid certificate of Registration from the RBI as per the Reserve Bank of India Act, 1934.

(c) According to the information and explanation given to us the Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, the reporting under clause 3(xvi)(c) are not applicable.

(d) According to the information and explanation given to us and as represented by the management of the Company, the Group does not have any CIC as part of the Group.

VATSARAJ & CO. FRN 111327W CHARTERED ACCOUNTANTS

(xvii) According to the information and explanation given to us and based on our verification of the records, the Company has incurred cash losses during the financial year INR 874.68 hundred and preceding financial year INR 376.71 hundred.

(xviii) According to the information and explanation given to us, there are no resignation of the statutory auditor during the year. Accordingly, reporting under clause 3(xviii) of the Order is not applicable to the Company.

(xix) In our opinion and According to the information and explanation given to us and based on the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the Standalone Ind AS Financial Statements, the auditor's knowledge of the Board of Directors and management plans, material uncertainty exists as on the date of the audit report that company might not be 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 further state that our reporting is based on the facts upto to the date of Audit report and we neither give any guarantee nor any assurance that all the 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) According to the information and explanation given to us, the Company does not meet the criteria as specified under section 135(1) of the Companies (Corporate Social Responsibility Policy) Rules 2014 and accordingly, para 3(xx) of the order is not applicable to the Company.

(xxi) The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of standalone financial statements of the Company. Accordingly, no comment has been included in respect of said clause under this report.

For Vatsaraj & Co.
Chartered Accountants
FRN.: 111327W

SD/-

Dr.CA B. K. Vatsaraj
Partner
M. No.: 039894
UDIN: 23039894BGZCSR5750
Place: Mumbai
Date: 03-05-2023

VATSARAJ & CO. FRN 111327W CHARTERED ACCOUNTANTS

ANNEXURE 'B' to Independent Auditors' Report on the Standalone Ind AS Financial Statement of DHFL Holdings Limited, Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Act, referred to in paragraph 7(f) under "Report on Other Legal and Regulatory requirement" section of our report of even date.

We have audited the internal financial controls over financial reporting of DHFL Holdings Limited ("the Company") as of 31st March, 2023 in conjunction with our audit of the Standalone Ind AS 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 the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

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, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Standalone Ind AS 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 Standalone Ind AS Financial Statements in accordance with generally

VATSARAJ & CO. FRN 111327W CHARTERED ACCOUNTANTS

accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations 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 Standalone Ind AS 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 Vatsaraj & Co.
Chartered Accountants
FRN.: 111327W

SD

Dr.CA B. K. Vatsaraj
Partner
M. No.: 039894
UDIN: 23039894BGZCSR5750
Place: Mumbai
Date: 03-05-2023

VATSARAJ & CO. FRN 111327W CHARTERED ACCOUNTANTS

DHFL HOLDINGS LIMITED

Balance Sheet as at 31st March, 2023

(₹ Hundred)

	Particulars	Note	As at 31.03.23	As at 31.03.22
I	Assets			
1	Financial Assets			
(a)	Cash and Cash Equivalent	3	12.51	111.63
(b)	Bank Balance other than (a) above		-	-
(c)	Derivative Financial Instrument		-	
(d)	Receivables			
	(I)Trade Receivable		-	
	(II) Other Receivable			
(e)	Loans			
(f)	Investments			
(g)	Other Financial Assets			
2	Non-Financial Assets			
(a)	Inventories			
(b)	Current Tax Assets (Net)			
(c)	Deferred Tax Assets (Net)			
(d)	Investment Property		-	
(e)	Biological Assets other than Bearer Plants		-	
(f)	Property Plant and Equipment		-	
(g)	Capital WIP			
(h)	Intangible Assets under development		-	
(i)	Goodwill		-	
(j)	Other Intangible Assets		-	
(k)	Other Non Financial Assets (to be specified)		-	
	Total Assets		12.51	111.63
II	Liabilities and Equity			
1	Financial Liabilities			
(a)	Derivative Financial Instrument			
(b)	Payables	4		
	(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		1,514.41	761.33
	(II) Other Payables			
	(i) total outstanding dues of micro enterprises and small enterprises			
	(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		-	
(c)	Debt Securities		-	-
(d)	Borrowings (Other than Debt Securities)	5	288.71	266.21
(e)	Deposits			
(f)	Subordinated Liabilities		-	
(g)	Other financial liabilities		-	
2	Non-Financial Liabilities			
(a)	Current tax liabilities (Net)			
(b)	Provisions			
(c)	Deferred tax liabilities (Net)		-	
(d)	Other non-financial liabilities(to be specified)		-	
3	EQUITY			
(a)	Equity Share capital	6	1,000.00	1,000.00
(b)	Other Equity	7	(2,790.62)	(1,915.91)
	Total Liabilities and Equity		12.51	111.63
	Significant accounting policies	2		

As per our report of even date
For Vatsaraj & Co.
Chartered Accountants
ICAI FRN: 111327W

SD/-

Dr. CA B. K. Vatsaraj
Partner
M No.: 39894

Place: Mumbai
Date: 03/05/2023

VATSARAJ & CO. FRN 111327W CHARTERED ACCOUNTANTS

For and behalf of the Board of Directors

Mr. Pradeep Sawant
Director
DIN : 08957171
Date: 03/05/2023

Mr. Bipin Singh
Director
DIN : 00058068
Date: 03/05/2023

DHFL Holdings Limited MUMBAI

DHFL HOLDINGS LIMITED

Profit & loss account for the year ended 31st March, 2023

(₹ Hundred)

	Particulars	Notes	For the year ended 31.03.2023	For the year ended 31.03.2022
	Revenue from operations			
(i)	Interest Income			
(ii)	Dividend Income			
(iii)	Renatal Income			
(iv)	Fees and Commission Income			
(v)	Net gain on fair value changes			
(vi)	Net gain on derecognition of financial instruments under amortised cost category			
(vii)	Sale of products(including Excise Duty)			
(viii)	Sale of services		-	
(ix)	Others (Write back of Professional fees)		206.50	
(I)	**Total Revenue from operations**		206.50	-
(II)	Other Income (to be specified)		-	-
(III)	**Total Income (I+II)**		206.50	-
	Expenses			
(i)	Finance Costs		22.50	16.21
(ii)	Fees and commission expense		-	
(iii)	Net loss on fair value changes			
(iv)	Net loss on derecognition of financial instruments under amortised cost category			
(v)	Impairment on financial instruments			
(vi)	Cost of materials consumed			
(vii)	Purchases of Stock -in -trade			
(viii)	Changes in Inventories of finished goods, stock -in - trade and work - in - progress			
(ix)	Employee Benefits Expenses			
(ix)	Depreciation , amortization and impairmen			
(x)	Others expenses (to be specified)	8	1,058.68	360.50
(IV)	**Total Expenses (IV)**		1,081.18	376.71
(V)	Profit / (loss) before exceptional items and tax (III - IV)		(874.68)	(376.71)
(VI)	Exceptional items		-	
(VII)	Profit/(loss) before tax (V -VI)		(874.68)	(376.71)
(VIII)	Tax Expenses		-	-
	(a) Current Tax		-	
	(b) Deferred Tax		-	
(IX)	Profit / (loss) for the period from continuing operations(VII -VIII)		(874.68)	(376.71)
(X)	Profit/(loss) from discontinued operations			
(XI)	Tax Expense of discontinued operations			
(XII)	Profit/(loss) from discontinued operations(After tax) (X -XI)		-	
(XIII)	Profit/(loss) for the period (IX+XII)		(874.68)	(376.71)
(XIV)	**Other Comprehensive Income**			
	(A)			
	(i) Items that will not be reclassified to profit or loss (specify items and amounts)			
	(ii) Income tax relating to items that will not be reclassified to profit or loss			
	Subtotal (A)			
	(B)			
	(i) Items that will be reclassified to profit or loss (specify items and amounts)			
	(ii) Income tax relating to items that will be reclassified to profit or loss			
	Subtotal (B)			
	Other Comprehensive Income (A + B)			
(XV)	**Total Comprehensive Income for the period (XIII+XIV) (Comprising Profit (Loss) and other Comprehensive Income for the period)**		(874.68)	(376.71)
	Paid-up Equity Share Capital (Face value ₹ 10)		1,000.00	1,000.00
(XVI)	Earnings per equity share (for continuing operations)			
	Basic (₹)		(8.75)	(3.77)
	Diluted (₹)		(8.75)	(3.77)
(XVII)	**Earnings per equity share (for discontinued operations)**			
	Basic (₹)			
	Diluted (₹)			
(XVIII)	**Earnings per equity share (for continuing and discontinued operations)**	9		
	Basic (₹)		(8.75)	(3.77)
	Diluted (₹)		(8.75)	(3.77)

See accompanying notes to the financial statements

For Vatsaraj & Co.
Chartered Accountants
ICAI FRN: 111327W

SD/-

Dr. CA B. K. Vatsaraj
Partner
M No.: 39894

Place: Mumbai
Date: 03/05/2023

VATSARAJ & CO. FRN 111327W CHARTERED ACCOUNTANTS

For and behalf of the Board of Directors

Mr. Pradeep Sawant
Director
DIN : 08957171
Date: 03/05/2023

Mr. Bipin Singh
Director
DIN : 00058068
Date: 03/05/2023

DHFL Holdings Limited MUMBAI

DHFL HOLDINGS LIMITED

Cash Flow Statement for the Year Ended 31st March 2023

(₹ Hundred)

	For the year ended 31.03.2023		For the year ended 31.03.2022	
A. CASH FLOW FROM OPERATING ACTIVITIES				
Net Profit/(Loss) Before Tax		(874.68)		(376.71)
Adjustments for:				
Interest Paid		22.50		16.21
Operating Profit before Working capital changes		(852.18)		(360.50)
Changes in Working capital				
Other Financial Liabilities	753.06		88.96	
Working Capital changes		753.06		88.96
Cash used in operations during the year		(99.12)		(271.54)
Net Cash Used in Operating Activities		(99.12)		(271.54)
B. CASH FLOW FROM INVESTING ACTIVITIES				
Current Investments not considered as Cash or cash equivalents				
Investments in Equity Shares		-	-	
Net Cash used in Investing Activities		-		-
C CASH FLOW FROM FINANCING ACTIVITIES				
Interet Paid		-		
Loan received/(paid) from Holding Company	-	-	250.00	250.00
Net Cash generated From / (Used In) Financing Activities		-		250.00
Net Increase/ (Decrease) in Cash Equivalents		(99.12)		(21.54)
Cash and Cash Equivalents at the beginning of the year		111.63		133.16
Cash and Cash Equivalents at the close of the year		12.51		111.63

The above cash flow statement has been prepared under the "Indirect method" as set out in the Ind AS 7 on statement of Cash Flow as notified under Companies (Account) Rule 2015

This is the Cash Flow referred to in our Report of even date.
Negative Figure (-) represents Cash Outflow.

For Vatsaraj & Co.
Chartered Accountants
ICAI FRN: 111327W

SD/-

Dr. CA B. K. Vatsaraj
Partner
M No.: 39894

Place: Mumbai
Date: 03/05/2023

VATSARAJ & CO. ★ FRN 111327W ★ CHARTERED ACCOUNTANTS

For and behalf of the Board of Directors

Mr. Pradeep Sawant
Director
DIN : 08957171
Date: 03/05/2023

Mr. Bipin Singh
Director
DIN : 00058068
Date: 03/05/2023

DHFL Holdings Limited MUMBAI

DHFL HOLDINGS LIMITED

Statement of Changes in Equity for the Period ended 31st March '23

A Equity Share Capital

Current Period

(₹ Hundred)

Particulars	Balance at the beginning of the reporting period	Changes in equity share capital due to prior period errors	Restated balance at the beginning of the reporting period	Changes in equity share capital during the year	Balance at the end of reporting period
10,000 Equity Shares of ₹ 10/- each fully paid up					
AS at 31st March 2022	1,000.00	-	-	-	1,000.00
AS at 31st March 2023	1,000.00	-	-	-	1,000.00

B Other Equity

(₹ Hundred)

Partiulars	Reserves & Surplus		Total
	Retained Earnings	Other Comprehensive Income	
As at 1st April'21	(1,539.23)	-	(1,539.23)
Profit/(Loss) for the Year Ended	(376.71)		(376.71)
As at 31st March'22	(1,915.94)		(1,915.94)
As at 1st April'22	(1,915.94)		(1,915.94)
Profit/(Loss) for the Year Ended	(874.68)		(874.68)
As at 31st March'23	(2,790.62)	-	(2,790.62)

As per our report of even date
For Vatsaraj & Co.
Chartered Accountants
ICAI FRN: 111327W

SD/-

Dr. CA B. K. Vatsaraj
Partner
M No.: 39894

Place: Mumbai
Date: 03/05/2023

VATSARAJ & CO.
FRN
111327W
CHARTERED ACCOUNTANTS

For and behalf of the Board of Directors

Mr. Pradeep Sawant
Director
DIN : 08957171
Date: 03/05/2023

Mr. Bipin Singh
Director
DIN : 00058068
Date: 03/05/2023

DHFL Holdings Limited
MUMBAI

DHFL HOLDINGS LIMITED

Significant Accounting Policies and Explanatory Information forming part of the Financial Statements for the Period ended 31st March, 2023

1 CORPORATE INFORMATION

DHFL Holdings Limited (DHL) is wholly owned subsidiary company of Piramal Capital & Housing Finance Limited (Formerly Dewan Housing Finance Corporation Limited) and has been incorporated on 28th September 2018 under the provisions of Companies Act, 2013. DHL has been incorporated to carry on the business/businesses of holding and Investment Company, to buy, underwrite, invest in, acquire, hold, deal in and trade in shares, stocks, debentures, debenture-stock, bonds, obligations and securities of any kind of companies or partnership firms or body corporate, whether in India or elsewhere in accordance with the Reserve Bank of India Act, 1934 and other applicable statutory and legal provisions. DHL has registered office in Mumbai.

2 SIGNIFICANT ACCOUNTING POLICIES:

2.1 Basis of preparation of financial statements :

a) The Company has adopted Ind AS standards effective from date of incorporation. All applicable Ind AS have been applied consistently wherever required.

b) The financial statements have been prepared on a historical cost basis, except for certain financial instruments which are measured at fair values at the end of each reporting period, as explained in the accounting policies below.

c) These financial statements have been prepared on a going concern basis. The Company is in the process of raising funds by way of equity and borrowings from holding Company

d) The preparation of financial statements requires management to make estimates and assumptions that effect the reported amounts of assets and liabilities on the date of financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognised in the period in which the results are known / materialised.

e) Amounts in the financial statements are presented INR in Hundred, unless otherwise stated.

f) Based on the nature of its activities, the company has determined its operating cycle as 12 months for the purpose of classification of its Assets and Liabilities as current and non-current.

2.2 Revenue Recognition :

Dividend Income

Revenue is recognised when the Company's right to receive the payment is established, which is generally when shareholders approve the dividend.

Other Income

Revenue is recognised when there is reasonable certainty as to measurement and ultimate realization of the same.

2.3 Financial Instrument

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

(I)Financial Asset:

Initial recognition and measurement :

All financial instruments are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through the statement of profit and loss,transaction costs that are attributable to the acquisition of the financial asset, purchase or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place are recognized on the trade date i.e. the date that the company commits to purchase or sell the asset.

Subsequent measurement : For the purpose of subsequent measurement financial assets are classified as measured at: • Amortised cost • Fair value through profit and loss (FVTPL) • Fair value through other comprehensive income (FVTOCI).

Financial assets at fair value through profit or loss (FVTPL) : Financial asset are measured at fair value through profit and loss if it does not meet the criteria for classification as measured at amortized cost or at FVTOCI. All fair value changes are recognized in the statement of profit and loss.

Equity Instruments : All investments in equity instruments classified under financial assets are initially measured at fair value, the group may, on initial recognition, irrevocably elect to measure the same either at FVTOCI or FVTPL.

2.4 Financial Liability

Initial recognition and measurement :

Financial liabilities are recognized initially at fair value plus any transaction cost that are attributable to the acquisition of the financial liability except financial liabilities at FVTPL that are measured at fair value.

Subsequent measurement :

Financial liabilities are subsequently measured at amortised cost using the EIR method. Financial liabilities carried at fair value through profit or loss are measured at fair value with all changes in fair value recognised in the statement of profit and loss.

Financial liabilities at amortized cost: Amortized cost for financial liabilities represents amount at which financial liability is measured at initial recognition minus the principal repayments, plus or minus the cumulative amortization using the effective interest method of any difference between the initial amount and the maturity amount. The company is classifying the following under amortized cost. (1)Borrowings from banks (2) Borrowings from others (3)Trade payables (4) Other financial liabilities.

Derecognition: A financial liability shall be derecognized when, and only when, it is extinguished i.e. when the obligation specified in the contract is discharged or cancelled or expires.

VAIDYARAJ & CO. FRN 111327W CHARTERED ACCOUNTANTS

2.5 Cash and cash equivalents

Cash and cash equivalent in the Balance Sheet comprise cash at banks and on hand, which are subject to an insignificant risk of changes in value. For the purpose of the statement of cash flows, cash and cash equivalents consist of cash at banks and on hand, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

2.6 Impairment of Assets :

The carrying amounts of assets are reviewed at each reporting date if there is any indication of impairment based on internal / external factors. An impairment loss is recognised wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the asset's fair value less cost of disposals and value in use. In assessing value in use, the stimated 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. Fair value is the price that would be received to sell an asset or paid to transfer a liability in orderly transaction between market participants at the measurement date. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.Impairment losses are recognised in the Statement of Profit and Loss in expense categories.

2.7 Earnings Per Share :

Basic earnings per share are 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.

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.

2.8 Taxes on Income

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

Deferred tax assets and liabilities are recognized for the future tax consequences attributable to temporary differences between the financial statements' carrying amount of existing assets and liabilities and their respective tax basis. Deferred tax assets and liabilities are measured using the enacted tax rates or tax rates that are substantively enacted at the balance sheet dates. The effect on the deferred tax assets and liabilities of a change in tax rate is recognized in the period that includes the enactment date. Deferred tax assets are recognized only to the extent there is virtual certainty of realization in future.

2.9 Provisions, Contingent Liability and Contingent Assets

The Company recognizes a provision when there is a present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation that the likelihood of outflow of resources is remote , no provision or disclosure is made. Contingent assets are disclosed where an inflow of economic benefits is probable.

VATSARAJ & CO. FRN 111327W CHARTERED ACCOUNTANTS

DHFL HOLDINGS LIMITED
Notes forming part of the Financial Statements

3 Cash and Cash Equivalent

(₹ Hundred)

Particulars	As at 31.03.2023	As at 31.03.2022
(a) Cash on hand	-	-
(b) Balances with Banks in Current Accounts	12.51	111.63
Total Cash & Cash Equivalents	12.51	111.63

4 Payables

(₹ Hundred)

Particulars	As at 31.03.2023	As at 31.03.2022
Trade Payable		
(i) total outstanding dues of micro enterprises and small enterprises	-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	1,514.41	761.35
Other Payables		
(i) total outstanding dues of micro enterprises and small enterprises	-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	-	-
Total Payable	1,514.41	761.35

Ageing of Other Payable	As at 31.03.2023	As at 31.03.2022
Total outstanding dues of creditors other than micro enterprises and small enterprises		
Less than 1 year	1,195.56	335.85
1 to 2 years	217.85	425.50
2 to 3 years	101.00	-
More than 3 years	-	-
Total	1,514.41	761.35

Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. The Company has not received any memorandum (as required to be filed by the suppliers with notified authority under the Micro, Small and Medium Enterprises Development Act, 2006) from vendor claiming the status as micro or small enterprises. Refer Note 18 for diclosures made.

Trade payables are recognised at their original invoice amounts which represents their fair values on initial recognition. Trade payables are considered to be of short duration and are not discounted and the carrying values are assumed to approximate their fair values.

5 Brrowings (Other than Debt Securities)

(₹ Hundred)

Particulars	March 31, 2023				March 31, 2022			
	At Amortised Cost	Fair Value through profit/ loss	Designated at Fair Value through profit/ loss	Total	At Amortised Cost	Fair Value through profit/ loss	Designated at Fair Value through profit/ loss	Total
Unsecured Short Term borrowings from a Fellow Subsidiary Company*	288.71	-	-	288.71	266.21	-	-	266.21
Total (A)	288.71	-	-	288.71	266.21	-	-	266.21
Borrowings in India	288.71	-	-	288.71	266.21	-	-	266.21
Borrowings in Outside India	-	-	-	-	-	-	-	-
Total (B)	288.71	-	-	288.71	266.21	-	-	266.21

***The borrowing is a short-term unsecured loan repayble on demand bearing interest rate of 9% p.a (PY 9%p.a.) . The Borrower has not called the company for repayment of loan.**

6 Equity Share capital

(₹ Hundred)

Particulars	Balance at the beginning of the reporting period	Changes in equity share capital due to prior period errors	Restated balance at the beginning of the reporting period	Changes in equity share capital during the year	Balance at the end of reporting period
Authorised					
1,00,000 Equity Shares of ₹ 10/- each	10,000.00	-	-	-	10,000.00
	10,000.00	-	-	-	10,000.00
Issued, Subscribed and Paid up					
10,000 Equity Shares of ₹ 10/- each fully paid up	10,000.00	-	-	-	10,000.00
	10,000.00	-	-	-	10,000.00

The Company at present has one class of issued, subscribed and paid up share referred to as equity shares having a par value of ₹ 10/- each. Each holder of equity share is entitled to one vote per share. The Company has not declared or paid any dividend.

VATSARAJ & CO.
FRN 111327W
CHARTERED ACCOUNTANTS

DHFL HOLDINGS LIMITED
Notes forming part of the Financial Statements

Reconciliation of outstanding number of shares (₹ Hundred)

Particulars	As at 31.03.2023		As at 31.03.2022	
	No. of shares	Amount	No. of shares	Amount
Equity shares at the beginning	10,000.00	1,000.00	10,000.00	1,000.00
Add: Shares issued during the year	-			-
Equity shares at the end	10,000.00	1,000.00	10,000.00	1,000.00

Details of shareholders holding more than five percent equity shares in the Company

Particulars	As at 31.03.2023		As at 31.03.2022	
	No. of shares	% holding	No. of shares	% holding
Piramal Capital & Housing Finance Limited (Formerly Dewan Housing Finance Corporation Ltd.) (Holding Company)	10,000	100.00	10,000	100.00
Total	10,000	100.00	10,000	100.00

Equity Shares held by Holding Company and List of Promoter Shareholders

Holding Company / Promoter Name	As at 31.03.2023		% of change during the year
	No. of shares	% holding	
Piramal Capital & Housing Finance Limited (Formerly Dewan Housing Finance Corporation Ltd.)	10,000	100.00	-

Holding Company / Promoter Name	As at 31.03.2022		% of change during the year
	No. of shares	% holding	
Piramal Capital & Housing Finance Limited (Formerly Dewan Housing Finance Corporation Ltd.)	10,000	100.00	-

7 Other Equity

(₹ Hundred)

	Reserves & Surplus		
Partiulars	Retained Earnings	Other Comprehensive Income	Total
As at 1st April'21	(1,539.23)	-	(1,539.23)
Profit/(Loss) for the Year Ended	(376.71)	-	(376.71)
As at 31st March'22	**(1,915.94)**	-	(1,915.94)
As at 1st April'22	(1,915.94)	-	**(1,915.94)**
Profit/(Loss) for the Year Ended	(874.68)	-	(874.68)
As at 31st March'23	**(2,790.62)**	-	**(2,790.62)**

8 Other Expenses

(₹ Hundred)

Particulars	For the year ended 31.03.23	For the year ended 31.03.22
(a) Auditor's Remuneration	100.00	100.00
(b) Bank Charges	99.12	21.54
(c) Filing Fees	447.00	32.00
(d) Professional fees	342.00	157.50
(e) GST Expenses	70.56	46.35
(f) Miscellaneous Expenses	-	3.11
Total Other expenses	1,058.68	360.50

9 Earning Per Share

(₹ Hundred)

Particulars	For the year ended 31.03.2023	For the year ended 31.03.2022
Profit/(Loss) after tax as per statement of profit and loss	(874.68)	(376.71)
Net Profit attributable to equity shareholders	(874.68)	(376.71)
No. of Equity shares (Number)	10,000.00	10,000.00
Weighted Average No. of Equity Shares	10,000.00	10,000.00
Nominal value of Equity Shares (₹)	10	10
Earning Per Share (₹) :		
Basic	(8.75)	(3.77)
Diluted	(8.75)	(3.77)

VATSARAJ & CO.
FRN 111327W
CHARTERED ACCOUNTANTS

10 **Related parties transactions**

As per Indian Accounting Standard (Ind AS 24) on " Related Party Disclosures" details of transactions with related parties as defined therein are given below:

A) List of related parties with whom transactions have taken place during the year

I) <u>COMPANIES</u>

(i) <u>Holding Company</u>

(a) Piramal Capital & Housing Finance Limited (Formerly Dewan Housing Finance Corporation Limited)
(b) Piramal Enterprises Limited - Ultimate Holding Company

<u>(ii) KEY MANAGEMENT PERSONNEL, DIRECTOR</u>

(a) Mr. Pradeep Atmaram Sawant, Director (wef, 11.11.2020)
(b) Mr. Bipin Singh, Director (wef 08.11.2021)
(c) Mr. Pralhad Kulkarni, Director (wef 14.03.2022)

<u>(iii) Enterprises over which KMP are able to exercise significant influence</u>

(a) DHFL Advisory & Investments Private Limited
(b) DHFL Changing Lives Foundation
(c) Piramal Consummer Products Private Limited
(d) PEL Finhold Private Limited
(e) Viridis Power Managers Private Limited
(f) Piramal Systems & Technologies Private Limited
(g) Piramal Investment Advisory Services Private Limited
(h) Provvidian Technology Services Private Limited (under liquidation)
(i) DHFL Investments Limited
(j) Viridis Power Managers Private Limited

B) Details of transactions during the period ended and balances as at the end of Period

(₹ Hundred)

Details of Transactions	Fellow Subsidiary	
	For the year ended 31.03.2023	For the year ended 31.03.2022
Interest on loan	22.50	16.21
Other Payable	250.00	250.00
Outstanding balance as on 31.3.2023	288.71	266.21

11 **Audit Fees**

(₹ Hundred)

Particulars	As at 31.03.2023	As at 31.03.2022
Audit Fees	100.00	100.00
Total Audit Fees	100.00	100.00

12 Deferred Tax Assets not recognised as a matter of prudence and provision for current tax is not made in view of assessable loss for the year.

13 Contingent Liability : NIL

14 Expenditure in Foreign currency : NIL

15 In view of support letter from holding company, the Company continues to prepare its accounts on going concern basis.

16 The Company does not have any income from operations during the period. Accordingly, disclosure requirement under Ind AS 108 - Operating Segment are not applicable.

VATSARAJ & CO.
FRN
111327W
CHARTERED ACCOUNTANTS

DHFL HOLDINGS LIMITED

Notes forming part of the Financial Statements

Note: 17

FINANCIAL INSTRUMENTS – FAIR VALUES AND RISK MANAGEMENT

A Accounting classification

The carrying value of financial instruments by categories are as follows:

(₹ Hundred)

Particulars	31-Mar-23			31-Mar-22		
	Fair Value through Profit and Loss	Fair Value through OCI	Amortised Cost	Fair Value through Profit and Loss	Fair Value through OCI	Amortised Cost
Financial assets						
Cash and cash equivalents	-	-	12.51	-	-	111.63
Others	-	-	-	-	-	-
	-	-	**12.51**	-	-	**111.63**
Financial liabilities						
Borrowings	-	-	288.71	-	-	266.21
Trade Payable	-	-	1,514.41	-	-	761.35
	-	-	**1,803.12**	-	-	**1,027.56**

VATSARAJ & CO. FRN 111327W CHARTERED ACCOUNTANTS

FINANCIAL INSTRUMENTS – FAIR VALUES AND RISK MANAGEMENT

Note 17 Cont'd

B Measurement of fair values

Fair value hierarchy

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the company has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

(₹ Hundred)

Assets and liabilities which are measured at amortised cost for which fair values are disclosed as at March 31, 2023	Carrying Amount	Level 1	Level 2	Level 3	Total
Financial assets					
Cash and bank balances	12.51				12.51
Total financial assets	**12.51**	-	-	-	**12.51**
Financial liabilities					
Borrowings	288.71				288.71
Trade Payable	1,514.41				1,514.41
Total financial liabilities	**1,803.12**	-	-	-	**1,803.12**

(₹ Hundred)

Assets and liabilities which are measured at amortised cost for which fair values are disclosed as at March 31, 2022	Carrying Amount	Level 1	Level 2	Level 3	Total
Financial assets					
Cash and bank balances	111.63				111.63
Total financial assets	**111.63**	-	-	-	**111.63**
Financial liabilities					
Borrowings	266.21				266.21
Trade Payable	761.35				761.35
Total financial liabilities	**1,027.56**	-	-	-	**1,027.56**

The financial instruments are categorised into three levels based on the inputs used to arrive at fair value measurments as described below.

Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities.
Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly
Level 3: techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data

The following methods and assumptions were used to estimate the fair value

Fair value of cash and cash equivalents, bank balances other than cash and cash equivalent, trade receivables, loans and other financial assets, trade payables, other financial liabilities approximate their carrying amounts largely due to current maturities of these instruments.

The fair value of the financial instruments that are not traded in an active market is determined using valuation techniques. The Company uses its judgment to select a variety of methods and make assumptions that are mainly based on market conditions existing at the end of each reporting period.

DHFL HOLDINGS LIMITED
Notes forming part of the Financial Statements

Note 17 Cont'd
Financial instruments – Fair values

C Financial Risk Management

The Company has exposure to the following risks arising from financial instruments:
Credit risk
Liquidity risk and
Market risk

Risk management framework

The Company's principal financial liabilities comprise trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include cash and cash equivalents that derive directly from its operations. The Company also holds FVTPL investments.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below:

1 **Market risk**

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk.

Financial instruments affected by market risk include FVTPL investments.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

2 **Equity price risk**

The Company's non-listed equity securities are susceptible to market price risk arising from uncertainties about future values of the investment securities. Company's investment in it's group company - DHFL Pramarica Life Insurance Company Limited, which is non-listed, is significant. But being the startegic investment, company is not enfluenced by equity price risk

Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities from its other financial instruments

Financial instruments and cash deposits

Credit risk from balances with banks and financial institutions is managed by the Company's board of directors. Investments of surplus funds are made only with approval of Board of directors.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The Company manages liquidity risk by maintaining adequate reserves, by continuously monitoring forecast and actual cash flows and matching the maturity profiles of the financial assets and liabilities

Capital Management

Capital includes equity attributable to the equity holders to ensure that it maintains an efficient capital structure and healthy capital ratios in order to support its business and maximise shareholder value. The Company manages its capital structure and makes adjustments to it, in light of changes in economic conditions or its business requirements. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. No changes were made in the objectives, policies or processes during the year ended March 31, 2023 and March 31, 2022.

VATSARAJ & CO. FRN 111327W CHARTERED ACCOUNTANTS

18 Micro, small and medium enterprises disclosure

The identification of Micro, Small and Medium enterprises is based on the management's knowledge of their status. The Company has not received any intimation from suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006.

Disclosures required under section 22 of the Micro, Small and Medium Enterprises Development Act, 2006. (MSMED Act).

	Particulars	As on 31-Mar-2023	As on 31-Mar-2022
(i)	Principal amount remaining unpaid to any supplier as at the end of the accounting year.	-	-
(ii)	Interest due thereon remaining unpaid to any supplier as at the end of the accounting year.	-	-
(iii)	The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day.		
(iv)	The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act.		
(v)	The amount of interest accrued and remaining unpaid at the end of the accounting year.		
(vi)	The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23.	-	-

Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors.

19 Details of Loans and Investments as required u/s 186(4) of Companies Act, 2013:-

1. Loans and advances in the nature of loans to related parties - Nil
2. Gurantees given by the Company in respect of loans as on 31st Mar 2023 - Nil

20 Vide Order dated June 7, 2021, the Mumbai bench of the Hon'ble National Company Law Tribunal ("NCLT") approved the Resolution Plan submitted by Piramal Capital & Housing Finance Limited ("PCHFL") for the Corporate Insolvency resolution process of Dewan Housing Finance Corporation Limited ("DHFL") under Section 31 of the Insolvency and Bankruptcy Code, 2016. Pursuant to the Resolution Plan, PCHFL has obtained control over DHFL and its subsidiaries by virtue of holding 100% shareholding and subsequently, PCHFL merged into DHFL to conclude acquisition on September 30, 2021 (Implementation Date). The Resolution Plan was filed with the respective Registrar of Companies on September 30, 2021 giving effect to the said merger.

21 Maturity analysis of assets and liabilities

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

(₹ Hundred)

	As on 31-Mar-2023			As on 31-Mar-2022		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
ASSETS						
Financial assets						
Cash and cash equivalents	-	-	-	-	-	-
Bank Balances other than cash and cash equivalent	12.51	-	12.51	111.63	-	111.63
Receivables						
(i) Trade receivables	-	-	-	-	-	-
Loans	-	-	-	-	-	-
Investments	-	-	-	-	-	-
Other Financial assets	-	-	-	-	-	-
Sub total	12.51	-	12.51	111.63	-	111.63
Non-financial assets						
Non current Tax assets (Net)	-	-	-	-	-	-
Investment Property	-	-	-	-	-	-
Property, Plant and Equipment	-	-	-	-	-	-
Other Intangible assets	-	-	-	-	-	-
Other Non-financial assets	-	-	-	-	-	-
Sub total	-	-	-	-	-	-
Total Assets	12.51	-	12.51	111.63	-	111.63
LIABILITIES AND EQUITY						
LIABILITIES						
Financial liabilities						
Derivative financial instruments	-	-	-	-	-	-
Payables						
Trade payables	1,514.41	-	1,514.41	761.35	-	761.35
Borrowings	288.71	-	288.71	266.21	-	266.21
Deposits	-	-	-	-	-	-
Other Financial liabilities	-	-	-	-	-	-
Sub total	1,803.12	-	1,803.12	1,027.56	-	1,027.56
Non-Financial liabilities						
Current tax liabilities (Net)	-	-	-	-	-	-
Provisions	-	-	-	-	-	-
Deferred tax liabilities (Net)	-	-	-	-	-	-
Other non-financial liabilities	-	-	-	-	-	-
Sub total	-	-	-	-	-	-
Total Liability	1,803.12	-	1,803.12	1,027.56	-	1,027.56

VATSARAJ & CO. FRN 111327W CHARTERED ACCOUNTANTS

DHFL HOLDINGS LIMITED

Notes forming part of the Financial Statements

22 **Ratio as per the Schedule III requirements**

i) Capital to risk-weighted assets ratio (CRAR)- Stock of High Quality Liquid Assets divided by Expected cash outflows for 30 days

Particulars	31-Mar-23	31-Mar-22
High Quality Liquid Assets	12.51	111.63
Total net Cashflow amounts	1,514.41	761.35
Ratio	0.83%	15%
% Change from previous period/ year	(1675.65%)	

Decrease is due to non payment of liability

ii) Tier I CRAR

Particulars	31-Mar-23	31-Mar-22
Net owned fund	(1,790.62)	(915.94)
Total risk weighted assets	-	-
Ratio	0.00%	0.00%
% Change from previous period/ year	0.00%	

iii) Tier II CRAR

Particulars	31-Mar-23	31-Mar-22
Aggregate Tier II Capital	-	-
Total risk weighted assets	-	-
Ratio	0.00%	0.00%
% Change from previous period/ year	0.00%	0.00%

iv) Liquidity Coverage Ratio

Particulars	31-Mar-23	31-Mar-22
High Quality Liquid Assets	12.51	111.63
Total net Cashflow amounts for next 30 days	1,514.41	643.35
Ratio	0.83%	17.35%
% Change from previous period/ year	(2001.33%)	

Decrease is due to non payment of liability

23 **Additional Regulatory Information required by Schedule III**

i) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.

ii) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

iii) Details of transactions with the companies struck off under section 248 of Companies Act, 2013 or section 560 of Companies Act, 1956 are as follows:

Nature of transactions with struck-off Company	Name of Struck off comapany	Balance outstanding amounts in consideration as on 31 March 2023	Balance outstanding amounts in consideration as on 31 March 2022	Relationship with the Struck off company, if any, to be disclosed
Investment in Securities		-	-	Not Applicable
Receivable		-	-	Not Applicable
Payables		-	-	Not Applicable
Shares held by struckofcompany		-	-	Not Applicable
Other outstanding balance		-	-	Not Applicable

iv) The Company have not traded or invested in Crypto currency or Virtual Currency during the period.

v) The Company have not advanced or loaned or invested funds to any other person (s)or entity (ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

a) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries); or

b) Provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

vi) The Company have not received any fund from any person (s)or entity (ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall:

a) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries); or

b) Provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

vii) The Company have not had any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.

viii) The Company does not own or lease any immovable property.

24 **Foreseable losses**

The Compny does not have any long term contracts which are required to be assessed for material forseable losses.

25 **Other matters**

Information with regard to other matters specified in Schedule III to the Act is either Nil or not applicable to the Company for the year.

26 **Previous year's figures**

The previous year's figures have been regrouped and reclassified.

For Vatsaraj & Co.
Chartered Accountants
ICAI FRN: 111327W

SD/-

Dr. CA B. K. Vatsaraj
Partner
M No.: 39894
Place: Mumbai
Date: 03/05/2023

VATSARAJ & CO. FRN 111327W CHARTERED ACCOUNTANTS

For and behalf of the Board of Directors

Mr. Pradeep Sawant
Director
DIN : 08957171
Date: 03/05/2023

Mr. Bipin Singh
Director
DIN : 00058068
Date: 03/05/2023

DHFL Holdings Limited MUMBAI

INDIAREIT Investment Management Co.

STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2023

	Notes	2023 USD	2022 USD
ASSETS			
Non-current assets			
Investments	10	-	-
Current assets			
Loan	8 (c)	-	8,600,000
Receivables and prepayments	11	775,228	736,650
Cash and cash equivalents	12	10,657,442	1,186,474
Total current assets		11,432,670	10,523,124
Total assets		11,432,670	10,523,124
EQUITY AND LIABILITIES			
Equity			
Stated capital	13 (a)	32,618	32,618
Retained earnings		11,357,978	10,444,833
Total equity		11,390,596	10,477,451
Current liabilities			
Payables	14	38,954	34,716
Carry shares	13 (b)	10	10
Tax payable	9 (iii)	3,110	10,947
Total current liabilities		42,074	45,673
Total equity and liabilities		11,432,670	10,523,124

SDH

Director

INDIAREIT Investment Management Co.

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2023

	Notes	2023	2022
		USD	USD
INCOME			
Management fees	8 (a) - (b)	1,118,712	1,355,137
		1,118,712	1,355,137
EXPENDITURE			
Advisory fees	8 (e)	(72,500)	(72,500)
Consultancy fees	15 (i)	(25,000)	(25,000)
Legal and professional fees		(64,027)	(33,148)
Audit fees		(9,733)	(10,494)
Licence fees		(4,837)	(4,800)
Bank charges		(2,916)	(2,205)
Other expenses		-	(200)
		(179,013)	(148,347)
FINANCE INCOME			
Interest on loan	8 (c)	2,827	258,000
		2,827	258,000
PROFIT BEFORE TAXATION		942,526	1,464,790
Taxation	9 (ii)	(29,381)	(44,109)
TOTAL COMPREHENSIVE INCOME FOR THE YEAR, NET OF TAX		913,145	1,420,681

SDL

A K P J & ASSOCIATES
Chartered Accountants

703, Gajlaxmi Apartment,Babhai Naka,
L.T. Road, Borivali (W), Mumbai-400 092.
Tel. No.: 28981003
E-mail: support@akpj.in

Independent Auditor's Report

To The Members of

PRL Agastya Private Limited

Report on the Audit of the Ind AS Financial Statements

Opinion

We have audited the accompanying Ind AS financial statements of **PRL Agastya Pvt. Ltd.** ("the company"), which comprise the Balance Sheet as at March 31, 2023, the Statement of Profit and Loss, including the statement of other Comprehensive income, the Cash flow Statement and the statement of changes in Equity for the year then ended, and notes to the Ind AS financial statements, including a summary of significant accounting policies and other explanatory information.

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

Basis for Opinion

We conducted our audit of the Ind AS financial statements in accordance with the Standards on Auditing (SAs) as specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Ind AS 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 the provisions of the Companies Act, 2013 and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the Ind AS financial statements.

Information other than the Financial Statement and Auditors' Report Thereon

The Company's board of directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report but does not include the Ind AS financial statements and our auditor's report thereon.

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

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

A K P J & ASSOCIATES
F. R. No.
166299W
MUMBAI
CHARTERED ACCOUNTANTS

Management's Responsibility for the Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ('the Act') with respect to the preparation and presentation of these Ind AS financial statements that give a true and fair view of the financial position and financial performance including other comprehensive income, cash flows and change in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act read with the companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Ind AS 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.

Those Board of Directors are also responsible for overseeing the company's financial reporting process.

Auditor's Responsibility for the Audit of the Ind AS Financial Statements

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

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 Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks , and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the companies Act, 2013,we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting polices used and the reasonableness of accounting estimates and related disclosures made by management

AKPJ & ASSOCIATES
F. R. No. 156299W
MUMBAI
CHARTERED ACCOUNTANTS

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the 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 date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern

- Evaluate the overall presentation, structure and content of the Ind AS financial statements, including the disclosures, and whether the Ind AS 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.

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, we give in the "Annexure A" a statement on the matters specified in the paragraph 3 and 4 of the order.

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

   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;

   b) In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;

   c) The Balance Sheet, the Statement of Profit and Loss including the statement of other comprehensive income, the cash flow statement and statement of charges in equity dealt with by this Report are in agreement with the relevant 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, read with Companies (Indian Accounting Standards) Rule 2015, as amended;

   e) On the basis of written representations received from the directors as on 31 March, 2023, taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2023, from being appointed as a director in terms of Section 164(2) of the Act;

   f) With respect to the adequacy of internal financial controls with reference to this Ind AS financial statements and the operating effectiveness of such controls, refer to our separate report in "Annexure B" to this report;

   g) The provisions of section 197 read with schedule V of the Act are not applicable to the company for the year ended March 31,2023;

A P J & ASSOCIATES
FRN 156299W
MUMBAI
CHARTERED ACCOUNTANTS

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, as amended in our opinion and to the best of our information and according to the explanations given to us:

i) The Company has disclosed the impact of pending litigation on its financial position in its Ind AS financial statements – Refer Note 30(b) to the Ind As financial Statements.

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) The management has represented that, to the best of it's knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

b) The management has represented that, to the best of it's knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

c) Based on such audit procedures that were we considered reasonable and appropriate in the circumstances, nothing has come to their notice that has caused them to believe that the representations under sub-clause (i) and (ii) contain any material mis-statement.

v) No dividend has been declared or paid during the year by the company.

For AKPJ & ASSOCIATES.
Chartered accountants
Firm Registration No. 156299W

Piyush Jain

A K P J & ASSOCIATES
F. R. No.
156299W
MUMBAI
CHARTERED ACCOUNTANTS

Piyush Jain
Partner
M. No. 184780
UDIN:23184780BGWPIV2953
Place: Mumbai
Date: May 03,2023

“Annexure A” referred to in paragraph under the heading "Report on other legal and regulatory requirements" of our report of even date

Re: PRL Agastya Private Limited ("the Company")

In terms of the information and explanations sought by us and given by the company and the books of account and records examined by us In the normal course of audit and to the best of our knowledge and belief, we state that:

i)(A) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant & Equipment.

(b). The Company has maintained proper records showing full particulars of intangibles assets.

(B) All Property, Plant and Equipment have been physically verified by the management during the year there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.

(C) The title deeds of all the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favor of the lessee) are held in the name of the Company.

(D) The Company has not revalued its Property, Plant and Equipment (including Right of use assets) or intangible assets during the year ended March 31st 2023.

(E) There are no proceedings initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

ii) (a) The Company's business does not require maintenance of inventories and, accordingly, the requirement to report on clause 3(ii)(a) of the Order is not applicable to the Company.

(b) The company has not been sanctioned any working capital limits in excess of five crore rupees, from banks or financial institutions on the basis of security of current assets. Therefore, the provisions of Clause (ii)(b) of paragraph 3 of the order are not applicable to the company.

iii) The Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability partnerships or other parties covered in the Register maintained under section 189 of the Act. Accordingly, the provisions of clause 3 (iii) (a) to (f) of the Order are not applicable to the Company and hence not commented upon.

iv) There are no loans, investments, guarantees and securities in respect of which provision of section 185 and 186 of the Companies Act, 2013 are applicable and hence not commented upon.

v) The Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of sections 73 to 76 of the Companies Act and the rules made thereunder, to the extent applicable. Accordingly, the requirement to report on clause 3(v) of the Order is not applicable to the Company.

vi) The Central Government has not prescribed the maintenance of cost records under Section 148(1) of the Act for the activities carried out by the Company. Accordingly, paragraph 3(vi) of the Order is not applicable to the Company.

AKPJ & ASSOCIATES
F. R. No. 156299W
MUMBAI
CHARTERED ACCOUNTANTS

vii) (a) According to the records of the company, undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income-tax, Sales-tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, cess to the extent applicable and any other statutory dues have generally been regularly deposited with the appropriate authorities. According to the information and explanations given to us there were no outstanding statutory dues as on 31st of March, 2023 for a period of more than six months from the date they became payable.

(b) The dues of goods and services tax, provident fund, employees' state insurance, income• tax, sales-tax, service tax, duty of custom, duty of excise, value added tax, cess, and other statutory dues have not been deposited on account of any dispute, are as follows:

Name of the statute	Nature of the dues	Amount in (Rs in lakhs)	Period to which the amount relates	Forum where the dispute is pending
Income tax Act, 1961	Income tax	15.40	FY 2017-18	Appeal has been filed with Commissioner of Income Tax
Income tax Act, 1961	Income tax	55.41	FY 2015-16	Appeal has been filed with Commissioner of Income Tax
Income tax Act, 1961	Income tax	35.23	FY 2014-15	Appeal has been filed with Commissioner of Income Tax
Value added tax ,2005	Maharashtra Value added tax	7	FY 2015-16	Appeal has been filed with MVAT
Service tax Act, 1994	Service tax act	45	FY 2017-18	Appeal has been filed with Commissioner of CGST & Central Excise

viii) The Company has not surrendered or disclosed any transaction, previously unrecorded in the of books account, in the tax assessments under the Income Tax Act, 1961 as income the during the year. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the company.

ix) a) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of any loan or other borrowings or any interest due thereon to any lender.

b) In our opinion and according to the information and explanations given to us, the company has not been a declared wilful defaulter by any bank or financial institution or other lender.

c) In our opinion and according to the information and explanations given to us, the loans were applied for the purpose for which the loans were obtained.

d) In our opinion and according to the information and explanations given to us, there are no funds raised on short term basis which have been utilised for long term purposes.

e) The Company does not have any subsidiary, associate or joint venture. Accordingly, the requirement to report on clause 3(ix)(e) of the Order is not applicable to the Company.

f) The Company does not have any subsidiary, associate or joint venture. Accordingly, the requirement to report on clause 3(ix)(f) of the Order is not applicable to the Company.

x) a) The Company has not raised any money during the year by way of initial public offer / further public offer (including debt instruments) hence, the requirement to report on clause 3(x)(a) of the Order is not applicable to the Company.

b) The Company has not made any preferential allotment or private placement of shares /fully or partially or optionally convertible debentures during the year under audit and hence, the requirement to report on clause 3(x)(b) of the Order is not applicable to the Company and, not commented upon.

xi) a) No fraud by the Company or on the company by its officers or employees has been noticed or reported during the year.

b) During the year no report under sub-section (12) of section 143 of the Companies Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

c) As auditor, we did not receive any whistle- blower complaint during the year.

xii) The Company is not a nidhi Company as per the provisions of the Companies Act, 2013. Therefore, the requirement to report on clause 3(xii)(b) and 3(xii)(c) of the Order is not applicable to the Company.

xiii) Transactions with the related parties are in compliance with sections 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards. The provisions of section 177 are not applicable to the Company and accordingly the requirements to report under clause 3(xiii) of the Order insofar as it relates to section 177 of the Act is not applicable to the Company.

xiv) a) The Company has an internal audit system commensurate with the size and nature of its business.

b) The internal audit reports of the Company issued till the date of the audit report, for the period under audit have been considered by us.

xv) The company has not entered into any non-cash transactions with directors or persons connected with director. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company and hence not commented upon.

xvi) a) The provisions of section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) are not applicable to the Company. Accordingly, the requirement to report on clause (xvi)(a) of the Order is not applicable to the company.

b) The Company is not engaged in any Non-Banking Financial or Housing Finance activities. Accordingly, the requirement to report on clause 3(xvi) of the Order is not applicable to the Company.

c) The company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi) of the Order is not applicable to the Company.

d) There is no Core Investment Company as a part of the Group, hence, the requirement to report on clause 3(xvi)(d) of the Order is not applicable to the Company.

A P J & ASSOCIATES
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CHARTERED ACCOUNTANTS

xvii) The company has not incurred cash loss in current financial year but in immediately preceding financial year company has incurred cash loss of Rs. 2714 lakhs.

xviii) There has been resignation of the statutory auditors during the year and we have taken into consideration the issues, objections or concerns raised by the outgoing auditors.

xix) On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, the auditor's knowledge of the Board of Directors and management plans, we are of the opinion that no material uncertainty exists as on the date of the audit report that company is 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.

xx) There is no liability on the company under the provisions of section 135 of the Companies Act, relating to Corporate Social Responsibility. Therefore, the provisions of Clause (xx) of paragraph 3 of the order are not applicable to the Company.

(xxi) The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of standalone financial statements of the Company. Accordingly, no comment has been included in respect of said clause under this report.

For AKPJ & ASSOCIATES.
Chartered accountants
Firm Registration No. 156299W

Piyush Jain

Piyush Jain
Partner
M. No. 184780
UDIN: 23184780BGWPIV2953
Place: Mumbai
Date: May 03, 2023

AKPJ & ASSOCIATES
F. R. No.
156299W
MUMBAI
CHARTERED ACCOUNTANTS

"Annexure B" to the Independent Auditor's Report

Report of even date on the Ind AS Financial Statements of PRL Agastya Private Limited.

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 PRL Agastya Private Limited. ("the Company") as of March 31, 2023 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 the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to these Ind AS financial statements 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 Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to these Ind AS financial statements was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to these Ind AS financial statements.

A K P J & ASSOCIATES
F. R. No. 156299W
MUMBAI
CHARTERED ACCOUNTANTS

Meaning of Internal Financial Controls With Reference to these Ind AS Financial Statements

A company's internal financial control with reference to Ind AS financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial 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 With Reference to Ind AS Financial Statements

Because of the inherent limitations of internal financial controls with reference to Ind AS financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to Ind AS financial statements to future periods are subject to the risk that the internal financial control with reference to Ind AS financial statements 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 with reference to Ind AS financial statements and such internal financial controls with reference to Ind AS financial statements were operating effectively as at March 31, 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 AKPJ & ASSOCIATES.
Chartered accountants
Firm Registration No. 156299W

Piyush Jain

AKPJ & ASSOCIATES
F. R. No. 166299W
MUMBAI
CHARTERED ACCOUNTANTS

Piyush Jain
Partner
M. No. 184780
UDIN: 23184780BGWPIV2953
Place: Mumbai
Date: May 03, 2023

PRL Agastya Private Limited
Balance Sheet as at March 31, 2023

(Rs. in lakhs)

	Note no.	March 31,2023	March 31, 2022
Assets			
Non-current assets			
Property, plant and equipment	4	4.87	14.01
Investment property	5	77,474.67	84,436.87
Investment property under construction	6	72.17	1,093.91
Intangible assets	7	-	-
Right-of-use assets	40	-	149.71
Financial assets			
i) Trade receivables	8	-	-
ii) Other financial assets	8	64.16	1,242.38
Deferred tax assets (net)	9	1,536.03	1,035.04
Non current tax assets	10	1,002.74	474.32
Other non-current assets	11	1,171.87	365.05
		81,326.51	**88,811.29**
Current assets			
Financial assets			
i) Trade receivables	8	285.98	387.60
ii) Cash and cash equivalents	12	531.23	368.93
iii) Bank balances other than (ii) above	13	1,045.50	103.50
iv) Other financial assets	8	16.02	30.04
Other current assets	14	443.63	608.48
		2,322.36	**1,498.55**
Total assets		**83,648.87**	**90,309.84**
Equity and liabilities			
Equity			
Equity share capital	15	9.00	9.00
Subordinate debt	15	-	56,950.00
Other equity	16	(13,113.43)	(12,234.33)
Total equity		**(13,104.43)**	**44,724.67**
Non-current liabilities			
Financial liabilities			
i) Borrowings	17	90,980.00	43,203.53
ia) Lease liabilities	40	-	58.61
ii) Other financial liabilities	18	2,000.45	1,131.26
Provisions	19	6.57	28.86
		93,050.79	**44,486.03**
Current liabilities			
Financial liabilities			
i) Borrowings	17	-	3.94
ia) Lease liabilities	40	-	101.77
ii) Trade payables			
- total outstanding dues of micro enterprises and small enterprises	21	34.37	7.00
- total outstanding dues of Trade payables other than micro enterprises and small enterprises	21	587.65	612.54
iii) Other financial liabilities	18	2,928.82	341.41
Provisions	19	1.64	1.92
		3,702.51	**1,099.14**
Total liabilities		**96,753.30**	**45,585.17**
Total equity and liabilities		**83,648.87**	**90,309.84**
Summary of significant accounting policies	3		

The accompanying notes form an integral part of the financial statements.

For A P K J & Associates
Chartered Accountants
ICAI Firm Registration No: 156299W

Piyush Jain

Piyush Jain
Partner
Membership No.: 184780
Place: Mumbai
Date: May 03, 2023

A P K J & ASSOCIATES ★ CHARTERED ACCOUNTANTS ★ F. R. No. 156299W MUMBAI

PRL Agastya Pvt. Ltd.

For and on behalf of the Board of Directors of PRL Agastya Private Limited

Upma Goel
Director
DIN : 00713974
Place: Mumbai
Date: May 03, 2023

Sunit Madan

Sunit Madan
Director
DIN : 06441957
Place: Mumbai
Date: May 03, 2023

Internal Use- Confidential

PRL Agastya Private Limited
Statement of Profit and Loss for the year ended March 31, 2023

(Rs. in lakhs)

	Note no.	For the year ended March 31,2023	For the year ended March 31,2022
Income			
Revenue from operations	23	5,346.28	2,976.86
Other income	24	5,381.73	162.15
Total income		**10,728.01**	**3,139.01**
Expenses			
Employee benefits expense	25	328.07	390.12
Finance costs	26	6,728.93	3,967.87
Depreciation and amortisation expense	27	1,581.01	1,613.75
Other expenses	28	2,510.74	1,630.20
Total expenses		**11,148.75**	**7,601.94**
(Loss) before exceptional items and tax		**(420.74)**	**(4,462.93)**
Exceptional item	44	-	7,226.51
Profit before tax		**(420.74)**	**2,763.58**
Tax expenses			
Deferred tax expense /(income)	9	**(507.53)**	**(282.93)**
Total tax expenses		**(507.53)**	**(282.93)**
Profit / (Loss) after tax		**86.79**	**3,046.51**
Other comprehensive income			
Other comprehensive income not to be reclassified to profit or loss in subsequent years:			
Re-measurement gain / (losses) on defined benefit plans	39	25.14	6.85
Tax expense on the above		6.54	1.78
Net other comprehensive income/ (expense) not to be reclassified to profit or loss in subsequent year		**18.60**	**5.07**
Other comprehensive income / (expense) for the year, net of tax		18.60	5.07
Total comprehensive income for the year, net of tax		**105.39**	**3,051.58**
Earnings per share (in Rs.)			
Basic computed on the basis of Profit for the year	29	96.44	3,385.01
Diluted computed on the basis of Profit for the year		96.44	3,385.01
Summary of significant accounting policies	3		

The accompanying notes form an integral part of the financial statements.

As per our report of even date

For A P K J & Associates
Chartered Accountants
ICAI Firm Registration No: 156299W

Piyush Jain

Piyush Jain
Partner
Membership No.: 184780
Place: Mumbai
Date: May 03, 2023

A P K J & ASSOCIATES
F. R. No. 156299W
MUMBAI
CHARTERED ACCOUNTANTS

For and on behalf of the Board of Directors of
PRL Agastya Private Limited

PRL Agastya Pvt. Ltd.

Upma Goel
Director
DIN : 00713974
Place: Mumbai
Date: May 03, 2023

Sunit Madan

Sunit Madan
Director
DIN : 06441957
Place: Mumbai
Date: May 03, 2023

Internal Use—Confidential

PRL Agastya Private Limited
Statement of Profit and Loss for the year ended March 31, 2023

(Rs. in lakhs)

	Note no.	For the year ended March 31,2023	For the period 12th Dec 2022 to 31st March 2023	For the year ended March 31,2022
Income				
Revenue from operations	23	5,346.28	2,677.37	2,976.86
Other income	24	5,381.73	89.60	162.15
Total income		**10,728.01**	**2,766.97**	**3139.01**
Expenses				
Employee benefits expense	25	328.07	71.43	390.12
Finance costs	26	6,728.93	2,858.97	3,967.87
Depreciation and amortisation expense	27	1,581.01	514.25	1,613.75
Other expenses	28	2,510.74	1,115.61	1,630.20
Total expenses		**11,148.75**	**4,560.24**	**7601.94**
(Loss) before exceptional items and tax		**(420.74)**	**(1,793.27)**	**(4,462.93)**
Exceptional item	44	-	-	7,226.51
Profit / (Loss) before tax		**(420.74)**	**(1,793.27)**	**2,763.58**
Tax expenses				
Deferred tax expense /(income)	9	(507.53)	(1,141.07)	(282.93)
Total tax expenses		**(507.53)**	**(1,141.07)**	**(282.93)**
Profit / (Loss) after tax		**86.79**	**(652.19)**	**3046.51**
Other comprehensive income				
Other comprehensive income not to be reclassified to profit or loss in subsequent years				
Re-measurement gain / (losses) on defined benefit plans	39	25.14	24.18	6.85
Tax expense on the above		6.54	6.29	1.78
Net other comprehensive income/ (expense) not to be reclassified to profit or loss in subsequent years		**18.60**	**17.89**	**5.07**
Other comprehensive income / (expense) for the year, net of tax		18.60	17.89	5.07
Total comprehensive income for the year, net of tax		**105.39**	**(634.30)**	**3051.58**
Earnings per share (in Rs.)				
Basic computed on the basis of Profit for the year	29	96.44	(704.78)	3,385.01
Diluted computed on the basis of Profit for the year		96.44	(704.78)	3,385.01
Summary of significant accounting policies	3			

The accompanying notes form an integral part of the financial statements.

As per our report of even date

For A P K J & Associates
Chartered Accountants
ICAI Firm Registration No: 156299W

Piyush Jain

Piyush Jain
Partner
Membership No.: 184780
Place: Mumbai
Date: May 03, 2023

A K P J & ASSOCIATES
F. R. No. 156299W
MUMBAI
CHARTERED ACCOUNTANTS

For and on behalf of the Board of Directors of
PRL Agastya Private Limited

PRL Agastya Pvt. Ltd.

Sunit Madan

Upma Goel	**Sunit Madan**
Director	Director
DIN : 00713974	DIN : 06441957
Place: Mumbai	Place: Mumbai
Date: May 03, 2023	Date: May 03, 2023

PRL Agastya Private Limited
Statement of Changes in Equity for the year ended March 31, 2023

(Rs. in lakhs)

a. Equity share capital (note 15)

	No. of shares	Amount
As at March 31, 2021	90,000	9.00
Change during the year	-	-
As at March 31, 2022	90,000	9.00
Change during the year	-	-
As at March 31, 2023	90,000	9.00

b. Subordinate debt [note 15 (B)]	March 31, 2023	March 31, 2022
At the beginning of the year	56,950.00	50,000.00
Movement during the year	(56,950.00)	6,950.00
At the end of the year	-	**56,950.00**

b. Other equity (note 16)

	Reserves and surplus			Total
	Deemed capital contribution (net of tax)	Securities premium	Retained earnings	
As at March 31, 2021	**3,956.20**	**9,215.60**	**(28,457.71)**	**(15,285.90)**
Profit for the year	-		**3,046.51**	3,046.51
Other comprehensive income for the year	-		**5.07**	5.07
As at March 31, 2022	**3,956.20**	**9,215.60**	**(25,406.13)**	**(12,234.33)**
Profit for the year	-	-	**86.79**	86.79
Other comprehensive income for the year	-	-	**18.60**	18.60
Transfer to non convertible preference share	**(984.49)**		-	(984.49)
As at March 31, 2023	**2,971.71**	**9,215.60**	**(25,300.74)**	**(13,113.43)**

The accompanying notes form an integral part of the financial statements.

As per our report of even date

For A P K J & Associates
Chartered Accountants
ICAI Firm Registration No: 156299W

Piyush Jain

Piyush Jain
Partner
Membership No.: 184780
Place: Mumbai
Date: May 03, 2023

A P K J & ASSOCIATES
F. R. No. 156299W
MUMBAI
CHARTERED ACCOUNTANTS

For and on behalf of the Board of Directors of
PRL Agastya Private Limited

PRL Agastya Pvt. Ltd.

Upma Goel
Director
DIN : 00713974
Place: Mumbai
Date: May 03, 2023

Sunit Madan

Sunit Madan
Director
DIN : 06441957
Place: Mumbai
Date: May 03, 2023

PRL Agastya Private Limited
Statement of Cash Flows for the year ended March 31, 2023

(Rs. in lakhs)

	For the year ended March 31,2023	For the year ended March 31,2022
A. Cash flow from operating activities		
Profit / (Loss) before tax	**(420.74)**	**2,763.58**
Adjustments to reconcile loss before tax to net cash flows		
Finance costs	6,728.93	3,967.87
Depreciation and amortisation expense	1,581.01	1,613.75
Provision for doubtful debts	39.33	134.76
Interest income on bank deposits	(31.94)	(36.85)
Impairment of investment property	-	(7,226.51)
Profit on sale of investment property	(5,068.23)	-
Interest on Income tax refund	-	-
Deferral of Revenue	(622.66)	128.19
Loss on Retirement of Investment property	-	1.27
Liabilities written back	(77.90)	-
Fair value of Lease discounting	(200.52)	(123.82)
Operating loss before working capital changes	**1,927.28**	**1,222.24**
Working capital adjustments		
Increase / (Decrease) in trade payable	80.38	(792.71)
Increase / (Decrease) in other current liabilities	119.48	(83.64)
Increase / (Decrease) in other current financial liabilities	2,028.58	135.65
Increase / (Decrease) in short-term provisions	(0.28)	0.51
Increase / (Decrease) in long-term provisions	2.85	5.96
Increase / (Decrease) in other non-current financial liabilities	878.67	(141.22)
Decrease / (Increase) in current trade receivables	62.29	(148.16)
Decrease / (Increase) in other financial assets	-	6.11
Decrease / (Increase) in financial assets	(6.47)	0.25
Decrease / (Increase) in others current assets	(19.31)	293.01
	5,073.47	**498.00**
Income tax paid (net of refunds)	(528.41)	(253.41)
Net cash flows generated from operations	**4,545.06**	**244.59**
B. Cash flows from investing activities		
Sales (Purchase) of property, plant and equipments, intangibles, capital work in progress and capital advances	11,496.58	(70.17)
Investment in bank deposits	242.69	(1,184.69)
Interest received on bank deposits	45.96	9.83
C. Cash flow from financing activities		
Proceeds from current borrowing	-	2,100.00
(Repayment) of current borrowing	(3.94)	(39,526.94)
Proceeds from non current borrowing	89,254.99	42,500.00
(Repayment) of non current borrowing	(42,528.85)	-
Repayment of Subordinate debt	(56,950.00)	-
Interest paid	(5,904.15)	(4,991.41)
Net cash flows from financing activities	**(16,167.99)**	**8.74**
Net increase/(Decrease) in cash and cash equivalents (A+B+C)	**162.30**	**(991.70)**
Cash and cash equivalents at the beginning of the year	368.93	1,360.63
Cash and cash equivalents at the end of the year	**531.23**	**368.93**
Components of cash and cash equivalents		
Cash in hand	-	1.09
Balances with banks		
- On current accounts	531.23	367.84
Total cash and cash equivalents (note 12)	**531.23**	**368.93**

AKPJ & ASSOCIATES F. R. No. 156299W MUMBAI CHARTERED ACCOUNTANTS

PRL Agastya Pvt. Ltd.

PRL Agastya Private Limited
Statement of Cash Flows for the year ended March 31, 2023

Disclosure as required by Ind AS 7
Reconciliation of liabilities arising from financing activities

(Rs. in lakhs)

March 31, 2023	Opening balance	Cash inflows	Cash outflows	Non cash changes	Closing balance
Current borrowings (net) #	3.94	-	(3.94)	-	-
Non- current borrowings (including current maturities)	43,203.53	(42,528.85)	-	1,609.14	2,283.82
Lease liabilities including current portion	160.38	-	(36.03)	(124.34)	-
Total liabilities from financing activities	**43,367.85**	**(42,528.85)**	**(39.97)**	**1,484.80**	**2,283.82**

March 31, 2022	Opening balance	Cash inflows	Cash outflows	Non cash changes	Closing balance
Current borrowings (net)	44,380.88	2,100.00	(39,526.94)	(6,950.00)	3.94
Non- current borrowings (including current maturities)	1,055.45	42,500.00	-	(351.92)	43,203.53
Lease liabilities including current portion	157.92	-	(72.91)	75.37	160.38
Total liabilities from financing activities	**45,594.26**	**44,600.00**	**(39,599.85)**	**(7,226.55)**	**43,367.85**

Summary of significant accounting policies 3

The accompanying notes form an integral part of the financial statements.

As per our report of even date

For A P K J & Associates
Chartered Accountants
ICAI Firm Registration No: 156299W

Piyush Jain

Piyush Jain
Partner
Membership No.: 184780
Place: Mumbai
Date: May 03, 2023

A P K J & ASSOCIATES CHARTERED ACCOUNTANTS F. R. No. 156299W MUMBAI

PRL Agastya Pvt. Ltd.

For and on behalf of the Board of Directors of PRL Agastya Private Limited

Upma Goel
Director
DIN : 00713974
Place: Mumbai
Date: May 03, 2023

Sunit Madan

Sunit Madan
Director
DIN : 06441957
Place: Mumbai
Date: May 03, 2023

PRL Agastya Private Limited
Notes to Financial Statements for the year ended March 31, 2023

1 Corporate information

PRL Agastya Private Limited ('the Company') is a private limited company incorporated in India under the provisions of the Companies Act applicable in India.
The Company is engaged in the business of real estate / real estate development and incidental services. The corporate identification number of the Company is U45201MH2006PTC165659. The registered office of the Company is located at Piramal Tower, 8th Floor, Peninsula Corporate Park, Ganpatrao Kadam Marg, Lower Parel, Mumbai.

2 Basis of preparation

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and presentation requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS compliant Schedule III), as applicable to the financial statements.

The financial statements have been prepared on a historical cost basis, except for certain financial assets and liabilities (refer note 33) which have been measured at fair value.

The financial statements are presented in Indian Rupee (Rs.) and all values are rounded to the nearest lakhs upto two decimals, except when otherwise indicated.
The accounting policies adopted are consistent with those of the previous financial year.
The net current assets of the Company as at March 31, 2023 amounting to Rs. (1,380.15) lakhs. Basis the future cash flow projections, the Company expects to have higher inflows as compared to expected outflows. Considering this, the financial statements have been prepared on going concern basis.

3 Summary of significant accounting policies

3.01 Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:
- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:
- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

3.02 Foreign currencies

The Company's financial statements are presented in INR (Rs).which is also the Company's functional currency. The Company determines the functional currency and items included in the financial statements are measured using that functional currency.

Transactions and balances

Transactions in foreign currencies are initially recorded by the Company at their respective functional currency spot rates at the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.
Exchange differences arising on settlement or translation of monetary items are recognised in statement of profit and loss in the period in which they arise.

3.03 Fair value measurement

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

- In the principal market for the asset or liability, or

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3.03 **Fair value measurement** ***(Continued)***

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

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

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

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

External valuers are involved for valuation of significant assets such as properties and unquoted financial assets. Involvement of external valuers is decided upon annually by the Management. Selection criteria include market knowledge, reputation, independence and whether professional standards are maintained. Management decides after discussions with the Company's external valuers, which valuation techniques and inputs to use for each case. The external valuer is a registered valuer

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

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

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

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

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

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

The management also compares the change in the fair value of each asset and liability with relevant external sources to determine whether the change is reasonable. On an annual basis, the management and the Company's external valuers present the valuation results to the Company's independent auditors. This includes a discussion of the major assumptions used in the valuations.

This note summarises accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

Disclosures for valuation methods, significant estimates and assumptions (note 34)

Financial instruments (including those carried at amortised cost) (note 33)

3.04 **Revenue recognition**

The Company recognises revenue from contracts with customers based on a five step model as set out in Ind AS 115.

Interest income

Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rates applicable. For all debt instruments measured either at amortised cost or at fair value through other comprehensive income, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses. Interest income is included in finance income in the statement of profit and loss.

Rental Income and other associated income

Rental Income and associated income arising from operating leases on investment properties is accounted for on a straight-line basis over the lease term and is included in revenue in the statement of profit or loss due to its operating nature.

Income from Management services rendered are recognized as the services are performed and are booked based on agreements / arrangements with the concerned parties.

3.05 **Taxes**

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted at the reporting date.

Current income tax relating to items recognised outside statement of profit and loss is recognised outside statement of profit and loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Taxable profit differs from profit before tax as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible.

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3.05 **Taxes *(Continued)***

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except when the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except when the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction affects neither the accounting profit nor taxable profit or loss.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside statement of profit and loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and liabilities are offset 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.

Tax credit is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay income tax higher than that computed under MAT, during the year that MAT is permitted to be set off under the Income Tax Act, 1961 (specified period). In the year, in which the tax credit becomes eligible to be recognised as an asset in accordance with the recommendations contained in the guidance note issued by the Institute of Chartered Accountants of India (ICAI), the said asset is created by way of a credit to the Statement of Profit and Loss and shown as Deferred tax asset. The Company reviews the same at each balance sheet date and writes down the carrying amount of unused tax credit to the extent there is no longer convincing evidence to the effect that the Company will pay income tax higher than MAT during the specified year.

3.06 **Property, plant and equipment and investment property**

Property, plant and equipment, investment property and investment property under construction is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in statement of profit and loss as incurred.

Asset description	Useful lives estimated by the management (years)
Plant and machinery	5 to 15 years
Building	60
Furniture and fixtures	10
Office equipment	5
Vehicles	8 to 10 years
Computer and hardware	3 to 6 years
Network and Servers	6

An item of property, plant and equipment and investment property and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss when the asset is derecognised.

The residual values, useful lives and methods of depreciation of property, plant and equipment and investment property are reviewed at each financial year end and adjusted prospectively, if appropriate. 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.

Investment properties are properties held to earn rentals and/or for capital appreciation (including property under construction for such purposes). Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any.

Cost includes cost of land (including development rights and land under agreements to purchase), internal development costs, external development charges, construction costs, overheads, borrowing cost and development/ construction materials.

The Company depreciates building component of investment property over 60 years from the date of original purchase.

Though the Company measures investment property using cost based measurement, the fair value of investment property is disclosed in the notes (refer note 5 and 6). Fair values are determined based on an annual evaluation performed by an accredited external independent valuer applying a valuation model recommended by the International Valuation Standards Committee.

Investment properties are derecognised either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in statement of profit and loss in the period of derecognition.

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3.07 **Intangible assets**

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortisation and accumulated impairment losses, if any.

The useful life of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite lives are amortised on a straight line basis over the estimated useful economic life. Intangible assets are assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period.

Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expenses on intangible assets with finite lives is recognised in the statement of profit and loss.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit and loss when the asset is derecognised.

The useful life of major asset is as

Asset description	Useful life estimated by the management (years)
Software	3

3.08 **Borrowing costs**

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

3.09 **Leases**

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Company as a lessee

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

i) Right-of-use assets

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

If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

The right-of-use assets are also subject to impairment. Refer to the accounting policies in section (3.10) Impairment of non-financial assets.

ii) Lease liabilities

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

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

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

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

Company as a lessor

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

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3.10 Impairment of non-financial assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset unless the asset does not generate cash inflows that are largely independent of those from other assets or Company's of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

3.11 Contingent liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by occurrence or non-occurrence of one or more uncertain future events beyond the control of the company or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognised because it cannot be measured reliably. The Company does not recognise a contingent liability but discloses its existence in the financial statements.

3.12 Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a 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. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

3.13 Retirement and other employee benefits

i. Defined contribution plan

Retirement benefit in the form of provident fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognises contribution payable to the provident fund scheme as an expenditure, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognised as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognised as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

ii. Defined benefit plan

Gratuity liability for eligible employees are defined benefit obligation and are provided for on the basis of an actuarial valuation on projected unit credit method made at the end of each financial year. Obligation is measured at the present value of estimated future cash flows using discounted rate that is determined by reference to market yields at the balance sheet date on government securities where the currency and terms of the government securities are consistent with the currency and estimated terms of the defined benefit obligation.

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

iii. Leave encashment

Leave encashment, which are expected to be availed or encashed beyond 12 months from the end of the year are treated as other long term benefits. The Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. Actuarial losses/gains are recognised in the Statement of Profit and Loss in the year in which they arise.

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognises the following changes in the net defined benefit obligation as an expense in the statement of profit and loss:

> Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and

> Net interest expense or income

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3.14 **Financial instruments**

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial assets and financial liabilities are recognised when a 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 fair value through statement of profit and loss) 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 fair value through profit or loss are recognised immediately in profit or loss.

Financial assets

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in two categories:

- Debt instruments at amortised cost
- Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)

Debt instruments at amortised cost

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

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

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to trade and other receivables.

Debt instrument at FVTPL

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortised cost or as FVTOCI, is classified as at FVTPL.

In addition, the Company may elect to designate a debt instrument, which otherwise meets amortised cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The Company has not designated any debt instrument as at FVTPL.

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

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Company's balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Impairment of financial assets

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

a) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance.

b) Financial assets that are debt instruments and are measured as at FVTOCI.

c) Lease receivables under Ind AS 116.

d) Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115 (referred to as 'contractual revenue receivables').

e) Loan commitments which are not measured as at FVTPL.

f) Financial guarantee contracts which are not measured as at FVTPL.

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

ECL impairment loss allowance (or reversal) recognised during the period is recognised as income/ expense in the Statement of Profit and Loss. This amount is reflected under the head 'other expenses' in the Statement of profit and loss.

Financial assets measured as at amortised cost and other contractual revenue receivables- ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Company does not reduce impairment allowance from the gross carrying amount.

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3.14 **Financial instruments *(Continued)***

Financial liabilities and equity instruments

Classification as debt or equity
Debt and equity instruments issued by a Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangement and the definitions of a financial liability and an equity instrument.

Equity instruments
An equity instrument is any contract that evidence a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by a Company are recognised at the proceeds received, net of direct issue costs.

Repurchase of the Company's own equity instruments is recognised and deducted directly from equity. No gain or loss is recognised in statement of profit and loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

Financial liabilities
Subsequent measurement
All financial liabilities are subsequently measured at amortised cost using the effective interest method or at FVTPL.

However, financial liabilities that arise when a transfer of a financial asset does not qualify for derecognition or when the continuing involvement approach applies, financial guarantee contracts issued by the Company, and commitments issued by the Company to provide a loan at below-market interest rate are measured in accordance with the specific accounting policies set out below.

Financial liabilities subsequently measured at amortised cost
Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent accounting periods. The carrying amount of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method. Interest expense that is not capitalised as part of cost of an asset is included in the 'finance cost' line item.

The effective interest 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 payment (including all fees and points 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 net carrying amount on initial recognition.

Derecognition of financial liabilities
The Company derecognises financial liabilities when, and only when, the Company's obligation are discharged, cancelled or have expired. An exchange with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in Statement of Profit and Loss.

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

3.15 **Cash and cash equivalents**
Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an 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 as they are considered an integral part of the Company's cash management.

3.16 **Segment information**
Identification of segments
The Company has only one business segment 'Commercial Real-estate development' as its primary segment.

Segment policies
The Company is operating in a single geographical segment i.e. India, hence operations of the Company do not qualify, for reporting as geographic segments, the criteria set out under Ind AS 108 "Operating Segments".

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3.17 Significant accounting judgement, estimates and assumptions

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenue, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Judgements

In the process of applying the Company's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the financial statements:

Estimates and assumptions

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and future periods are affected.

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

3.18 Recent pronoucements under IndAS

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 31, 2023, MCA amended the Companies (Indian Accounting Standards) Rules, 2015 by issuing the Companies (Indian Accounting Standards) Amendment Rules, 2023, applicable from April 1, 2023, as below:

Ind AS 1 – Presentation of Financial Statements

The amendments require companies to disclose their material accounting policies rather than their significant accounting policies. Accounting policy information, together with other information, is material when it can reasonably be expected to influence decisions of primary users of general purpose financial statements.

Ind AS 12 – Income Taxes

The amendments clarify how companies account for deferred tax on transactions such as leases and decommissioning obligations. The amendments narrowed the scope of the Initial recognition exemption of Ind AS 12 so that it no longer applies to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences. Accordingly, companies will need to recognise a deferred tax asset and a deferred tax liability for temporary differences arising on transactions such as initial recognition of a lease and a decommissioning provision.

Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors

The definition of a "change in accounting estimates" has been replaced with a definition of "accounting estimates". Accounting estimates are defined as "monetary amounts in financial statements that are subject to measurement uncertainty". Entities develop accounting estimates if accounting policies require items in financial statements to be measured in a way that involves measurement uncertainty.

The above changes will not have any material impact on the financial statement during the year.

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Notes to Financial Statements for the year ended March 31, 2023

(Rs. in lakhs)

Note 4 : Property, plant and equipment

Particulars	Furniture and fixtures	Vehicles	Office equipment	Computers	Plant and machinery	Total
Gross carrying value						
At March 31, 2021	0.95	20.30	120.63	30.47	4.79	177.14
Addition during the year	-	-	-	-	-	-
Disposals/adjustments during the year	-	-	-	(2.92)	-	(2.92)
At March 31, 2022	0.95	20.30	120.63	27.55	4.79	174.22
Addition during the year	-	-	-	-	-	-
Disposals/adjustments during the year	-	-	-		-	-
At March 31, 2023	0.95	20.30	120.63	27.55	4.79	174.22
Accumulated depreciation						
At March 31, 2021	0.92	14.47	105.59	28.59	2.49	152.05
Charge for the year	0.03	2.52	6.16	1.91	0.48	11.10
Disposals/adjustments during the year	-	-	-	(2.94)	-	(2.94)
At March 31, 2022	0.95	16.99	111.75	27.55	2.97	160.21
Charge for the year	-	2.52	5.93	-	0.69	9.14
Disposals/adjustments during the year						-
At March 31, 2023	0.95	19.51	117.68	27.55	3.66	169.35
Net carrying value as at March 31, 2023	-	0.79	2.95	-	1.13	4.87
Net carrying value as at March 31, 2022	-	3.31	8.88	-	1.82	14.01

Note 5 : Investment property

Particulars	Building	Land#	Furniture and fixtures	Plant and machinery	Total
Gross carring value	-	-	-	-	-
At March 31, 2021	72,787.13	13,745.69	701.94	3,348.74	90,583.50
Addition during the year	85.51	-	40.41	72.00	197.92
At March 31, 2022	72,872.64	13,745.69	741.00	3,416.19	90,775.52
Addition during the year					-
Disposals/adjustments during the year		5,420.10			5,420.10
At March 31,2023	72,872.64	8,325.59	741.00	3,416.19	85,355.42
Depreciation and impairment					
At March 31, 2021	11,117.00	-	162.57	748.10	12,027.67
Charge for the year	1,231.26	-	74.47	236.38	1,542.11
Reversal of Impairment	(7,226.51)	-	-	-	(7,226.51)
Disposals/adjustments during the year		-	(1.28)	(3.34)	(4.62)
At March 31, 2022	5,121.75	-	235.76	981.14	6,338.65
Charge for the year	1,231.26	-	74.46	236.38	1,542.10
Reversal of impairment	-	-	-	-	-
Sale during the year	-	-	-	-	-
At March 31, 2023	6,353.01	-	310.22	1,217.52	7,880.75
Net carrying value as at March 31, 2023	66,519.63	8,325.59	430.78	2,198.67	77,474.67
Net carrying value as at March 31, 2022	67,750.89	13,745.69	505.24	2,435.05	84,436.87

*The Company has created charge on certain assets in favour of Lenders (Refer Note 17)
The land value of Phase I and Phase II is Rs 6,961.24 lakhs and Rs 1,364.34 lakhs respectively

Note 6 : Investment property under construction

Particulars	Investment property under construction
As at March 31, 2021	1,222.84
Addition during the year	69.00
Capitalised during the year	(197.92)
At March 31, 2022	1,093.91
Addition during the year	489.93
At March 31,2023	72.17

As on March 31,2023

Ageing	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Project in progress	-	5.93	1.73	-	64.51	72.17

As on March 31,2022

Ageing	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Project in progress	-	28.44	-	166.54	898.94	1,093.91

Note The Project (Investment property under construction) is at Design and Approval stage. The Company is yet to commence the construction

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Note 6 : Investment property under construction *(Continued)*
Investment property and Investment property under construction

The Company's investment property and investment property under construction consists of commercial property situated at Kurla, Mumbai. As on March 31, 2023 the fair value of investment property is Rs. 98,051 lakhs approx (March 31, 2022: Rs. 1,06,018 lakhs). The valuation is performed by an accredited registered independent valuer in accordance with the framework specified under Ind AS.

Description of hierarchy, valuation technique used and key inputs to valuation are as below 31.03.2023:

	Fair Value Hierarchy	Valuation Technique	Significant unobservable inputs	March 31, 2023
Wing D- Land	Level 3	Discounted Cash Flow and Residual Method (M22); Capitalisation rate method (M21)	Rent growth p.a. Capitalisation rate Occupancy rate	5.12% p.a. 78% p.a. 95%
Wing A- Land	Level 2	Market Survey Method	Based on the land (38,000 sq. m.) sold to Lodha group @ INR 120 Crores	
Wing A- Building	Level 3	Depreciated Replacement Cost method	Based on the book value of building as on 31-Mar-19	

Description of hierarchy, valuation technique used and key inputs to valuation are as below 31.03.2022:

	Fair Value Hierarchy	Valuation Technique	Significant unobservable inputs	March 31, 2022
Commercial property for lease	Level 3	Discounted Cash Flow and Residual Method (M22); Capitalisation rate method (M21)	Rent growth p.a. Capitalisation rate Occupancy rate	4.77% p.a. 7.5% p.a. 95%

Under the valuation technique as mentioned above, fair value is estimated using assumptions regarding the benefits and liabilities of ownership over the asset's life including an exit or terminal value. This method involves the projection of a series of cash flows on a real property interest.

The duration of the cash flows and the specific timing of inflows and outflows are determined by events such as rent reviews, lease renewal and related re-letting, redevelopment, or refurbishment. The appropriate duration is typically driven by market behaviour that is a characteristic of the class of real property. Periodic cash flow is typically estimated as gross income less vacancy, non-recoverable expenses, collection losses, lease incentives, maintenance cost, agent and commission costs and other operating and management expenses. The series of periodic net operating income, along with an estimate of the terminal value anticipated at the end of the projection period, is then discounted.

Significant increases/ (decreases) in estimated rental value and rent growth per annum in isolation would result in a significantly higher/ (lower) fair value of the properties. Significant increases/ (decreases) in occupancy rate and discount rate/capitalisation rate in isolation would result in a significantly lower (higher) fair value.

Lease income
The Company's investment property consist of one commercial property in Kurla,Mumbai. The management has determined that the investment property consist of - Piramal Agastya Corporate Park (Phase I) based on the nature, characteristics and risks of property.

Particulars	March 31, 2023	March 31, 2022
Not later than one year	5,099.90	2,161.58
Later than one year and not later than five years	10,632.60	1,907.19
Later than five years	-	-
Lease income recognised during the year in statement of profit and loss	5,346.28	2,976.86

Note 7 : Intangible assets

Particulars	Computer Software
Gross carrying value as at March 31, 2021	**5.03**
Addition during the year	-
Disposals/adjustments during the year	-
Gross carrying value as at March 31, 2022	**5.03**
Addition during the year	-
Disposals/adjustments during the year	-
Gross carrying value as at Mar 31, 2023	**5.03**
Accumulated Amortization	
As at March 31, 2021	**5.03**
Charge for the year	
Disposals/adjustments during the year	
As at March 31, 2022	**5.03**
Charge for the year	
Disposals/adjustments during the year	
As at Mar 31, 2023	**5.03**
Net carrying value as at Mar 31, 2023	-
Net carrying value as at Mar 31, 2022	-

All intangible assets are other than internally generated.

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(Rs. in lakhs)

Note 8 : Financial assets	March 31, 2023		March 31, 2022	
	Current	Non-current	Current	Non-current
i) Trade receivables				
Trade receivables				
Unsecured, considered good	207.95	-	376.04	-
Credit impaired	270.09	-	230.76	-
Receivables from related parties (note 38)	78.03	-	11.56	-
	556.07	-	618.36	-
Less : Provision for impairment of trade receivables	(270.09)	-	(230.76)	-
Total	285.98	-	387.60	-

Movements in the provision for impairment of trade receivables are as follows:

Particulars				
Opening Balance	230.76	-	96.00	-
Add : Provision for receivables impaired	39.33	-	134.76	-
Closing balance	270.09	-	230.76	-

Trade receivables ageing schedule :

As at March 31, 2023	Undisputed trade receivables - considered good	Disputed trade receivables - considered good	Disputed trade receivables - credit impaired	Total
Current but not due	-	-	-	-
Less than 6 months	215.06	-	-	215.06
6 months - 1 year	70.72	-	6.91	77.63
1-2 years	0.20	-	71.75	71.95
More than 2 years	-	-	191.43	191.43
Total	285.98	-	270.09	556.07

As at March 31,2022	Undisputed trade receivables - considered good	Disputed trade receivables - considered good	Disputed trade receivables - credit impaired	Total
Current but not due	32.98	-	-	32.98
Less than 6 months	252.54	-	-	252.54
6 months - 1 year	-	62.56	39.33	101.89
1-2 years	39.52	-	191.43	230.95
More than 2 years		-	-	-
Total	325.04	62.56	230.76	618.36

- No trade or other receivable are due from directors or other officers of the Company either severally or jointly with any other person. Nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member.

- Trade receivables are non-interest bearing and are generally on terms as per the contract / agreement.

	March 31, 2023		March 31, 2022	
ii) Other financial assets	Current	Non-current	Current	Non-current
Fixed deposit with original maturity of more than 12 months				1,184.69
Interest accrued but not due	16.02		30.04	-
Security deposits		64.16	-	57.69
Total	16.02	64.16	30.04	1,242.38

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(Rs. in lakhs)

Note 9 : Deferred tax assets (net)	**March 31, 2023**	**March 31, 2022**
Deferred tax asset		
Unabsorbed depreciation as per Income tax act	8,024.13	6,683.97
Impact of expenditure charged to statement of profit and loss in the current year but allowed for tax purposes on payment basis	145.51	8.00
Deferred tax liabilities		
Non convertible/redeemable preference shares	-	286.46
Impact of expenditure allowed for tax purpose in current year but charged to statement of profit and loss in the subsequent years	100.00	129.92
Impact of lease equalisation reserve	394.82	-
Difference in written down value of property, plant and equipment, investment property and intangible assets as per accounting books and tax books	6,138.79	5,240.55
Total (B)	**6,633.61**	**5,656.93**
Deferred tax assets (net) (A-B)	**1,536.03**	**1,035.04**

During the financial year ended March 31, 2023, deferred tax asset has not been recognised on business losses of Rs. 562.46 lakhs on account of uncertainity of Realisation.

Tax Reconciliation	**March 31, 2023**	**March 31, 2022**
Accounting loss before income tax	(420.74)	2,763.58
At India's statutory income tax rate of 26.00% (March 31, 2021: 26.00%)	(109.39)	718.53
Reversal of DTA on losses due to uncertainity of realisation	(146.24)	(1,080.49)
Ind AS adjustments pertaining to security deposit, leases and others	-	(11.58)
Capital Gain on sale of property - Permanent difference	(431.87)	-
Others	179.97	90.61
At the effective income tax rate of +ve 120.63% (March 31, 2022: +ve 10.24%)	**(507.53)**	**(282.93)**

	March 31, 2023	**March 31, 2022**
Note 10 : Non current tax assets		
Advance income tax	1,002.74	474.32
Total	**1,002.74**	**474.32**

	March 31, 2023	**March 31, 2022**
Note 11 : Other non - current assets		
Lease equalisation reserve	1,171.87	365.05
Total	**1,171.87**	**365.05**

	March 31, 2023	**March 31, 2022**
Note 12 : Cash and cash equivalents		
Balances with banks:		
- On current accounts	531.23	367.84
Cash on hand	-	1.09
Total	**531.23**	**368.93**

For the purpose of the statement of cash flows, cash and cash equivalents is same as the above note.

	March 31, 2023	**March 31, 2022**
Note 13 : Bank balance other than cash and cash equivalents		
Fixed deposit with original maturity of less than 12 months*	1,045.50	103.50
* Earmarked balances with bank		
With Bank 1035.00 Lakh & Government Agencies 10.50 lakhs		
	1,045.50	**103.50**

Break up of financial assets carried at amortised cost

	March 31, 2023	**March 31, 2022**
Cash and cash equivalents (note 12)	531.23	368.93
Other bank balances (note 13)	1,045.50	103.50
Other Current financial assets (note 8 ii)	16.02	30.04
Other Non - Current financial assets (note 8 ii)	64.16	1,242.38
Current Trade receivables (note 8 i)	285.98	387.60
Non-Current Trade receivables (note 8 i)	-	-
Total financial assets carried at amortised cost	**1,942.89**	**2,132.45**

Note 14 : Other current assets	**March 31, 2023**	**March 31, 2022**
Prepaid expenses	10.06	-
Advances to vendor	49.71	60.99
Balances with government authorities	37.17	16.65
Lease equalisation reserve	346.69	530.84
Total	**443.63**	**608.48**

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(Rs. in lakhs)

Note 15 : Equity share capital	March 31,2023		March 31, 2022	
	No. of share in lakhs	Amount	No. of share in lakhs	Amount
A. Authorised share capital				
i. Equity share capital				
Equity shares of Rs. 10 each				
Class "A"	4.00	40.00	4.00	40.00
Class "B"	0.10	1.00	0.10	1.00
Class "C"	0.10	1.00	0.10	1.00
Class "D"	0.10	1.00	0.10	1.00
Class "E"	15.70	157.00	15.70	157.00
	20.00	200.00	20.00	200.00

ii. Preference share capital

	March 31,2023		March 31, 2022	
Preference shares of Rs. 10 each				
7% Non Cumulative Redeemable Non-Convertible Preference Shares (note below)	230.00	2,300.00	230.00	2,300.00

b. Terms / rights attached to equity shares

The Company has five classes of equity shares having par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders. The rights, privileges and conditions of all classes of equity shares viz. Class A, Class B, Class C, Class D and Class E of the Company shall rank pari passu in all respects with other ordinary equity shares as defined under the Companies Act, 2013.

c. Terms / rights attached to preference share

Each non convertible preference share has a par value of Rs. 10. The preference shares carry a dividend of 7% per annum, redeemable at any time but before end of 20 years from the date of allotment i.e March 16, 2007. The dividend rights are non-cumulative. The preference shares rank ahead of the equity shares in the event of a liquidation.

d. Issue of equity capital

Equity shares of Rs. 10 each issued, subscribed and fully paid	March 31,2023		March 31, 2022	
	No. of share in lakhs	Amount	No. of share in lakhs	Amount
Class " A "	0.50	5.00	0.50	5.00
Class " B "	0.10	1.00	0.10	1.00
Class " C "	0.10	1.00	0.10	1.00
Class " D "	0.10	1.00	0.10	1.00
Class " E "	0.10	1.00	0.10	1.00
At the end of the year	0.90	9.00	0.90	9.00

e. Shares held by holding/ ultimate holding company and/ or their subsidiaries

Out of equity shares issued by the Company, shares held by its holding company and their subsidiaries are as below:

Equity shares

	March 31,2023		March 31, 2022	
	No. of share in lakhs	Amount	No. of share in lakhs	Amount
Class "A"				
PRL Developers Private Limited			0.50	5.00
Piramal Capital and Housing Finance Limited	0.50	5.00		
Class "B"				
PRL Developers Private Limited			0.10	1.00
Piramal Capital and Housing Finance Limited	0.10	1.00		
Class "C"				
PRL Developers Private Limited			0.10	1.00
Piramal Capital and Housing Finance Limited	0.10	1.00		
Class "D"				
PRL Developers Private Limited			0.10	1.00
Piramal Capital and Housing Finance Limited	0.10	1.00		
Class "E"				
PRL Developers Private Limited			0.10	1.00
Piramal Capital and Housing Finance Limited	0.10	1.00		
Total	0.90	9.00	0.90	9.00

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(Rs. in lakhs)

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

	March 31,2023		March 31, 2022	
	No. of share in lakhs	%	No. of shares in lakhs	%
Class "A"				
PRL Developers Private Limited			0.50	100.00%
Piramal Capital and Housing Finance Limited	0.50	100.00%		
Class "B"				
PRL Developers Private Limited			0.10	100.00%
Piramal Capital and Housing Finance Limited	0.10	100.00%		
Class "C"				
PRL Developers Private Limited			0.10	100.00%
Piramal Capital and Housing Finance Limited	0.10	100.00%		
Class "D"				
PRL Developers Private Limited			0.10	100.00%
Piramal Capital and Housing Finance Limited	0.10	100.00%		
Class "E"				
PRL Developers Private Limited			0.10	100.00%
Piramal Capital and Housing Finance Limited	0.10	100.00%		

i. Details of shares held by promoters
As at March 31, 2023

	Promoter name	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of total shares	% change during the year
Equity shares of Rs 10 each fully paid	Piramal Capital and Housing Finance Limited	-	90,000.00	90,000.00	100.00%	100.00%
Preference shares of Rs 10 each fully paid (NCRPS)	Piramal Capital and Housing Finance Limited	-	23,000,000.00	23,000,000.00	100.00%	100.00%

i. Details of shares held by promoters
As at March 31, 2022

	Promoter name	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of total shares	% change during the year
Equity shares of Rs 10 each fully paid	PRL Developers Private Limited	90,000.00	-	90,000.00	100.00%	0%
Preference shares of Rs 10 each fully paid (NCRPS)	PRL Developers Private Limited	23,000,000.00	-	23,000,000.00	100.00%	0%

	March 31,2023	March 31, 2022
At the beginning of the year	**56,950.00**	50,000.00
Movement during the year	(56,950.00)	6,950.00
At the end of the year	-	**56,950.00**

Note 16 : Other equity

	March 31,2023	March 31, 2022
(a) Securities premium		
At the beginning of the year	9,215.60	9,215.60
Addition during the year	-	-
At the end of the year	**9,215.60**	**9,215.60**
(b) Retained earnings		
At the beginning of the year	(25,406.13)	(28,457.71)
Profit /(loss) for the year	86.79	3,046.51
Other comprehensive expense for the year	18.60	5.07
At the end of the year	**(25,300.74)**	**(25,406.13)**
(c) Deemed capital contribution (net of tax)		
At the beginning of the year	3,956.20	3,956.20
Addition during the year	(984.49)	
At the end of the year	**2,971.71**	**3,956.20**
Total	**(13,113.43)**	**(12,234.33)**

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Nature and purpose of reserves

Securities premium: The amount received in excess of face value of the equity shares is recognised in securities premium
Retained earnings: Retained earnings are the profits/losses that the Company has earned/incurred till date less dividends or other distributions paid to shareholders.
Deemed capital contribution: The amount received in excess of the fair value of financial instruments issued on initial recognition

(Rs. in lakhs)

	March 31,2023	March 31, 2022
Note 17 : Borrowings		
Non-current borrowings		
Term loans (secured)		
Indian rupee loan from banks (Note i)	62,138.82	42,000.32
Current maturity of long term borrowings	(558.82)	-
	61,580.00	**42,000.32**
Other loans (unsecured)		
Loan from holding company (note 38) (note (ii) below)	27,100.00	-
Non convertible redeemable preference shares (note 15)	2,300.00	1,203.21
	29,400.00	**1,203.21**
Total	**90,980.00**	**43,203.53**
Current borrowings		
From other parties (unsecured)		
Loan from related parties (note 38) (note (ii) below)	-	3.94
	-	**3.94**
Total	-	**3.94**
Aggregate secured loans	**61,580.00**	**42,000.32**
Aggregate unsecured loans	**29,400.00**	**1,207.15**

Note:
(i) Term loans
March 2023
Sanctioned facility of Rs 62,500.00 lakhs was availed in Dec 2022 from ICICI Bank for the period of 144 months (i.e. till Dec 15, 2034) . The said new facility was secured by pari passu charge over unsold portion of Wing A Piramal Agastya Corporate Park (Phase I) along with the land corresponding to it, located at Kurla.

March 2022
Sanctioned facility of Rs 42,500.00 lakhs was availed in July 2021 from Barclays Bank for the period of 36 months (i.e. till July 24, 2024) . The said facility is repayable on Maturity. The said new facility was secured by pari passu charge over unsold portion of Wing A Piramal Agastya Corporate Park (Phase I) along with the land corresponding to it, located at Kurla.

(ii) Secured Bank Overdraft
In the current financial year, Bank Overdraft facitilty of Rs.2,500.00 lakhs was sanctioned in Dec 2022 from ICICI bank was repayable on demand and was secured by pari passu charge over unsold portion of Wing A Piramal Agastya Corporate Park (Phase I) along with the land corresponding to it, located at Kurla. There is not outstanding OD drawn by company at 31 March 2023.

(ii) Unsecured loans from related parties
The unsecured loans of Rs. 27,100 lakhs availed from holding company with maturity on December 12, 2025 and interest rate of 9.40%

The unsecured loans is NIL (March 31, 2022 : Rs. 3.94 lakhs) availed from holding company are repayable on demand and interest free.

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PRL Agastya Private Limited
Notes to Financial Statements for the year ended March 31, 2023

(Rs. in lakhs)

Note 18 : Other financial liabilities

	March 31,2023		March 31, 2022	
	Current	Non-current	Current	Non-current
Current maturities of long-term debt;				
Indian rupee loan from banks (note 17)	558.82	-	-	-
Interest accrued but not due on borrowings other than related party	245.86	-	-	-
Security deposit	1,781.68	1,408.88	139.21	1,056.06
Deferred income	280.68	591.57	106.10	75.20
Retention money payable	35.34	-	64.43	-
Employee benefits payable	26.44	-	31.67	-
Total	**2,928.82**	**2,000.45**	**341.41**	**1,131.26**

Note 19 : Provisions

	March 31,2023		March 31, 2022	
	Current	Non-current	Current	Non-current
Provision for employee benefits				
- Leave encashment	1.40	1.96	0.66	6.37
- Gratuity (note 39)	0.24	4.61	1.26	22.49
Total	**1.64**	**6.57**	**1.92**	**28.86**

Note 20 : Other non current liabilities

	March 31,2023	March 31, 2022
Other payables	63.77	63.77
Total	**63.77**	**63.77**

Trade payables		
Outstanding dues of Trade Payable other than micro enterprises and small enterprises	581.14	510.28
Due to related parties (note 38)	6.51	102.26
Outstanding dues of Micro enterprises and small enterprises (note 32)	34.37	7.00
Total	**622.02**	**619.54**

Trade payables ageing schedule

As at March 31, 2023	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Total outstanding dues of MSME	13.15	21.21	-	-	-	34.37
Total outstanding dues of Trade payables other than MSME	456.09	90.91	4.56	34.27	1.81	587.65

As at March 31, 2022	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Total outstanding dues of MSME	7.00	-	-	-	-	7.00
Total outstanding dues of Trade payables other than MSME	332.24	66.03	130.45	0.00	83.82	612.54

Break up of financial liabilities carried at amortised cost

	March 31,2023	March 31, 2022
Borrowings (note 17)	90,980.00	43,207.47
Trade payables (note 21)	622.02	619.54
Lease liabilities (note 40)	-	160.38
Other financial liabilities (note 18)	4,929.27	1,472.67
Total financial liabilities carried at amortised cost	**96,531.29**	**45,460.06**

Note 22 : Other current liabilities

	March 31,2023	March 31, 2022
Statutory dues	150.03	30.56
Total	**150.03**	**30.56**

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Note 23 : Revenue from operations	For the year ended March 31,2023	For the year ended March 31,2022
Rental and other related revenues	5,346.28	2,976.86
Total	**5,346.28**	**2,976.86**

Note 24 : Other income	For the year ended March 31,2023	For the year ended March 31,2022
Interest income	31.94	36.85
Profit on sale of investment property	5,068.23	-
Sale of scrap	0.05	-
Fair value of Lease deposit discounting	200.52	123.82
Others	80.99	1.48
Total	**5,381.73**	**162.15**

Note 25 : Employee benefits expenses	For the year ended March 31,2023	For the year ended March 31,2022
Salaries, wages and bonus	294.60	359.52
Contribution to provident and other funds (note 39)	10.54	14.71
Gratuity and leave encashment expenses	9.41	6.66
Staff welfare expenses	13.52	9.23
Total	**328.07**	**390.12**

Note 26 : Finance costs	For the year ended March 31,2023	For the year ended March 31,2022
Interest on loan from banks	4,888.31	3,290.58
Interest on loan from related party (note 38)	815.84	278.05
Finance cost on lease liability	9.08	13.58
Finance cost on lease rental deposit received	191.04	100.68
Other borrowing cost	824.66	284.98
Total	**6,728.93**	**3,967.87**

Note 27 : Depreciation and amortisation expense	For the year ended March 31,2023	For the year ended March 31,2022
Depreciation on property, plant and equipment (note 4)	9.14	11.10
Depreciation on investment property (note 5)	1,542.10	1,542.11
Depreciation on right of use asset (note 40)	29.77	60.54
Total	**1581.01**	**1,613.75**

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PRL Agastya Pvt. Ltd.

(Rs. in lakhs)

Note 28 : Other expenses	For the year ended March 31,2023	For the year ended March 31,2022
Advertisement and business promotion expenses	6.11	1.92
Brand management fees (note 38)	33.85	22.22
Lease		
- Leases of low-value assets	36.84	10.84
Communication expenses	4.23	4.00
Commission and brokerage on sale	534.07	
Insurance	27.78	40.07
Legal and professional fees	83.41	188.36
Marketing support fees	9.97	15.03
Management support fees	38.33	57.49
Payment to auditors	3.50	10.00
Power and fuel	541.46	395.37
Printing and stationery	0.99	1.75
Rates and taxes	496.73	258.22
Provision for doubtful debts	39.33	134.76
Repairs and maintenance		
-Building	42.86	23.60
Security expenses	197.14	154.05
Travelling and conveyance expenses	5.01	4.06
Miscellaneous expenses	21.51	0.74
Loss on Retirement of Investment property	-	1.27
	2,510.74	**1,630.20**

(i) Payment to auditors (excluding taxes)		
Statutory audit fees	1.50	9.00
Tax audit	1.00	-
In other capacity:		
Other services (Certification Fees)	-	0.60
Other services	1.00	-
Reimbursement of expenses	-	0.40
	3.50	**10.00**

AKPJ & ASSOCIATES CHARTERED ACCOUNTANTS F. R. No. 156299W MUMBAI

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Note 29 : Earnings per share (EPS)

Basic EPS amounts are calculated by dividing the profit/(loss) in basic and diluted below EPS for the year attributable to equity holders by the weighted average number of equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit/(loss) attributable to equity holders by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

The following reflects the loss and share data used in the basic and diluted EPS computations.

	March 31, 2023	March 31, 2022
Profit/(Loss) attributable to equity holders for basic earnings	86.79	3,046.51
Weighted average number of equity shares for basic and diluted EPS* in lakhs	0.90	0.90
Face value per share (in Rs.)	10	10
Basic earning per share (in Rs.)	96.44	3,385.01
Diluted earning per share (in Rs.)	96.44	3,385.01

* There have been no other transactions involving equity shares or potential equity shares between the reporting date and the date of authorisation of these financial statements.

Note 30 : Commitments and contingencies

(a) Commitments

Estimated value of contracts remaining to be executed on capital account and not provided for (net of advances).

At March 31, 2023, the Company had commitments is Nil (March 31, 2022 - Rs Nil).

(b) Contingent liabilities

Claim against the Company not acknowledged as debts Rs. 158.04 lakhs (March 31, 2022 : Rs. 158.04 lakhs).

A) The Company has preferred appeal before Commissioner of Income Tax (Appeals), Mumbai for demand amounting to Rs. 106.04 lakhs (March 31, 2022 : Rs. 106.04 lakhs) determined pursuant to financial years 2014-15 ,2015-16 and 2017-18 in respect of expense disallowed and mismatch in credit.

B) The Company has preferred appeal before Commissioner, Mumbai for demand amounting to Rs. 7 lakhs (March 31, 2022 : Rs. 7 lakhs) determined for FY 2015-16 in respect of MVAT payable on scrap sale.

C) The Company has preferred appeal before Assistant Commissioner, Mumbai for demand amounting to Rs. 45 lakhs (March 31, 2022 : Rs. 45 lakhs) determined for FY 2017-18 in respect of Service tax Credit on Retention money.

Based on the interpretation of the provisions / legal position and facts, the Company is of the opinion that the aforesaid demand would be either deleted or substantially reduced.

Note 31 : Unhedged foreign currency exposure

The unhedged foreign currency exposure is Nil

Particulars	March 31, 2023	March 31, 2022
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year		
Principal amount	34.37	7.00
Interest amount	-	-
The amount of interest paid by the buyer in terms of section 16 of the MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the period) but without adding the interest specified under the MSMED Act, 2006.	-	-
The amount of Interest accrued and remaining unpaid at the end of each accounting period	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act, 2006.	-	-

The above information regarding Micro and Small Enterprises has been determined to the extent such parties has been identified on the basis of information available with the Company.

(Rs. in lakhs)

Note 33 : Fair values

The carrying values of financials instruments of the Company are reasonable and approximations of fair values.

Particulars	Carrying amount	
	March 31, 2023	March 31, 2022
Financial assets - Non current		
Financial assets (carried at amortised cost)		
Trade receivables	-	-
Financial liabilities - Non current		
Financial liabilities (carried at amortised cost)		
Trade payables		
Indian rupee loan from banks	61,580.00	42,000.32
Non convertible redeemable preference	2,300.00	1,203.21
Indian rupee loan from related party	27,100.00	-
Lease liabilities	-	58.61
Other financial liabilities	2,000.45	1,131.26

The management has assessed that current financial assets and liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

Note 34 : Fair value hierarchy

All financial instruments for which fair value is recognised or disclosed are categorised within the fair value hierarchy described as follows, based on the lowest level input that is significant to the fair value measurement as a whole.

Level 1 Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities. This includes quoted equity instruments, government securities, quoted borrowings (fixed) and mutual funds that have quoted price.

Level 2 Inputs are other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices). This includes derivative financial instruments and unquoted borrowings (fixed and floating rate).

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. This includes unquoted equity shares.

All financial instruments are carried at amortised cost.

Note 35 : Financial risk management objectives and policies

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities.

The Board of directors ensures that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below.

(A) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk interest rate risk, currency risk and other price risk. The Company's financial instruments are exposed to interest rate risk since the company has floating rate debt instruments.

The following table summaries the carrying amount of financial assets and liabilities recorded at the end of the period by categories.

The sensitivity analyses in the following sections relate to the position as at March 31, 2023 and March 31, 2022. The sensitivity analyses have been prepared on the basis that the amount of net debt, the ratio of fixed to floating interest rates of the debt are all constant and in place as at March 31, 2023 and March 31, 2022.

(B) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with floating interest rates.

As real estate development is capital intensive, the Company are exposed to interest rate risks. The Company's real estate development projects is funded to a large extent by debt and any increase in interest expense may have an adverse effect on our results of operations and financial condition. The Company's current debt facilities carry interest at variable rates and fixed rates (with periodic reset of interest rates). As at March 31, 2023, the majority of the Company's indebtedness was subject to variable interest rates. In view of the high debt to equity ratios for the company's real estate development project, an increase in interest expense is likely to have a significant adverse effect on financial results.

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(Rs. in lakhs)

Note 35 : Financial risk management objectives and policies ***(Continued)***

(C) Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument, leading to a financial loss. The Company is exposed to credit risk from its operating activities and from its financing activities, including deposits with banks, foreign exchange transactions and other financial instruments.

Credit risk on cash balances with bank are limited because the counterparties are entities with acceptable credit ratings. The exposure to credit risk for trade receivable is low as the Company gives possession of flats to customers on receipt of entire agreement value.

(D) Liquidity risk

Liquidity risk is the risk that the Company may not be able to meet its present and future cash and collateral obligations without incurring unacceptable losses. The Company's objective is to, at all times maintain optimum levels of liquidity to meet its cash and collateral requirements. The Company closely monitors its liquidity position and deploys a robust cash management system. It maintains adequate sources of financing including debt and overdraft from banks at an optimised cost.

The Company's maximum exposure to credit risk for the components of the balance sheet as at March 31, 2023 and March 31, 2022 is summarised as below:

	On demand	Less than 1 year	1 to 5 years	> 5 years	Total
As at March 31, 2023					
Borrowings	-	558.82	41,587.86	49,724.47	**91,871.15**
Other financial liabilities	-	10,201.11	22,950.34	15,675.28	**48,826.72**
Trade and other payables	-	772.05	-	-	**772.05**
	-	**11,531.98**	**64,538.20**	**65,399.75**	**141,469.92**
As at March 31, 2022					
Borrowings	3.94	-	43,703.21	-	**43,707.15**
Other financial liabilities	-	5,080.16	8,239.38	-	**13,319.54**
Trade and other payables	-	619.54	-	-	**619.54**
Lease liabilities	-	72.07	110.53	-	**182.60**
	3.94	**5,771.77**	**52,053.12**	-	**57,828.83**

At present, the Company does expect to repay all liabilities at their contractual maturity.

Note 36 : Capital management

For the purpose of the Company's capital management, capital includes issued equity capital, convertible/redeemable preference shares, share premium and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to maximise the shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company includes within net debt, interest bearing loans and borrowings, trade and other payables, lease liabilities less cash and cash equivalents.

	March 31, 2023	March 31, 2022
Debt		
Borrowings	90,980.00	43,207.47
Trade payables	622.02	619.54
Other financial liabilities	4,929.27	1,472.67
Lease liabilities	-	160.38
Less: cash and cash equivalents	(531.23)	(368.93)
Net debt	**96,000.06**	**45,091.13**
Equity	(13,104.43)	44,724.67
Total capital	**(13,104.43)**	**44,724.67**

No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2023 and March 31, 2022.

Note 37: Other statutory information

1. The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami Property.
2. The Company does not have any transactions with companies struck off.
3. The Company do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
4. The Company has not traded or invested in Crypto currency or virtual currency during the financial year.
5. The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the intermediary shall
(a) directly or indirectly lend or invest in other persons or entities indentified in any manner whatsoever by or on behalf of the Company (Ultimate beneficiairies) or
(b) provide any guarantee, security or the like to or on behalf of the Ultimate beneficiaries.
6. The Company does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income tax act, 1961 (such as, search or survey or any other relevant provisions of the Income tax act, 1961).

7. The Company has not received any fund from any person(s) or entity, including foreign entities (Funding party) with the understanding (whether recorded in writing or otherwise) that the Company shall
directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

8. The Title deeds of Immovable properties included in property, plant and equipment are held in the name of the Company.

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Note 38 : Related party disclosures

Names of related parties and related party relationship

Holding company	Piramal Capital and Housing Finance Limited (till 11th December, 2022 PRL Developers Private Limited)
Ultimate Holding company	Piramal Enterprises Limited (w.e.f. 12th December, 2022

Key management personnel
Mr. Kalyan Chakrabarti (ceased w.e.f 07.04.2022)
Mr. Rajeev Ram Ramprakash (ceased w.e.f 11.07.2022)
Mr. Pankaj Mundada (ceased w.e.f 13.12.2022)
Mr. Girish Goenka (ceased w.e.f 13.12.2022)
Mrs. Upma Goel (appointed w.e.f 13.12.2022)
Mr. Sunit Madan (appointed w.e.f 13.12.2022)
Mr. Jagdeep Mallareddy (appointed w.e.f 13.12.2022)

Related parties with whom transactions have taken place during the current or previous year

Holding company	Piramal Capital and Housing Finance Limited (till 11th December, 2022 PRL Developers Private Limited)
Ultimate Holding company	Piramal Enterprises Limited (w.e.f. 12th December, 2022
Other related party	a) Piramal Corporate Services Limited
	b) Piramal Pharma Limited
	c) Gopikrishna Piramal Memorial Hospital
	d) Aasan Corporate Solutions Private Limited
	e) Piramal Realty Private Limited

Related party transactions
The following table provides the total amount of transactions that have been entered into with related parties and amount to related parties for the relevant financial year

(a) Purchase of goods and services	Transactions during the year		Amount owed to related parties	
	March 31, 2023	Mar 31, 2022	March 31, 2023	Mar 31, 2022
Management and marketing support fees				
PRL Developers Private Limited	38.33	72.52	0.00	65.26
Branding fees				
Piramal Corporate Services Limited	33.85	22.22	11.49	20.00
Interest on Unsecured Loan				
Piramal Capital & Housing Finance Limited	815.84	-	-	-
Amenities and licence fee				
Gopikrishna Piramal Memorial Hospital	2.40	4.12	(0.13)	2.10
Aasan Corporate Solutions Private Limited	20.24	32.45	(4.85)	8.96
Service centre fees				
Aasan Corporate Solutions Private Limited		3.68	-	3.70

(b) Reimbursement of expenses incurred on behalf of the Company	Transactions during the year		Amount owed to related parties	
	March 31, 2023	Mar 31, 2022	March 31, 2023	Mar 31, 2022
Electricity & water reimbursement				
Aasan Corporate Solutions Private Limited	0.96	0.42	-	0.62
HRMS reimbursement				
Piramal Enterprises Limited	-	1.80	-	1.62
Insurance expenses reimbursement				
PRL Developers Private Limited	-	1.46	-	-

(c) Loans taken and repayment thereof	Year ended	Loan taken	Interest (net of TDS)	Repayment of Loan (including Interest)	Subordinate debt (note (iii) below)	Amount owed to related parties(including Interest accrued)
	March 31, 2022	-	-	-	-	-
PRL Developers Private Limited	March 31, 2023	-	-	3.94	-	-
	March 31, 2022	2,100.00	-	34,063.53	6,950.00	3.94
PRPL Enterprises Private Limited (earlier known as Piramal Realty Private Limited)	March 31, 2023	-	-	-	-	-
	March 31, 2022	-	250.24	6,499.53	-	-

(d) Subordinate debt	Year ended	Opening balance	Additions (note (iii) below)	Repayments	Closing
PRL Developers Private Limited	March 31, 2023	56,950.00	-	56,950.00	-
	March 31, 2022	50,000.00	6,950.00	-	56,950.00

(e) Transactions regarding rental and other related revenues	Transactions during the year		Amount receivable from related parties	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
Piramal Enterprises Limited		151.51	-	-
Piramal Pharma Limited	486.53	337.20	70.01	11.56
Piramal Capital and Housing Finance Limited	799.26	-	8.03	-

(f) Security Deposit	Year ended	Opening balance	Additions	Repayments	Closing
Piramal Capital and Housing Finance Limited	March 31, 2023	110.17	1196.72	-	1306.89
Piramal Capital and Housing Finance Limited	March 31, 2022	-	110.17	-	110.17

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Note 39 : Gratuity and other post employment benefit plans

(a) Defined contribution plan

The following amount recognised as an expense in statement of profit and loss on account of provident fund. There are no other obligations other than the contribution payable to the respective authorities.

	March 31, 2023	March 31, 2022
Employer's contribution to provident fund	10.54	14.71

(b) Defined benefit plan

The Company has a unfunded defined benefit gratuity plan. The gratuity plan is governed by the Payment of Gratuity Act, 1972. Under the act, employee who has completed five years of service is entitled to specific benefit. The level of benefits provided depends on the member's length of service and salary at retirement age. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service as per the provision of the Payment of Gratuity Act, 1972.

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

	March 31, 2023	March 31, 2022
Statement of profit and loss		
Net employee benefit expense recognised in the employee cost		
Current service cost	4.58	5.21
Interest cost on benefit obligation	1.66	1.63
(Gain) / losses on settlement		-
Net benefit expense	**6.24**	**6.84**
Amount recorded in other comprehensive income (OCI)		
Opening amount recognised in OCI outside statement of profit and loss		
Remeasurement during the year due to :		
Actuarial loss / (gain) arising from change in demographic assumptions	-	(0.01)
Actuarial loss / (gain) arising from change in financial assumptions	(0.20)	(0.26)
Actuarial loss arising on account of experience changes	(24.94)	(6.58)
Amount recognised in OCI outside statement of profit and loss	**(25.14)**	**(6.85)**
Closing amount recognised in OCI outside statement of profit and loss	**(25.14)**	**(6.85)**
Reconciliation of net liability / asset		
Opening defined benefit liability / (assets)	23.76	23.77
Expense charged to statement of profit and loss	6.24	6.84
Actual benefits paid	-	-
Liability transferred to subsidiaries	-	-
Amount recognised in outside statement of profit and loss	(25.14)	(6.85)
Closing net defined benefit liability	**4.86**	**23.76**
Balance sheet		
Benefit asset / liability		
Defined benefit obligation	4.86	23.76
Fair value of plan assets	-	-
Present value of unfunded obligations	-	-
Less : unrecognised past service cost	-	-
Plan (asset)/liability	**4.86**	**23.76**
Changes in the present value of the defined benefit obligation are as follows:		
Opening defined benefit obligation	23.75	23.76
Current service cost	4.58	5.21
Past service cost	-	-
Remeasurement during the year due to :		
Actuarial loss / (gain) arising from change in demographic assumptions	-	(0.01)
Actuarial loss arising from change in financial assumptions	(0.20)	(0.26)
Actuarial gain arising on account of experience changes	(24.94)	(6.58)
Benefits paid		-
Closing defined benefit obligation	**4.85**	**23.75**
Net liability is bifurcated as follows :		
Current	0.24	1.26
Non-current	4.61	22.49

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

	March 31, 2023	March 31, 2022
Discount rate	6.98%	6.98%
Expected rate of return on plan assets (p.a.)	Not applicable	Not applicable
Employee turnover	5.00%	5.00%
Salary escalation	6.50%	6.50%
Mortality pre-retirement	India Assured Lives Mortality (2012-14) Urban	India Assured Lives Mortality (2012-14) Urban

A quantitative analysis for significant assumption is as shown below:

Assumptions - discount rate		
Sensitivity level	1.00%	0.50%
Impact of increase in 100 (50) bps on defined benefit obligation	(0.39)	(1.02)
Impact of decrease in 100 (50) bps on defined benefit obligation	0.44	1.11
Assumptions - salary escalation rate		
Sensitivity level	1.00%	0.50%
Impact of increase in 100 (50) bps on defined benefit obligation	0.44	1.11
Impact of decrease in 100 (50) bps on defined benefit obligation	(0.40)	(1.04)
Assumptions - employee turnover rate		
Sensitivity level	1.00%	0.50%
Impact of increase in 100 (50) bps on defined benefit obligation	0.01	0.03
Impact of decrease in 100 (50) bps on defined benefit obligation	(0.01)	(0.04)

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the balance sheet.

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

The gratuity liabilities of the Company are unfunded and hence there are no assets held to meet the liabilities.

Amounts for the current and previous year's are as follows:

	March 31, 2023	March 31, 2022
Gratuity		
Defined benefit obligation	4.85	23.75
Plan assets	-	-
Surplus / (deficit)	(4.85)	(23.75)
Experience adjustments on plan liabilities	(24.94)	(6.58)
Experience adjustments on plan assets	-	-

The following payments are expected contributions to the defined benefit plan in future years:	March 31, 2023	March 31, 2022
Within the next 12 months (next annual reporting period)	0.24	1.26
Between 2 and 5 years	1.03	7.53
Between 6 and 10 years	1.59	9.29
Beyond 10 years	7.25	33.53
Total expected payments	**10.10**	**51.61**

The average duration of the defined benefit plan obligation at the end of the reporting period is 10 years (March 31, 2022: 10 years).

AKPJ & ASSOCIATES ★ CHARTERED ACCOUNTANTS ★ F. R. No. 156299W MUMBAI

PRL Agastya Pvt. Ltd. ★

Note 40 : Leases

The Company has lease contracts for rental property, plant & machinery used in its operations. Leases of rental property and plant and machinery have lease terms of 5 years and 15 years respectively. The non-cancellable period for rental property lease is of 3 years, while for plant and machinery is for 5 years. The Company's obligations under its leases are secured by the lessor's title to the leased assets.

The Company also has certain leases of machinery with lease terms of 12 months or less and leases of office equipment with low value. The Company applies the 'short-term lease' and 'lease of low-value assets' recognition exemptions for these leases.

On account of change in shareholding structure, the lease stands cancel as on March 31,2023.

Set out below are the carrying amounts of right-of-use assets recognised and the movements during the year

	Rental property	Plant and machinery	Total
As at April 01, 2021	**21.04**	**126.25**	**147.29**
Additions	73.95	-	73.95
Written back	(10.99)	-	(10.99)
Depreciation expense	(26.34)	(34.20)	(60.54)
As at March 31, 2022	**57.66**	**92.05**	**149.71**
Additions	-	-	-
Written back	(45.03)	(74.91)	(119.94)
Depreciation expense	(12.62)	(17.15)	(29.77)
As at March 31, 2023	-	-	-

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

	Rental property	Plant and machinery	Total
As at April 01, 2021	**35.06**	**122.86**	**157.92**
Additions	73.95	-	73.95
Written back	(12.16)	-	(12.16)
Accreation of interest	3.24	10.34	13.58
Payments	(29.71)	(43.20)	(72.91)
As at March 31, 2022	**70.38**	**90.00**	**160.38**
Additions	-	-	-
Written back	(59.45)	(73.98)	(133.43)
Accreation of interest	3.51	5.58	9.08
Payments	(14.44)	(21.60)	(36.04)
As at March 31, 2023	-	-	-

	March 31, 2023	March 31, 2022
Current	-	101.77
Non-current	-	58.61

The following are the amounts recognised in statement of profit and loss	March 31, 2023	March 31, 2022
Depreciation expense of right-of-use assets	29.77	60.54
Finance cost on lease liabilities (note 26)	9.08	13.58
Expense relating to leases of low-value assets (note 28)	36.84	10.84
Total amount recognised in statement of profit and loss	**75.70**	**84.96**

Note 41 : Events after reporting period

There is no subsequent event after the reporting period which requires adjustments to the financial statements.

Note 42 : Other supplementary information

Contract balances

		March 31, 2023	March 31, 2022
Trade receivable from customers under Ind AS 115		285.98	387.60

Note 43 : Corporate Social Responsibility

As per section 135 of the Companies Act, 2013 and rules therein, the Company is required to spend at least 2% of average net profit of past three years towards Corporate Social Responsibility (CSR). The Company has losses in past three years and hence no amount is required to be spent towards CSR.

Note 44 : Exceptional items

Mar-23

Nil

Mar-22

The Company had recognized a provision for impairment of non-current assets amounting to Rs. 7,226.51 lakhs as at March 31,2021 and the same is reversed as at March 31, 2022, which is disclosed as exceptional item in the statement of profit and loss.

Note 45 : Social security code

The code of social security 2020 has been notified in official gazette on September 29, 2020. The effective date for which the changes are applicable is yet to be notified, and the rules are yet to be framed. Impact if any of the change will be assessed and accounted in the period in which said Code becomes effective and the rules framed thereunder are notified.

A K P J & ASSOCIATES
F. R. No. 156299W
MUMBAI
CHARTERED ACCOUNTANTS

PRL Agastya Pvt. Ltd.

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Notes to Standalone Financial Statements for the year ended March 31, 2023

Note 46 Ratios

S. No.	Particulars	Reference	March 31, 2023	March 31, 2022	% Variance	Reason for variance*
1	Current ratio	a	0.63	1.36	-54%	Current Liability has increased in March 23 as compared with March 22 on account of Current Maturity of long term borrowing of ICICI Bank loan & increase in current security deposit
2	Debt equity ratio	b	-7.00	0.97	-822%	Decrease in total equity due repayment of subordinate debt made during the year & increase in debt due to ICD and term loan.
3	Debt service coverage ratio	c	0.13	0.03	400%	Due to Profit on Sale of Land
4	Return on equity ratio	d	0.01	0.08	-93%	Net profit after taxes has declined despite increase in revenue because of exceptional item which was recognised in previous year amounting to 7226.51 Lakhs.
5	Inventory Turnover ratio	NA	NA	NA	NA	NA
6	Trade Receivables Turnover ratio	e	15.87	7.82	103%	Due to increase in turnover.
7	Trade Payables Turnover ratio	f	4.57	1.99	130%	This is on account of reduction of trade payable due to payment.
8	Net Capital turnover ratio	g	-3.87	7.45	-152%	Current liability has increased in March 23 as compared with March 22 on account of current Maturity of long term borrowing of ICICI bank loan , increase in current security deposit & Increase in Revenue
9	Net Profit ratio	h	2%	102%	-98%	Exceptional item profit 7226.51Recorded in last financial year
10	Return on Capital Employed	i	9.52%	1.33%	615%	Due to increase in Earning before Interest, dep, and Tax.
11	Return on Investment	NA	NA	NA	NA	NA

* Variance more than +/-25% is explained

- a Current ratio = Current Assets/Current Liabilities
- b Debt equity ratio = Total Debt(Borrowing + Lease Liability+Int accrued on borrowing)/Shareholder's Equity
- c Debt service coverage ratio = Earning For debt service = Earning before Interest, dep, Tax and exceptional items/Debt service = Interest & lease payments + Principal Repayment
- d Return on equity ratio = Net Profit after Taxes - Preference Dividend/Average Shareholder's Equity
- e Trade Receivables Turnover ratio = Net Sales(Gross Sales - Sales return)/Average trade receivables
- f Trade Payables Turnover ratio = Net Expenses(Other expenses + Employee expenses)/Average trade payables
- g Net Capital turnover ratio = Net sales(Total Sales - Sales Return) /Working Capital (Current Assets -Current Liabilities)
- h Net Profit ratio = Net Profit /Net Sales (Total sales - Sales Return)
- i Return on Capital Employed = Earning before Interest, dep, Tax and exceptional items/Average Capital Employed (Tangible net worth + Total Debt + Deferred tax liability)

Note 47 : Previous year figures have been regrouped, re-arranged and re-classified wherever necessary to confirm to current year's classification.

As per our report of even date

For A P K J & Associates	For and on behalf of the Board of Directors of	
Chartered Accountants	PRL Agastya Private Limited	
ICAI Firm Registration No: 156299W		
Piyush Jain	Upma Goel	Sunit Madan
Partner	Director	Director
Membership No.: 184780	DIN : 00713974	DIN : 06441957
Place: Mumbai	Place: Mumbai	Place: Mumbai
Date: May 03, 2023	Date: May 03, 2023	Date: May 03, 2023

A K P J & ASSOCIATES F. R. No. 156299W MUMBAI CHARTERED ACCOUNTANTS

PRL Agastya Pvt. Ltd.